



ENERGY AND NATURAL RESOURCES

Enemalta Corporation

# Proposed electricity retail tariffs

23 March 2009

ADVISORY

# Important information relating to this presentation

This presentation is addressed to Enemalta Corporation (the Corporation) and has been prepared in accordance with our terms of engagement dated 5 February 2009.

Our duties in relation to this report are owed solely to the Corporation and accordingly we do not accept any responsibility for loss occasioned to any third party acting or refraining from action as a result of this presentation. We understand that this document may be provided to third parties including the general public as part of a public consultation process. We have given our consent for this document to be copied or disclosed to such third parties on the basis that we do not owe such third parties any duty of care as a result of giving such consent.

We have indicated in this presentation the sources of information presented. We have not sought to establish the reliability of those sources.

The scope of our work was different from that for an audit and, consequently, we do not issue any opinion or any other certificate or confirmation relating to the financial statements, tax position or the internal control systems of Enemalta Corporation.

Our report makes reference to “KPMG analysis”; this indicates only that we have (where specified) undertaken certain analytical activities on the underlying data to arrive at the information presented; we do not accept responsibility for the underlying data.

In carrying out our work, we have relied on information obtained from parties not employed by us and this information has been assumed to be true and correct. We have for the most part based our work on information, including audited and unaudited financial information, relating to the Corporation. We do not accept responsibility for such information which remains the responsibility of the Corporation. We have not sought to establish the reliability of this information by reference to sources independent of the Corporation. Our reliance on and the use of this unaudited information should not be construed as an expression of our opinion on it. We do not accept any responsibility or liability for the impact on our analysis and conclusions of any inaccuracies in such information.

This presentation, including the underlying consumption and tariff simulation models, include certain statements and estimates with respect to the Corporation’s business. Such statements and estimates reflect various assumptions made by the Corporation which assumptions may or may not prove to be correct. No representation is made as to the accuracy of such statements and estimates.

In compiling this deliverable, we have relied on Enemalta Corporation’s estimates for 2009, based on the Corporation’s assumptions related to the nature and size of the intended level of operations. There will usually be variances between projected and actual results, because events and circumstances frequently do not occur as expected and these variances may be material.

We have asked the Corporation to review the factual information contained in this presentation and have obtained their confirmation on the veracity of this information and that no other essential information has been withheld from us.

The analysis set out in this presentation takes into account all the information known and made available to us up to the time of its preparation and is therefore current as at the presentation date, or such other date that may be specified.

# Terms of reference

## Requirements and limitations of scope

### ◆ We were asked to:

- assist Enemalta Corporation with this revision of electricity tariffs and document the decisions taken in connection with its proposal to the Malta Resources Authority (MRA) for the revision of electricity tariffs
- our advice was based on the audited financial statements up to 30 September 2007, more current management information, the Corporation's Estimates for 2009 as well as an updated profile of Residential (inclusive of Domestic) and Non-Residential customer accounts and their respective average consumptions generated by MITA from the WSC billing system and revised by the Corporation

# Underlying considerations

## Assumptions and sources of information

- ◆ **The assumptions underlying this analysis have been adopted by Enemalta Corporation on the basis of the principles submitted to the MRA**
- ◆ **The information and data set out in this document have been sourced as follows:**
  - financial and related information about Enemalta Corporation and its activities have been sourced from the Corporation
  - profiles of electricity accounts and consumption levels have been compiled by MITA on the basis of Water Services Corporation's meter readings and billing data, and provided to us by Enemalta Corporation
- ◆ **This presentation takes into consideration all information, data and statistics made available to us by close of business on Saturday 21 March 2009**

# Cost components

## Fuel cost and excise duties

- ◆ The Corporation has assumed the cost of fuel underlying the revised tariffs at €157.5 million based on a future generation of 2.165 million Mwh

Fuel Cost				
Month	Generated Mwh	Fuel Oil MT	Gas Oil MT	Total €
Estimated Jan/Feb 09	320,308	83,324	10,181	26,666,379
Projected Mar/Dec 09	1,844,637	476,038	66,677	130,865,812
<b>Total</b>	<b>2,164,945</b>	<b>559,362</b>	<b>76,858</b>	<b>157,532,191</b>

Source: Enemalta Corporation

- the total fuel cost is based on the estimated volume of different types of fuel requirements and the Corporation's projections of applicable prices for the period. This is equivalent to €163.16 million, but the Corporation has chosen not to burden the tariff cost base by the full amount.

