



Default Price-Quality Path Compliance Statement

Gas Distribution Services

Assessment Period: 01 October 2021 – 30 September 2022



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1. Summary

Powerco is required to annually report on compliance with its price and quality path

Powerco Limited's gas distribution business (Powerco) is subject to regulation under the Commerce Act 1986. The Commerce Commission (Commission) has set a default price-quality path (DPP) which applies to all non-exempt gas distribution businesses (GDBs) including Powerco.

The DPP requirements are set in the Gas Distribution Services Default Price-Quality Path Determination 2017¹ (the Determination). Each year Powerco must report on compliance with two aspects of the Determination:

- a) the price path (demonstrating that actual revenue is below allowed revenue), and
- b) the quality standards (time taken to respond to emergency calls).

Powerco must disclose an annual compliance statement (Statement) which includes information relevant to the assessment of its performance. The DPP is based on a regulatory period of 5 years, from October 2018 to September 2022. This 2022 assessment period is the fifth under the current default price-quality path.

Powerco is compliant with the price path and quality standards for the year ended September 2022

This Statement confirms that Powerco:

- complied with the price path and the quality path for this 2022 assessment period (1 October 2021 - 30 September 2022)
- not undertaken a restructure of prices during this assessment period.
- has not completed any amalgamations, mergers, transfers or major transactions in this assessment period.

Appendix D provides the detailed compliance requirements from the Determination and references to the relevant information included in this Statement.

Powerco published this statement on the 9th December 2022. A copy is available at Powerco's principal office (Powerco, Level 2, 84 Liardet Street New Plymouth. The Statement is published on Powerco's website (www.powerco.co.nz) and additional copies can be provided on request.

¹ https://comcom.govt.nz/_data/assets/pdf_file/0017/62252/2017-NZCC-15-Gas-Distribution-Services-DPP-Determination-2017-29-May-2017-.pdf

2. Assessment against the price path

In this section, Powerco demonstrates compliance with the price path requirements of section 8 of the Determination.

For presentation purposes, the tables set out in this section contain aggregates of the price and quantity information. While the dollar balances in all pricing tables are rounded to the nearest thousand dollars, the underlying compliance calculations apply to the whole number. More detailed information is contained in appendix A.

2.1 Summary of price path compliance information

Clause 8.3 of the Determination states that to demonstrate compliance with the price path,

the notional revenue (NR_t) of the GDB in an assessment period must not exceed the allowable notional revenue (ANR_t) for the assessment period.

As demonstrated by table 1, Powerco complies with the price path for the assessment period.

Table 1: Price path results for this assessment period

DPP requirement	NR _t ≤ ANR _t
Powerco's result (\$000)	53,532 ≤ 53,585
Compliance test	Complies

2.2 Allowable notional revenue and notional revenue

The first step is to calculate what should have been allowed for 2022: actual allowable revenue. The Determination defines actual allowable revenue as in table 2. The calculation of each component is explained in subsequent sections.

2.2.1 Calculating allowable notional revenue

Allowable notional revenue for the 2022 assessment period is calculated in accordance with equation 2 of schedule 4 of the Determination.

Table 2: Calculating Powerco’s allowable notional revenue (ANR)

$$ANR_{2022} = (\sum_i P_{i,2021} Q_{i,2020} - (K_{2021} + V_{2021}) + (ANR_{2021} - NR_{2021}))(1 + \Delta CPI_{2022})(1 - X)$$

Calculation components	Value	Total (\$000)
$P_{i,2021} Q_{i,2020}$ represents the allowable notional revenue, prior to any adjustments, for the assessment period ending September 2022. This is the sum of all products of the 2021 prices for each lines service and corresponding quantities for the year ending September 2020.		54,665
$(K_{2021} + V_{2021})$ is the sum of all pass-through and recoverable costs included in pricing in the prior assessment period.		(1,910)
$(ANR_{2021} - NR_{2021})$ represents the revenue differential adjustment, which is the difference between the allowable notional revenue and the notional revenue for the previous pricing period.		57
$(1 + \Delta CPI_{2022})$ is the change in the consumer price index (CPI) stipulated in the “all Groups Index SE9A” as published by Statistics New Zealand and calculated in accordance with schedule 4 of the Determination.	1.0146	
$(1 - X)$ where X is the rate of change as specified in Schedule 2 of the Determination. For the 2018 to 2022 regulatory period X is set to zero.	1	
ANR₂₀₂₂ is the total allowable notional revenue for the 2022 assessment period.		53,585

2.2.2 Calculating notional revenue

Notional revenue is the product of each price during any part of the assessment period multiplied by the relevant quantity for the assessment period ending two years prior. The formula to calculate notional revenue is specified in clause 8.4(a) of the Determination.

Table 3: Calculating Powerco’s notional revenue (NR)

$$NR_{2022} = (\sum_i P_{i,2022} Q_{i,2020} - (K_{2022} + V_{2022}))$$

Calculation components	Total (\$000)
<p>$P_{i,2022}Q_{i,2020}$ represents the notional revenue for the assessment period ending September 2022. This is the sum of all products of the 2022 prices for each lines service and corresponding quantities for the year ending September 2020.</p> <p>Refer to appendix A for detail.</p>	55,488
<p>$(K_{2022} + V_{2022})$ is the sum of all pass-through and recoverable costs included in pricing in the current assessment period.</p>	(1,956)
<p>NR₂₀₂₂ is the total notional revenue for the 2022 assessment period.</p>	<p>53,532</p>

2.3 Pass-through and recoverable costs

The Determination allows for the inclusion of pass-through and recoverable costs in pricing if they are known at the time prices are set and have not been previously recovered or will not be able to be recovered other than through prices. Pass-through and recoverable costs are defined in clauses 3.1.2 and 3.1.3 of the Gas Distribution Services Input Methodologies Determination 2012.

Pass-through costs include:

- Rates on system fixed assets
- Gas Act levies
- Commerce Act levies
- Electricity and Gas Complaints Commissioner Scheme (EGCC) levies
- Levies under the Commerce (Levy for Control of Natural Gas Services) Regulations 2005

Recoverable costs include:

- Claw back applied by the Commission
- Costs relating to a CPP application

Pass-through and recoverable costs included in pricing

Each year Powerco sets draft pricing around April and finalises it in July to take effect on 1 October. Pass-through and recoverable costs known at the point pricing is finalised may be included in pricing. Table 4 contains costs included in 2022 pricing.

