



The Lines Company Limited Proposed Discount 2019 Rules

In 2019 The Lines Company Limited (TLC) is proposing to apply a discount of \$6,440,000 inclusive of GST, to TLC's delivery and metering charges (charges). This discount is to be applied as a credit on customers' December 2019 invoices.

The discount is based on the following criteria:

1. To be eligible for the discount, a customer must be a beneficiary of Waitomo Energy Services Customer Trust (WESCT). Please refer to Appendix A.
2. Discount applied to any customer account is capped at 5% of the total TLC Discount.
3. The discount is based on:
 - (a) Total TLC charges for the year from 1 October 2018 to 30 September 2019 (see Appendix B)
 - (b) TLC charges inclusive of GST and prompt payment discount
4. An account holder must be responsible for the charges of a minimum of one installation under this account as at 30 September 2019.
5. The discount will be refunded only to those who:
 - (a) were entitled to the discount and;
 - (b) no longer have any installations on our network and;
 - (c) have closed their account(s) with us and;
 - (d) to the value of the credit balance in the account.

All queries relating to the discount should be directed to:

The Customer Team
The Lines Company
PO Box 281 Te Kuiti 3941
0800 367 546
info@thelines.co.nz

Appendix A (extract from Waitomo Energy Services Customer Trust Deed 25 March 1993)

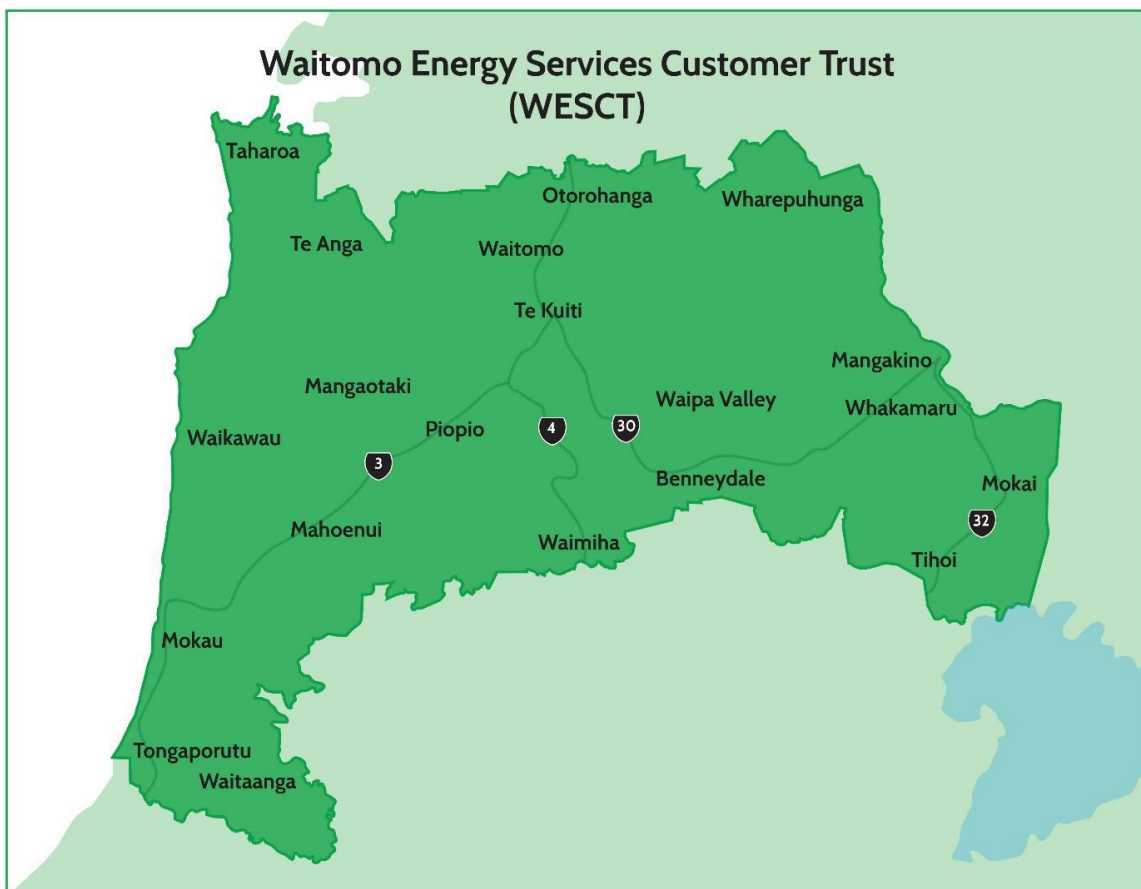
“Customer” means any person, who at any appropriate date designated from time to time by the Trustees:

is named in the records of the Company¹ as a person who owns or uses an electrical installation within the **District** (*as defined below*) which is connected to the Company’s distribution network and who is liable (whether alone or jointly with any other person) in terms of and under contract to the Company for the payment of any amount to the Company for the supply by the Company of electricity or line services to that person,

Unless any such person who qualified as a customer in accordance with this definition advises the Company or the Trustees irrevocably in writing that he, she or it does not wish to be a customer for the purposes of this deed.

“District” means the area over which the Board was authorised as at 31 March 1993 to supply electricity pursuant to the license granted to the Board under Section 20 of the Electricity Act 1968. Refer NZ Gazette Notice 6 May 1976 No. 49 page 1018 and any amendments thereto.

¹“Company” means or includes Waitomo Energy Services Limited and any successor company.



Appendix B

Calculation of Total TLC Charges

TLC charges includes all fixed and daily charges for network distribution costs charged to a TLC customers account inclusive of GST and prompt payment discount and after the New Pricing Transition Discount.

The calculation will include all charges included on the customers bill from 1 October 2018 to 30 September 2019 where the customer is located in the WESCT District.

The charges will include actual and estimated readings of network service charges, daily charge and metering costs for the calculation period.