- ◆ Excise duty for 2009 is due at €0.84 per Mwh generated

Fuel and excise duties	Costs underlying tariff introduced in December 2008				Costs underlying March 2009 proposal			
	Generation	Transmission & Distribution	Retail	Total	Generation	Transmission & Distribution	Retail	Total
	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000
Fuel costs	221,866	-	-	221,866	157,532	-	-	157,532
Excise duty	1,260	-	-	1,260	1,819	-	-	1,819
<b>Total other costs</b>	<b>223,126</b>	-	-	<b>223,126</b>	<b>159,351</b>	-	-	<b>159,351</b>

Source: Enemalta Corporation, KPMG analysis based on management data

# Cost components

## Other costs

- ◆ Other costs reflect the Estimates for 2009 as provided to us by Enemalta Corporation

Electricity - Other Costs				
	Generation	Transmission & distribution	Retail	Total
	€'000	€'000	€'000	€'000
<b>Other costs as at Audited Accounts 06/07</b>				
Wages & Salaries	18,482	10,598	382	<b>29,461</b>
Maintenance costs	7,606	1,701	3	<b>9,310</b>
Depreciation of property, plant and equipment	15,609	9,771	7	<b>25,387</b>
Other Expenses	4,174	2,831	3,986	<b>10,992</b>
Other operating income	(109)	(4,922)	(800)	<b>(5,831)</b>
<b>Total</b>	<b>45,761</b>	<b>19,980</b>	<b>3,578</b>	<b>69,319</b>
<b>Source:</b> Enemalta Corporation, Annual Report and Financial Statements 30 September 2007				
	€'000	€'000	€'000	€'000
<b>Other costs as per Estimates 2009</b>				
Wages & Salaries	18,125	11,315	407	<b>29,847</b>
Maintenance costs	7,200	1,517	3	<b>8,720</b>
Depreciation of property, plant and equipment	15,394	12,260	9	<b>27,663</b>
Other Expenses	3,490	3,067	4,319	<b>10,876</b>
Other operating income	(100)	(3,465)	(563)	<b>(4,128)</b>
<b>Total</b>	<b>44,109</b>	<b>24,694</b>	<b>4,174</b>	<b>72,978</b>
<b>Source:</b> Enemalta Corporation Estimates for 2009				

# Cost components

## Return on capital employed

- ◆ **In accordance with the underlying principles submitted to the MRA, the Return on Capital Employed (ROCE) is made up of two components:**
  - one component reflects the servicing of the Corporation's financing of past investments and its obligations up to the date of the last audited accounts
  - a second component is based upon the Corporation's current and future investment plans, and their consequent financing requirement
- ◆ **The first component (ROCE on past investments and obligations up to the date of the last audited accounts) is made up as follows:**
  - €14.132 million representing the Corporation's repayment of principal amounts falling due in 2009
  - €14.405 million representing the Corporation's repayment of financing charges falling due in 2009

**Source:** Enemalta Corporation

# Cost components

## Return on capital employed (continued)

- ◆ The second component (ROCE on current and future investment plans, and their consequent financing requirement) is based on the 5-year investment programme related to the IUBS project
  - on the basis of a 35 year lifespan, this second ROCE component in 2009 will be equivalent to €1.1 million
- ◆ The total return on capital employed, covering both historical capital expenditure and future investment is as follows:

Target return on capital employed	Costs underlying March 2009 proposal			
	Generation € 000	Transmission & Distribution € 000	Retail € 000	Total € 000
Target return on capital employed				
ROCE covering capital employed up to end-2007	10,619	12,375	5,544	28,537
ROCE covering investment plans	-	558	558	1,115
<b>Return on capital employed</b>	<b>10,619</b>	<b>12,933</b>	<b>6,101</b>	<b>29,653</b>

Source: Enemalta Corporation, KPMG analysis based on management data



# Cost components

## Other considerations

- ◆ A subvention of approximately €7.8 million will be received from Government during 2009. This also incorporates the cost of street lighting
- ◆ In accordance with the Principles underlying the formulation of this tariff, no deductions from target revenue will be made for operational inefficiencies since the Corporation does not deem these inefficiencies as being within its direct and discretionary control
- ◆ Technical and non-technical losses are estimated at the target level of 11%