Table 4: Pass-through and recoverable costs included in 2022 pricing

Pass-through and recoverable costs incurred	Total (\$000)
<u>Pass-through costs</u>	
Rates	1,352
Commission levies	334
Utilities Disputes levies	62
<u>Recoverable costs</u>	
Capex wash-up*	36
Pass-through and recoverable costs included in 2022 pricing	1,784

* The discount rate applied to the capex wash-up is 5.85% and is set by the Commission.

The formula to calculate the time value of pass-through costs is prescribed by equation 3 of schedule 5 of the Determination. The formula to calculate the capex wash-up adjustment is prescribed by the equation set in clause 3.1.3(1)(h) of the Gas Distribution Services Input Methodologies Determination 2012.

Table 5: Time value of money adjustment

Pricing period costs incurred	2020 (\$000)	2021 (\$000)	Total (\$000)
Amount of pass-through costs paid in the period	1,569	178	1,747
Amount of recoverable costs paid in the period	0	36	36
Total pass-through and recoverable costs paid in the period	1,569	214	1,784
Total pass-through and recoverable costs included in 2022 pricing adjusted for the time value of money*	1,722	234	1,956

* The discount rate applied to pass-through costs is 4.76% and set in the Determination.

2.4 Price restructuring

The Determination specifies that any restructure of prices is required to be disclosed. Powerco considers a restructure of prices means either:

- a) combining two or more consumer groups into one consumer group; or
- b) separating a consumer group into two or more new consumer groups; or
- c) adding a new consumer group.

Powerco has not restructured its pricing during this assessment period.

3. Assessment against the quality path

In this section Powerco demonstrates compliance with the quality standards in section 9 of the Determination.

3.1 Summary of quality path compliance information

Clause 9.1 of the Determination states that to demonstrate compliance with the quality standards,

a GDB's RTE (response time to emergencies) values for an assessment period must be such that:

- a) of the total of all RTE's, the percentage greater than 60 minutes does not exceed 20%; and**
- b) the RTE to any emergency does not exceed 180 minutes.**

As demonstrated by table 6, Powerco complies with the quality path for the assessment period.

Table 6: Quality path results for this assessment period

DPP requirement	RTE > 60 mins	RTE > 180 mins
Powerco's result	5%	0%
DPP standard	20%	0%
Compliance test	Complies	Complies

An emergency is defined under the Determination as meaning:

- a) an unplanned escape or ignition of gas that requires the active involvement² of any emergency service (e.g. fire service or ambulance);
- b) an unplanned disruption in the supply of gas that affects more than five installation control points; or
- c) an evacuation of a premises as the result of escape or ignition of gas.

The assessed results are calculated from a dataset that covers the period 1 October 2021 to 30 September 2022. The incident data and calculations for the response times to emergencies are included in appendix B.

Emergencies may be excluded from the dataset if the Commission has granted an exclusion in writing. Powerco confirms that for this assessment period it did not have any emergencies the Commission determined may be excluded from the RTE values, nor does Powerco have any excluding requests pending a decision by the Commission for the assessment period.

² Active involvement includes actions such as establishing safety cordons, the use of firefighting equipment or providing medical or first aid treatment.

3.2 Reliability policies and procedures

3.2.1 Recording emergency events

Each event affecting the gas distribution system reported to Powerco is recorded in Powerco's Outage Management System (OMS) by personnel in Powerco's Network Operations Centre (NOC). Data recorded includes:

- if the event is planned or unplanned;
- time of call;
- time of arrival of personnel onsite;
- if emergency services are involved;
- if premises are evacuated;
- if Powerco's assets are involved;
- number of connections affected; and
- event closure codes.

The process of collecting and reviewing data for the calculation of the RTE metric is illustrated in flow diagrams included in appendix C.

3.2.1.1 Initial recording and response

At the time of initial notification, all contributing factors may not be apparent. Examples include an accurate count of customers affected, the type of equipment that has failed, and confirmation that a gas leak has occurred.

Powerco initially classifies any notification received from an emergency service as an emergency event. This is independent of any further action that the emergency service may or may not take.

Following initial notification of an event the responding field operative will call NOC to confirm all relevant event data. It may not be until this point that a job meets the criteria to be classified as an emergency. Conversely, it may be the case that an emergency classification is changed if for example a reported smell of gas is not confirmed on site. Occasionally the site may be evacuated sometime after the initial call to NOC.

3.2.1.2 Post event paperwork

The field operative records event data on a datasheet (form 390F140). This acts as a further record of the event details. These datasheets are held by the service provider and provided to Powerco. The forms are checked against the original entries in OMS by the gas operations team. This check typically verifies the information initially recorded.

If required, OMS records are updated. Changing OMS records is restricted to designated users.

3.2.1.3 Regular emergency response checks and reporting

OMS data is imported daily to a data warehouse. RTE information is extracted from the data warehouse through a Business Objects reporting tool on a weekly and monthly basis for review. All records assessed as being an emergency are individually checked by the gas asset intelligence analyst.

The percentage of emergencies responded to within 60 minutes and within 180 minutes is calculated for the current month and on a cumulative assessment year basis. These figures are compared to Powerco's internal targets and reported to the gas management team monthly. The cumulative results are reported in the management report to the Board as required.

The time taken to respond to an emergency is calculated as being the difference between the time stamped entry of the initial call to NOC and OMS entry, and the time recorded by the field operative as the on-site time.

3.2.1.4 Preparation for disclosure

The Determination definition of an emergency is narrower than that used by Powerco for internal reporting. Therefore, the results from internal reporting are filtered to only select emergency events as defined in the Determination. For example, any events that are not associated with Powerco distribution assets or minor faults where no emergency response was required are removed as these do not fall within the Determination definition of emergency.