# Cost components

## Cost structure / target revenue

	Costs underlying tariff introduced in December 2008				Costs underlying March 2009 revision			
	Generation	Transmission & Distribution	Retail	Total	Generation	Transmission & Distribution	Retail	Total
	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000
<b>Cost analysis:</b>								
Fuel costs and excise duties	223,126	-	-	223,126	159,351	-	-	<b>159,351</b>
Other costs	44,435	19,047	4,139	67,621	44,109	24,694	4,174	<b>72,978</b>
Fuel, excise and operating costs	267,561	19,047	4,139	290,747	203,460	24,694	4,174	<b>232,328</b>
Target return on capital employed	13,027	8,585	3,653	25,265	10,619	12,933	6,101	<b>29,653</b>
Cost of subvention, etc, and PSOs	(3,788)	(3,373)	(639)	(7,800)	(3,788)	(3,373)	(639)	<b>(7,800)</b>
Cost of inefficiencies (adjusted from 2004 data)	(2,317)	(739)	(6)	(3,062)	-	-	-	-
<b>Total target revenue to be recovered through tariff framework</b>	<b>274,482</b>	<b>23,520</b>	<b>7,147</b>	<b>305,149</b>	<b>210,290</b>	<b>34,254</b>	<b>9,636</b>	<b>254,181</b>
Electricity generated - Mwh	2,186,813			2,186,813	2,164,945			2,164,945
<b>Electricity generated and billed - Mwh</b>	<b>1,990,000</b>			<b>1,990,000</b>	<b>1,894,801</b>			<b>1,894,801</b>
<b>Sources of target revenue</b>								
Revenue from installations				2,963				2,963
Revenue from fixed charges				25,352				28,547
Revenue from variable charges				276,835				222,671
<b>Total target revenue to be recovered through tariff framework</b>				<b>305,149</b>				<b>254,181</b>
Average fuel and excise: € / kWh				0.112				0.083
Average target variable revenue: € /kWh				0.139				0.118

Source: Enemalta Corporation, KPMG analysis based on management data

- ◆ Data for costs underlying the tariff introduced in December 2008 have been reproduced above for comparative purposes
- ◆ Electricity generated and billed (MWh) for 2009 excludes the Corporation's estimate of 32 million units for Street Lighting
- ◆ The Corporation's estimate of the actual cost of fuel for the period October 2008 to March 2009 is €13.09 million lower than the cost of fuel as originally projected in the 3 November 2008 report
- ◆ For the same period, the Corporation is anticipating a reduction in revenue which is expected to be at least equivalent to the percentage decrease in electricity generated and the effect on targeted revenue resulting from the changes to the eco reduction mechanism adopted following the 3 November 2008 report

# Cost components

## Target revenue analysis

- ◆ Total target revenue has been apportioned to revenue sources, where Installation and Fixed revenue tariffs are maintained unchanged from the current tariff
- ◆ Installation target revenue is attributed to Residential, Domestic and Non-Residential accounts in proportion to the distribution of metered accounts
- ◆ Variable revenues are attributed to Residential, Domestic and Non-Residential accounts in proportion to the distribution of consumed electricity by these account groupings

Target revenue analysis				
	Installation revenue € 000	Fixed revenue € 000	Variable revenue € 000	Total € 000
Residential & Domestic accounts			78,789	
Non-residential accounts			143,882	
	<b>2,963</b>	<b>28,547</b>	<b>222,671</b>	<b>254,181</b>

**Source:** Enemalta Corporation, KPMG analysis based on management data

# **Electricity**

## **Proposed tariff**

# Electricity tariff

## Limitation to scope of changes

- ◆ **According to the Electricity Directive as well as LN 330 of 2008, charges for installations, transmission and distribution have to be accounted for and received separately from charges for generation. In this revision, we have been asked to:**
  - retain the fixed charges as set in the December 2008 tariffs in line with the Corporation's expectations that these charges would remain the same in most revisions, and are therefore not included in this proposal
- ◆ **Similarly, consumption tariffs are expected to vary from time to time according to the Corporation's cost base for the generation of electricity, and consequently, we have been asked to:**
  - adjust the "Consumption Tariff" to reflect Enemalta's cost base for generating electricity
  - retain the Residential Eco Reduction mechanism together with the underlying Eco Reduction discount rates and thresholds as set in the December 2008 tariffs