3.2.1.5 Escalation of exceptions

The gas asset intelligence analyst confirms Powerco remains compliant with the quality standard each week once the OMS checks have been completed. Any confirmed instance where the response time is greater than 180 minutes, or it is possible that more than 20% of emergencies have exceeded 60 minutes, must be reported immediately to all the following:

- Gas Asset Strategy Manager
- Gas Operations Manager
- General Manager Gas
- Head of Policy, Regulation, and Markets
- General Manager Customer

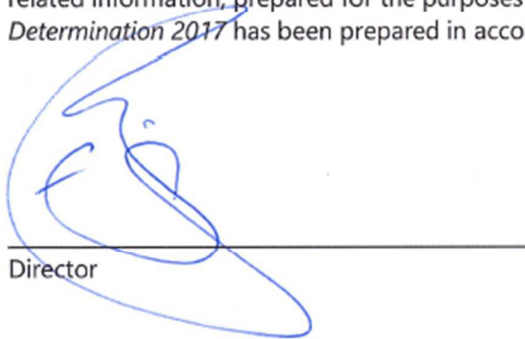
4. Major transactions

Powerco has not completed any amalgamations, mergers, transfers or major transactions in this assessment period.

5. Directors' certificate

**Director's Certificate for the Default Price-Quality Path Compliance Statement
For the period 1 October 2021 to 30 September 2022**

I, John Loughlin, being a director of Powerco certify that, having made all reasonable enquiry, to the best of my knowledge and belief, the attached compliance statement of Powerco, and related information, prepared for the purposes of the *Gas Distribution Services Default Price-Quality Path Determination 2017* has been prepared in accordance with all the relevant requirements.



Director

24 November 2022

Date

6. Auditor's report



INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF POWERCO LIMITED AND THE COMMERCE COMMISSION

Report on Powerco Limited's Annual Gas Compliance Statement

We have conducted a reasonable assurance engagement on whether the information disclosed by Powerco Limited ('the Company') on pages 3 to 12 and 16 to 24, Sections 1, 2, 3 and 4 and the related Appendices A to D of the Company's Annual Compliance Statement ('the Annual Compliance Statement') for the period 1 October 2021 to 30 September 2022 has been prepared, in all material respects, in accordance with the Gas Distribution Services Default Price-Quality Path Determination 2017 ('the Determination').

Opinion

In our opinion:

- as far as appears from our examination, the information used in the preparation of the Compliance Statement has been properly extracted from the Company's accounting and other records, sourced from its financial and non-financial systems; and
- the Company has complied, in all material respects, with the Determination in preparing its Annual Compliance Statement for the period 1 October 2021 to 30 September 2022.

Basis for Opinion

We conducted our engagement in accordance with the Standard on Assurance Engagements 3100 (Revised): Compliance Engagements ('SAE 3100 (Revised)') and the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): Assurance Engagements Other than Audits or Reviews of Historical Financial Information ('ISAE (NZ) 3000 (Revised)'), both issued by the New Zealand Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Board of Directors' Responsibility

The Board of Directors is responsible on behalf of the Company for the preparation of the Annual Compliance Statement in accordance with the Determination. This responsibility includes the design, implementation and maintenance of internal control relevant to the Company's compliance with the Determination.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) ('PES 1') issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Other than in our capacity as auditor and the provision of other assurance services including the audit of regulatory disclosure statements and project quality assurance, we have no relationship with or interests in the Company or any of its subsidiaries. These services have not impaired our independence as auditor.

The firm applies Professional and Ethical Standard 3 (Amended): Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements issued by the New Zealand Auditing and Assurance Standards Board, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express an opinion on whether as far as appears from an examination, the information used in the preparation of the Compliance Statement has been properly extracted from the Company's accounting and other

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records, sourced from its financial and non-financial systems; and whether the Company has complied, in all material respects, with the Determination in preparing its Annual Compliance Statement. SAE 3100 (Revised) requires that we plan and perform our procedures to obtain reasonable assurance that the Company has complied, in all material respects, with the Determination in preparing its Annual Compliance Statement.

An assurance engagement to report on the Company's compliance with the Determination involves performing procedures to obtain evidence about the compliance activity and the controls implemented to meet the requirements of the Determination. The procedures selected depend on our judgement, including the identification and assessment of risk of material non-compliance with the Determination whether due to fraud, error or non-compliance with the Determination.

In evaluating those risks, we consider internal control relevant to the Company's preparation of the Annual Compliance Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. A reasonable assurance engagement also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the Annual Compliance Statement.

In relation to the Price Path Compliance Information set out in Clause 8 of the Determination, our reasonable assurance engagement included an examination, on a test basis, of evidence relevant to the amounts and disclosures contained on pages 3 to 12 and 16 to 24 of the Annual Compliance Statement.

In relation to the Quality Path Compliance Information for the Assessment Period ended on 30 September 2022, our reasonable assurance engagement included an examination, on a test basis, of evidence relevant to the amounts and disclosures contained on pages 3 to 12 and 16 to 24 of the Annual Compliance Statement.

Our reasonable assurance engagement also included an assessment of the significant estimates and judgments, if any, made by the Company in the preparation of the Annual Compliance Statement and assessment of whether the basis of preparation has been adequately disclosed.

These procedures have been undertaken to form an opinion as to whether the Company has complied, in all material respects, with the Determination in preparing its Annual Compliance Statement for the period 1 October 2021 to 30 September 2022.

Inherent Limitations

Because of the inherent limitations of evidence gathering procedures, it is possible that fraud, error or non-compliance may occur and not be detected. As the procedures performed for this engagement are not performed continuously throughout the period 1 October 2021 to 30 September 2022 and the procedures performed in respect of the Company's compliance with Determination are undertaken on a test basis, our assurance engagement cannot be relied on to detect all instances where the Company may not have complied with the Determination. The opinion expressed in this report has been formed on the above basis.

Use of Report

This report is provided solely for your exclusive use and solely for the purpose of Clause 11.2(d) of the Determination. However we understand that a copy of this report has been requested by the Commerce Commission solely for the purpose above. We agree that a copy of our report may be provided to the Commerce Commission. This report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without our prior written consent. We accept or assume no duty, responsibility or liability to any party, other than you, in connection with the report or this engagement including without limitation, liability for negligence in relation to the opinion expressed in our report.

Deloitte Limited

Deloitte Limited
Auckland, New Zealand
24 November 2022

7. Appendices

The following list of appendices provides further information supporting this Statement.

Appendix reference	Information provided
A – Calculating notional revenue	The price and quantity information used in the calculation of notional revenue for the assessment period.
B – Response time to emergency incidents	The incident data and calculations for the response times to emergencies.
C – Recording the response time to emergencies statistics	Flowchart format the process described in section 3.2.
D – Compliance references	References the compliance requirements of the Determination and where they are evidenced in this Statement.

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Appendix A – Calculating notional revenue

This table summarizes the price and quantity information used to calculate notional revenue for the assessment period. Prices include pass-through and recoverable costs.

Notional Revenue									
		P2022 x Q2020		\$ 55,487,731					
Hawkes Bay	Load Group	Price t (2022)		Quantity t-2 (2020)		Fixed Revenue	Variable Revenue	Total Revenue (\$)	
		Fixed \$/day	Variable (\$/GJ)	Avg no of ICPs	Vol (GJ)				
	G06	2G06	\$0.0000	\$19.1595	1,037	13,527	\$0	\$259,172	\$259,172
	G11	2G11	\$0.6132	\$4.5950	4,104	128,468	\$917,230	\$590,311	\$1,507,541
	G12	2G12	\$1.5960	\$3.9403	197	45,938	\$114,785	\$181,011	\$295,795
	G14	2G14	\$4.3112	\$3.4523	90	64,107	\$141,656	\$221,317	\$362,972
	G16	2G16	\$5.7234	\$3.2609	64	127,136	\$133,553	\$414,576	\$548,129
	G18	2G18	\$9.9634	\$3.3030	7	26,189	\$25,436	\$86,502	\$111,938
	G30	2G30	\$22.3699	\$0.3387	4	12,336	\$32,750	\$4,178	\$36,927
	G40	2G40	\$65.0147	\$0.4333	24	1,590,765	\$502,559	\$689,219	\$1,191,777
Totals				5,527	2,008,466	1,867,968	2,446,285	4,314,252	
Manawatu	Load Group	Price t (2022)		Quantity t-2 (2020)		Fixed Revenue	Variable Revenue	Total Revenue (\$)	
		Fixed \$/day	Variable (\$/GJ)	Avg no of ICPs	Vol (GJ)				
	G06	3G06	\$0.0000	\$19.1595	5,186	66,397	\$0	\$1,272,139	\$1,272,139
	G11	3G11	\$0.6132	\$4.5950	14,910	449,584	\$3,335,997	\$2,065,836	\$5,401,833
	G12	3G12	\$1.5960	\$3.9403	322	87,322	\$187,413	\$344,078	\$531,491
	G14	3G14	\$4.3112	\$3.4523	92	70,133	\$144,520	\$242,120	\$386,640
	G16	3G16	\$5.7234	\$3.2609	62	138,088	\$129,876	\$450,289	\$580,165
	G18	3G18	\$9.9634	\$3.3030	11	39,620	\$39,629	\$130,866	\$170,495
	G30	3G30	\$27.6188	\$2.3589	11	111,705	\$80,868	\$263,497	\$344,365
	G40	3G40	\$30.4316	\$1.7769	25	648,688	\$256,173	\$1,152,667	\$1,408,840
Totals				20,619	1,611,537	4,174,476	5,921,492	10,095,968	
Wellington	Load Group	Price t (2022)		Quantity t-2 (2020)		Fixed Revenue	Variable Revenue	Total Revenue (\$)	
		Fixed \$/day	Variable (\$/GJ)	Avg no of ICPs	Vol (GJ)				
	G06	4G06	\$0.0000	\$20.9595	7,262	88,820	\$0	\$1,861,624	\$1,861,624
	G11	4G11	\$0.6208	\$5.2893	24,407	1,033,657	\$5,531,679	\$5,467,299	\$10,998,978
	G12	4G12	\$1.0535	\$5.6732	510	126,275	\$196,034	\$716,377	\$912,410
	G14	4G14	\$6.1537	\$5.6975	131	88,205	\$293,579	\$502,546	\$796,125
	G16	4G16	\$9.4980	\$4.9276	73	121,026	\$253,539	\$596,371	\$849,910
	G18	4G18	\$14.5967	\$4.7767	7	18,451	\$37,397	\$88,137	\$125,533
	G30	4G30	\$11.9722	\$2.0137	73	224,767	\$250,772	\$452,603	\$703,375
	G40	4G40	\$25.3387	\$0.6672	13	361,234	\$92,739	\$241,021	\$333,760
Totals				32,476	2,062,435	6,655,739	9,925,976	16,581,715	
Hutt Valley / Porirua	Load Group	Price t (2022)		Quantity t-2 (2020)		Fixed Revenue	Variable Revenue	Total Revenue (\$)	
		Fixed \$/day	Variable (\$/GJ)	Avg no of ICPs	Vol (GJ)				
	G06	5G06	\$0.0000	\$20.9595	6,418	86,078	\$0	\$1,804,160	\$1,804,160
	G11	5G11	\$0.6208	\$5.2893	24,987	900,971	\$5,663,005	\$4,765,474	\$10,428,479
	G12	5G12	\$1.0535	\$5.6732	604	111,061	\$232,302	\$630,065	\$862,367
	G14	5G14	\$6.1537	\$5.6975	145	107,985	\$325,237	\$615,245	\$940,482
	G16	5G16	\$9.4980	\$4.9276	46	119,349	\$159,666	\$588,109	\$747,775
	G18	5G18	\$14.5967	\$4.7767	13	31,620	\$69,451	\$151,037	\$220,488
	G30	5G30	\$10.4555	\$1.5105	23	79,611	\$66,011	\$120,252	\$186,262
	G40	5G40	\$39.8068	\$1.8690	18	277,122	\$148,141	\$517,949	\$666,090
Totals				32,254	1,713,797	6,663,814	9,192,290	15,856,104	
Taranaki	Load Group	Price t (2022)		Quantity t-2 (2020)		Fixed Revenue	Variable Revenue	Total Revenue (\$)	
		Fixed \$/day	Variable (\$/GJ)	Avg no of ICPs	Vol (GJ)				
	G06	6G06	\$0.0000	\$19.1595	5,729	71,140	\$0	\$1,363,008	\$1,363,008
	G11	6G11	\$0.6132	\$4.5950	13,834	428,887	\$3,095,805	\$1,970,735	\$5,066,541
	G12	6G12	\$1.5960	\$3.9403	222	62,521	\$129,401	\$246,354	\$375,754
	G14	6G14	\$4.3112	\$2.1984	113	110,118	\$178,044	\$242,082	\$420,125
	G16	6G16	\$5.7234	\$2.1428	34	64,263	\$71,122	\$137,701	\$208,824
	G18	6G18	\$9.9634	\$1.9498	12	35,301	\$43,502	\$68,828	\$112,330
	G30	6G30	\$8.6209	\$4.2407	7	15,842	\$12,621	\$67,183	\$79,804
	G40	6G40	\$93.1154	\$0.6471	19	565,241	\$647,524	\$365,781	\$1,013,305
Totals				19,970	1,353,314	4,178,019	4,461,672	8,639,691	