# Electricity tariff

## Limitation to scope of changes

- Introduce the new category of "Domestic accounts" so that there will now be three categories of accounts:
  - Residential accounts – at least one person is registered as living in the premises
  - Domestic accounts – formerly included under the Residential category and comprising garages, common parts of apartments and similar premises where no persons are registered as residing therein (NOP=0)
    - this category excludes those premises being used for commercial or social activities which have now been included under the Non-Residential category
    - a Domestic account becomes a Residential account as soon as a person is registered as resident in the premises provided that the same person is not registered anywhere else
    - we have been asked to retain the rates for this category as set in the December 2008 tariffs for Residential accounts with NOP=0

# Electricity tariff

## Limitation to scope of changes

- Non-Residential accounts – used for commercial (business, industry, offices) or social activities (clubs, churches, institutes)
  - for the first time, premises that are used for social activities such as churches and clubs together with institutions such as homes for the elderly, homes for persons with special needs, as well as not-for-profit schools and similar premises, are being classified as Non-Residential

# **Residential**

## **Consumption tariff**



# Electricity tariff – Residential

## Consumption tariff structure

December 2008	Bands	Cumulative consumption (kWh)	Consumption tariff inc. 5% VAT €	First tier 25% Eco reduction	Additional tier 15% Eco reduction	
	Band 1	2,000	16c1			
	Band 2	6,000	17c3			
	Band 3	10,000	18c9			
	Band 4	20,000	20c9			
	Band 5	> 20,000	23c2			

  

Proposed	Bands	Cumulative consumption (kWh)	Consumption tariff inc. 5% VAT €	First tier 25% Eco reduction	Additional tier 15% Eco reduction	Change in consumption tariff €/ %
	Band 1	2,000	11c9			-4c2 / -26.1%
	Band 2	6,000	13c4			-3c9 / -22.5%
	Band 3	10,000	15c2			-3c7 / -19.6%
	Band 4	20,000	20c9			-
	Band 5	> 20,000	23c2			-

# Electricity tariff – Residential

## Impact on consumption charges including eco-reduction where applicable (NOP=1)

Tariff proposal impact on consumption charges p.a. for Residential accounts, NOP = 1							
Consumption range	Average consumption	Number of accounts	Consumption charges		Change in consumption charges		
			December 2008 tariff	Proposed 2009 tariff	Proposed vs December 08		
			€	€	€	%	
=0	-	1,237	-	-	-	0.0	
>0 and <=600	294	2,432	35.47	26.22	(9)	-26.1	
>600 and <=1,000	805	2,600	97.18	71.83	(25)	-26.1	
>1,000 and <=2,000	1,494	7,082	180.36	133.31	(47)	-26.1	
>2,000 and <=3,000	2,448	4,379	399.46	298.00	(101)	-25.4	
>3,000 and <=4,000	3,436	1,981	570.43	430.43	(140)	-24.5	
>4,000 and <=5,000	4,440	877	744.20	565.02	(179)	-24.1	
>5,000 and <=6,000	5,433	436	915.99	698.08	(218)	-23.8	
>6,000 and <=8,000	6,819	368	1,168.77	898.47	(270)	-23.1	
>8,000 and <=10,000	8,885	137	1,559.25	1,212.51	(347)	-22.2	
>10,000 and <=12,000	10,769	53	1,930.68	1,542.68	(388)	-20.1	
>12,000 and <=16,000	13,671	67	2,537.32	2,149.32	(388)	-15.3	
>16,000 and <=20,000	17,824	36	3,405.12	3,017.12	(388)	-11.4	
>20,000	30,198	31	6,225.90	5,837.90	(388)	-6.2	
<b>Total</b>		<b>21,716</b>					
<b>Average</b>	<b>2,025</b>		<b>312.17</b>	<b>237.81</b>	<b>(74)</b>	<b>-23.8</b>	