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Appendix B – RTE incident data

Total Events:	63
Active involvement of emergency services:	52
Evacuation Events:	7
Emergency & Evacuation:	5
Customers Affected>5:	10
# Responded to greater than 1Hr:	3
# Responded to exceeding 3Hr:	0
%Responded to greater than 1Hr:	5%
%Responded to exceeding 3Hr:	0%

Work Order ID	Active involvement of emergency services?	Premises Evacuated?	# Customers Affected	Time emergency is reported	On Site Time	Time from when emergency is reported to OnSite Time	1. Equipment	2. Reason	3. Action
JG21003664	TRUE	N	1	10/1/2021 12:07:12 PM	10/1/2021 1:08:00 PM	0:01:00:49	M - MP (MEDIUM PRESSURE)	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG21003669	FALSE	N	8	10/1/2021 8:43:55 PM	10/1/2021 9:37:00 PM	0:00:53:05	V - VALVE	N - NO GAS	R - RELIGHT
JG21003674	TRUE	N	1	10/2/2021 2:28:00 PM	10/2/2021 3:16:48 PM	0:00:48:49	S - SERVICE PIPE	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG21003700	TRUE	N	1	10/5/2021 11:38:16 AM	10/5/2021 11:40:00 AM	0:00:01:44	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG21003742	TRUE	N	1	10/10/2021 5:54:23 PM	10/10/2021 6:08:00 PM	0:00:13:38	S - SERVICE PIPE	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG21003748	TRUE	N	1	10/11/2021 11:43:07 AM	10/11/2021 11:50:00 AM	0:00:06:53	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG21003751	FALSE	Y	0	10/11/2021 12:32:46 PM	10/11/2021 1:00:00 PM	0:00:27:14	M - MP (MEDIUM PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG21003752	FALSE	N	7	10/11/2021 12:36:56 PM	10/11/2021 12:30:00 PM	0:00:00:00	M - MP (MEDIUM PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG21003767	FALSE	N	7	10/12/2021 12:37:43 PM	10/12/2021 1:10:00 PM	0:00:32:17	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR
JG21003814	TRUE	N	0	10/15/2021 12:06:02 PM	10/15/2021 12:19:00 PM	0:00:12:59	S - SERVICE PIPE	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG21003851	TRUE	N	0	10/19/2021 12:27:11 AM	10/19/2021 12:34:00 AM	0:00:06:50	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	C - CAP SERVICE
JG21003870	TRUE	N	0	10/20/2021 8:09:14 AM	10/20/2021 8:30:00 AM	0:00:20:47	M - MP (MEDIUM PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR
JG21003912	TRUE	N	0	10/23/2021 1:37:39 PM	10/23/2021 1:55:59 PM	0:00:18:20	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG21003939	TRUE	N	0	10/27/2021 9:26:08 AM	10/27/2021 9:36:49 AM	0:00:10:42	S - SERVICE PIPE	B - LEAK CLASS 2	E - EQUIPMENT REPLACE/REPAIR
JG21003998	TRUE	N	1	10/31/2021 12:20:09 PM	10/31/2021 12:29:00 PM	0:00:08:52	M - MP (MEDIUM PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR
JG21004069	TRUE	N	1	11/5/2021 8:51:31 AM	11/5/2021 9:10:00 AM	0:00:18:29	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG21004073	TRUE	N	1	11/5/2021 12:11:17 PM	11/5/2021 12:43:00 PM	0:00:31:44	S - SERVICE PIPE	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG21004080	TRUE	Y	1	11/6/2021 1:01:40 PM	11/6/2021 1:15:00 PM	0:00:13:20	M - MP (MEDIUM PRESSURE)	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG21004123	TRUE	N	1	11/10/2021 2:13:27 PM	11/10/2021 2:20:00 PM	0:00:06:33	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG21004169	FALSE	Y	0	11/15/2021 9:52:55 AM	11/15/2021 10:15:00 AM	0:00:22:05	M - MP (MEDIUM PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	X - DETERIORATION/AGE
JG21004187	TRUE	Y	2	11/16/2021 9:52:56 AM	11/16/2021 10:10:00 AM	0:00:17:05	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR
JG21004204	TRUE	N	5	11/17/2021 10:16:45 AM	11/17/2021 10:23:00 AM	0:00:06:16	M - MP (MEDIUM PRESSURE)	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG21004222	TRUE	N	1	11/18/2021 9:51:00 AM	11/18/2021 10:00:00 AM	0:00:09:00	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG21004330	TRUE	N	1	11/29/2021 2:51:53 PM	11/29/2021 3:10:00 PM	0:00:18:07	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG21004420	TRUE	N	1	12/8/2021 6:42:56 PM	12/8/2021 7:00:00 PM	0:00:17:05	S - SERVICE PIPE	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG21004452	TRUE	N	0	12/11/2021 12:15:34 PM	12/11/2021 12:40:00 PM	0:00:24:27	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE

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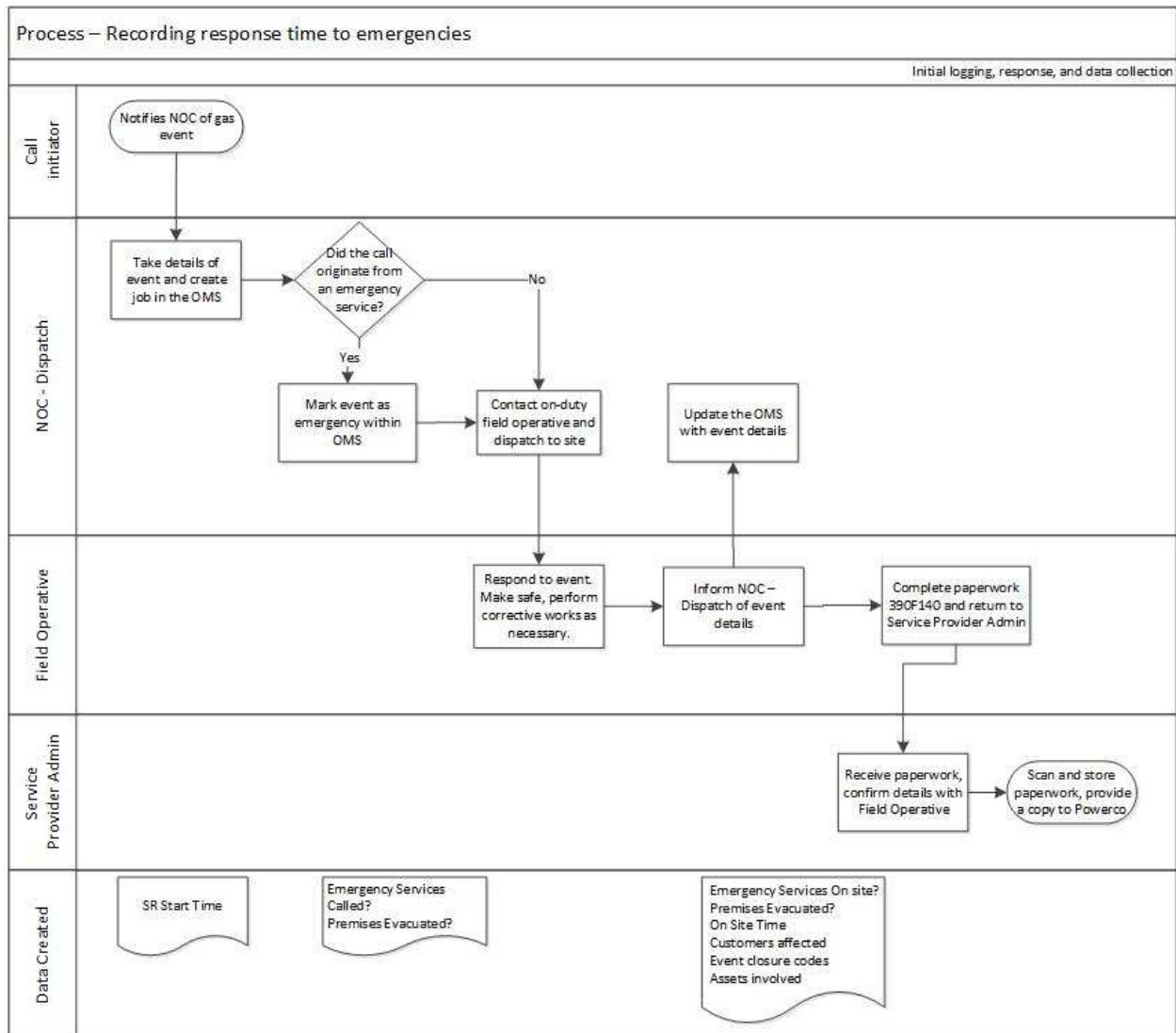


Work Order ID	Active involvement of emergency services?	Premises Evacuated?	# Customers Affected	Time emergency is reported	On Site Time	Time from when emergency is reported to OnSite Time	1.Equipment	2. Reason	3. Action
JG21004452	TRUE	N	0	12/11/2021 12:15:34 PM	12/11/2021 12:40:00 PM	0:00:24:27	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG21004465	TRUE	N	0	12/13/2021 10:54:26 AM	12/13/2021 11:40:00 AM	0:00:45:35	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22000080	TRUE	N	1	1/12/2022 1:22:49 PM	1/12/2022 1:58:00 PM	0:00:35:12	M - MP (MEDIUM PRESSURE)	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG22000157	TRUE	N	0	1/17/2022 9:10:36 PM	1/17/2022 9:32:58 PM	0:00:22:21	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	X - DETERIORATION/AGE
JG22000167	FALSE	N	8	1/18/2022 11:42:45 AM	1/18/2022 12:00:00 PM	0:00:17:15	L - LP (LOW PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22000216	TRUE	N	0	1/20/2022 7:31:48 PM	1/20/2022 7:40:00 PM	0:00:08:13	M - MP (MEDIUM PRESSURE)	S - NON-PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR
JG22000269	TRUE	N	0	1/25/2022 7:20:27 PM	1/25/2022 7:45:00 PM	0:00:24:34	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22000400	TRUE	N	0	2/6/2022 9:01:18 AM	2/6/2022 9:20:00 AM	0:00:18:43	M - MP (MEDIUM PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR
JG22000464	TRUE	N	0	2/11/2022 3:46:33 PM	2/11/2022 4:15:00 PM	0:00:28:28	M - MP (MEDIUM PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR
JG22000513	TRUE	N	0	2/15/2022 1:18:44 PM	2/15/2022 1:45:00 PM	0:00:26:17	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22000676	FALSE	N	7	2/26/2022 3:36:31 PM	2/26/2022 4:20:00 PM	0:00:43:29	M - MP (MEDIUM PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22000778	TRUE	N	1	3/5/2022 2:13:58 PM	3/5/2022 3:00:00 PM	0:00:46:03	M - MP (MEDIUM PRESSURE)	A - LEAK CLASS 1	E - EQUIPMENT REPLACE/REPAIR
JG22000889	FALSE	N	7	3/15/2022 9:53:30 AM	3/15/2022 7:30:00 AM	0:00:00:00	M - MP (MEDIUM PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR
JG22000936	TRUE	N	0	3/19/2022 11:42:42 AM	3/19/2022 12:01:00 PM	0:00:18:19	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22000949	TRUE	N	0	3/21/2022 10:44:47 AM	3/21/2022 11:10:00 AM	0:00:25:14	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22001156	TRUE	N	0	4/11/2022 2:33:59 PM	4/11/2022 3:25:02 PM	0:00:51:04	S - SERVICE PIPE	A - LEAK CLASS 1	E - EQUIPMENT REPLACE/REPAIR
JG22001242	TRUE	N	1	4/20/2022 5:15:56 PM	4/20/2022 5:40:00 PM	0:00:24:05	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22001262	TRUE	N	0	4/23/2022 3:47:34 AM	4/23/2022 3:55:00 AM	0:00:07:27	M - MP (MEDIUM PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	S - FOUND DURING LEAK SURVEY
JG22001270	TRUE	N	2	4/24/2022 10:54:12 AM	4/24/2022 11:20:00 AM	0:00:25:48	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22001324	TRUE	N	0	4/28/2022 1:48:43 PM	4/28/2022 2:54:00 PM	0:01:05:17	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22001356	TRUE	N	1	5/2/2022 10:10:11 AM	5/2/2022 10:34:00 AM	0:00:23:49	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22001362	TRUE	N	1	5/2/2022 2:26:21 PM	5/2/2022 2:45:00 PM	0:00:18:40	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22001498	FALSE	N	8	5/12/2022 10:44:35 AM	5/12/2022 11:20:00 AM	0:00:35:26	M - MP (MEDIUM PRESSURE)	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG22001599	TRUE	N	0	5/20/2022 6:57:52 AM	5/20/2022 7:25:00 AM	0:00:27:08	S - SERVICE PIPE	P - POOR PRESSURE	C - CAP SERVICE
JG22001627	TRUE	N	0	5/23/2022 9:26:04 AM	5/23/2022 9:55:00 AM	0:00:28:57	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22001654	TRUE	N	1	5/25/2022 9:48:06 AM	5/25/2022 10:03:00 AM	0:00:14:54	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22001810	TRUE	Y	0	6/8/2022 11:45:28 AM	6/8/2022 12:20:00 PM	0:00:34:33	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR
JG22001972	TRUE	N	1	6/24/2022 1:58:59 PM	6/24/2022 2:40:00 PM	0:00:41:01	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR
JG22001992	TRUE	N	0	6/27/2022 11:05:10 AM	6/27/2022 11:55:00 AM	0:00:49:50	M - MP (MEDIUM PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	X - DETERIORATION/AGE
JG22002028	TRUE	N	1	6/30/2022 10:29:47 AM	6/30/2022 10:40:00 AM	0:00:10:14	S - SERVICE PIPE	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG22002082	FALSE	N	11	7/5/2022 11:56:25 AM	7/5/2022 12:11:00 PM	0:00:14:35	M - MP (MEDIUM PRESSURE)	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG22002111	TRUE	N	1	7/6/2022 5:46:08 PM	7/6/2022 7:00:00 PM	0:01:13:53	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR
JG22002159	TRUE	N	1	7/11/2022 12:54:10 PM	7/11/2022 1:24:00 PM	0:00:29:51	S - SERVICE PIPE	A - LEAK CLASS 1	T - THIRD PARTY DAMAGE
JG22002413	TRUE	Y	0	8/2/2022 10:44:50 AM	8/2/2022 11:06:00 AM	0:00:21:10	V - VALVE	A - LEAK CLASS 1	E - EQUIPMENT REPLACE/REPAIR
JG22002500	TRUE	Y	10	8/8/2022 3:34:26 PM	8/8/2022 4:00:00 PM	0:00:25:34	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR
JG22002827	TRUE	N	0	9/7/2022 8:30:44 AM	9/7/2022 9:20:00 AM	0:00:49:17	M - MP (MEDIUM PRESSURE)	R - PUBLIC REPORTED ESCAPE/SMELL	D - DISCONNECT
JG22003038	TRUE	N	0	9/28/2022 5:23:16 PM	9/28/2022 5:50:00 PM	0:00:26:44	S - SERVICE PIPE	R - PUBLIC REPORTED ESCAPE/SMELL	T - THIRD PARTY DAMAGE
JG22003049	FALSE	N	6	9/29/2022 5:10:28 PM	9/29/2022 7:05:00 AM	0:00:00:00	S - SERVICE PIPE	S - NON-PUBLIC REPORTED ESCAPE/SMELL	E - EQUIPMENT REPLACE/REPAIR

Appendix C – Recording the response time to emergencies statistics

The process of collecting and reviewing data for the calculation of the response time to emergencies metric is in diagram 1 and diagram 2 below. Diagram 1 describes the process steps to collect interruption information and recording response time to emergencies. Diagram 2 describes the review process undertaken to ensure the information recorded is correct.

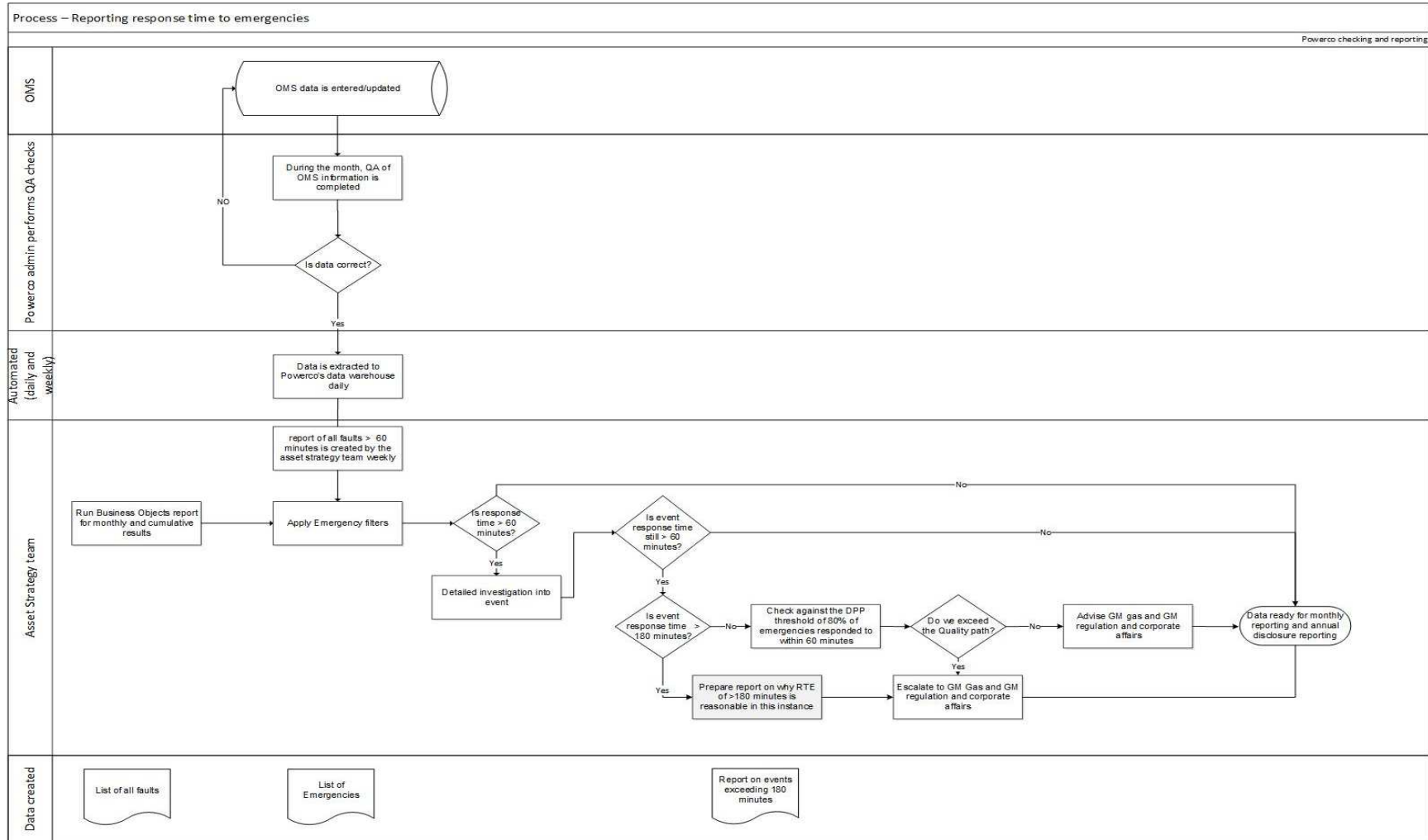
Diagram 1: Process - recording response time to emergencies



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Diagram 2: RTE reporting process



Appendix D – Compliance statement references

Determination clause	Determination requirement	Compliance statement section
Price path		
8.3	The NR of a GDB in an assessment period must not exceed the ANR for the assessment period.	2.1
Quality standards		
9.1	A GDB's RTE values must be such that: <ol style="list-style-type: none"> of the total of all RTE's, the percentage greater than 60 minutes does not exceed 20%; and the RTE to any emergency does not exceed 180 minutes. 	3.1
9.2 – 9.4	Except in instances where the Commission has determined in writing that the GDB has a reasonable excuse for not responding to an emergency within 180 minutes and can be treated as having complied with the quality standard for that emergency.	
Transactions		
10.1	If a GDB completes an amalgamation or merger during the assessment period with another GDB subject to a DPP, the ANR and NR, and the total number of emergencies of the combined GDB are summed.	4
10.2	If a GDB completes a transfer during an assessment period, the GDB must increase or decrease the ANR and NR for that assessment period as specified in schedule 6.	
10.3	A GDB must notify the Commission in writing within 30 working days of completing an amalgamation, merger, transfer or transaction.	
Compliance statements		
11.1	Every GDB must: <ol style="list-style-type: none"> provide to the Commission a written compliance statement within 50 working days following the end of each assessment period; make its compliance statement, the director's certificate and the assurance report publicly available 5 working days after providing it to the Commission; and provide to the Commission schedules reflecting prices and quantities disclosed in an electronic format with its annual compliance statement. 	N/a, actioned on completion
11.2	The compliance statement must: <ol style="list-style-type: none"> state whether the GDB has complied with the price path and the quality path for the assessment period, and whether there has been a restructure of prices during the assessment period; state the date the statement was prepared; include a certificate in the form set out in schedule 7 of the Determination, signed by at least one Director of the GDB; and 	1 1 5

	d) be accompanied by an assurance report meeting the requirements specified in schedule 8 of the Determination.	6
11.3	<p>The compliance statement must include any information reasonably necessary to demonstrate whether the GDB has complied with:</p> <p>a) the price path (including but not limited to):</p> <ul style="list-style-type: none"> i. the amount of ANR, the amount of NR, prices, quantities, units of measurement associated with all numeric data and other relevant data, information and calculations; ii. the amounts of pass-through costs and recoverable costs that were used to calculate ANR and NR, and supporting data, information and calculations used to determine those amounts, including when each pass-through cost and recoverable cost amount was paid and the period to which those costs relate; iii. if the GDB has not complied with the price path, the reason for non-compliance; and iv. if the GDB has not complied with the price path, actions taken to mitigate any non-compliance and to prevent similar non-compliance in future assessment periods. <p>b) The quality standards (including but not limited to):</p> <ul style="list-style-type: none"> i. relevant incident data and calculations; ii. a description of policies and procedures which the GDB has used for recording the RTE statistics for the assessment period; iii. a list of all emergencies where the Commission has determined that the GDB can be treated as having complied with the quality standard for that emergency, and any exclusion requests that are pending a decision by the Commission for the assessment period; iv. if the GDB has not complied with the quality standard, the reason for not meeting the quality standard; v. if the GDB has not complied with the quality standard, actions taken to mitigate any non-compliance and to prevent similar non-compliance in future assessment periods; and vi. where a quality standard has not been met, for each emergency which exceeded the RTE for the quality standard, a description of the emergency including the nature, cause and location; and the number of consumers affected by the emergency. 	<p>2.1, 2.2, app A</p> <p>2.3</p> <p>N/a</p> <p>N/a</p> <p>3.1, app B 3.2, app C</p> <p>3.1</p> <p>N/a</p> <p>N/a</p> <p>N/a</p>
11.4	<p>If a GDB has restructured its prices that first applied during the current or preceding assessment period:</p> <p>a) the compliance statement must state the nature of the restructure of prices and identify the consumer groups impacted by the restructure of prices; and</p> <p>b) if the GDB has derived quantities under clause 8.8 for the purposes of calculating NR and/or ANR the compliance statement must include:</p>	<p>2.4</p>

	<ul style="list-style-type: none"> i. the methodology used to derive the quantities in place of actual quantities that corresponds to each restructured price; ii. the derived quantities corresponding to each restructured price determined by the GDB for that assessment period, and the actual quantities; and iii. an explanation for any difference between the actual quantities and the derived quantities. 	
11.5	<p>If a GDB participates in an amalgamation, merger or transfer, the compliance statement for that assessment period must:</p> <ul style="list-style-type: none"> a) state whether the GDB has complied with clauses 10.3 – 10.5; b) include any information or calculations that are reasonably required to demonstrate compliance with clauses 10.3 – 10.5; and c) if the GDB has not complied with clauses 10.3 – 10.5 in any respects, identify how it has failed to comply and state the reasons for the non-compliance. 	<p>4</p> <p>4</p> <p>N/a</p>

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