**Note:** Consumption charges are exclusive of service charge

# Electricity tariff – Residential

## Impact on consumption charges including eco-reduction where applicable (NOP=2)

Tariff proposal impact on consumption charges p.a. for Residential accounts, NOP = 2						
Consumption range	Average consumption	Number of accounts	Consumption charges		Change in consumption charges	
			December 2008 tariff €	Proposed 2009 tariff €	Proposed vs December 08 € %	
=0	-	523	-	-	-	0.0
>0 and <=600	274	1,155	33.13	24.49	(9)	-26.1
>600 and <=1,000	816	1,275	98.57	72.85	(26)	-26.1
>1,000 and <=2,000	1,560	6,494	188.33	139.20	(49)	-26.1
>2,000 and <=3,000	2,501	8,817	315.18	235.57	(80)	-25.3
>3,000 and <=4,000	3,467	7,109	457.17	345.55	(112)	-24.4
>4,000 and <=5,000	4,453	4,072	746.38	566.71	(180)	-24.1
>5,000 and <=6,000	5,449	2,105	918.65	700.14	(219)	-23.8
>6,000 and <=8,000	6,807	1,603	1,166.61	896.73	(270)	-23.1
>8,000 and <=10,000	8,847	556	1,552.11	1,206.76	(345)	-22.2
>10,000 and <=12,000	10,880	215	1,953.83	1,565.83	(388)	-19.9
>12,000 and <=16,000	13,780	176	2,559.93	2,171.93	(388)	-15.2
>16,000 and <=20,000	17,407	64	3,318.02	2,930.02	(388)	-11.7
>20,000	28,675	72	5,872.69	5,484.69	(388)	-6.6
<b>Total</b>		<b>34,236</b>				
<b>Average</b>	<b>3,259</b>		<b>485.68</b>	<b>372.41</b>	<b>(113)</b>	<b>-23.3</b>

**Note:** Consumption charges are exclusive of service charge

# Electricity tariff – Residential

## Impact on consumption charges including eco-reduction where applicable (NOP=3)

Tariff proposal impact on consumption charges p.a. for Residential accounts, NOP = 3						
Consumption range	Average consumption	Number of accounts	Consumption charges		Change in consumption charges	
			December 2008 tariff €	Proposed 2009 tariff €	Proposed vs December 08 € %	
=0	-	195	-	-	-	0.0
>0 and <=600	289	307	34.90	25.80	(9)	-26.1
>600 and <=1,000	815	315	98.45	72.76	(26)	-26.1
>1,000 and <=2,000	1,587	2,097	191.61	141.62	(50)	-26.1
>2,000 and <=3,000	2,557	5,047	313.81	234.51	(79)	-25.3
>3,000 and <=4,000	3,506	7,085	445.72	336.68	(109)	-24.5
>4,000 and <=5,000	4,482	6,131	589.15	447.78	(141)	-24.0
>5,000 and <=6,000	5,454	4,035	919.47	700.78	(219)	-23.8
>6,000 and <=8,000	6,799	3,310	1,165.10	895.52	(270)	-23.1
>8,000 and <=10,000	8,807	1,073	1,544.54	1,200.68	(344)	-22.3
>10,000 and <=12,000	10,894	385	1,956.89	1,568.89	(388)	-19.8
>12,000 and <=16,000	13,543	282	2,510.39	2,122.39	(388)	-15.5
>16,000 and <=20,000	17,719	92	3,383.24	2,995.24	(388)	-11.5
>20,000	29,801	79	6,133.77	5,745.77	(388)	-6.3
<b>Total</b>		<b>30,433</b>				
<b>Average</b>	<b>4,431</b>		<b>666.33</b>	<b>514.38</b>	<b>(152)</b>	<b>-22.8</b>

**Note:** Consumption charges are exclusive of service charge

# Electricity tariff – Residential

## Impact on consumption charges including eco-reduction where applicable (NOP=4)

Tariff proposal impact on consumption charges p.a. for Residential accounts, NOP = 4						
Consumption range	Average consumption	Number of accounts	Consumption charges		Change in consumption charges	
			December 2008 tariff €	Proposed 2009 tariff €	Proposed vs December 08 € %	
=0	-	140	-	-	-	0.0
>0 and <=600	272	179	32.89	24.31	(9)	-26.1
>600 and <=1,000	816	120	98.50	72.81	(26)	-26.1
>1,000 and <=2,000	1,590	791	191.95	141.88	(50)	-26.1
>2,000 and <=3,000	2,576	2,488	316.20	236.36	(80)	-25.2
>3,000 and <=4,000	3,542	5,043	441.56	333.46	(108)	-24.5
>4,000 and <=5,000	4,504	6,421	575.07	436.87	(138)	-24.0
>5,000 and <=6,000	5,478	5,368	718.36	547.86	(170)	-23.7
>6,000 and <=8,000	6,820	5,638	926.84	713.25	(214)	-23.0
>8,000 and <=10,000	8,798	1,906	1,542.80	1,199.28	(344)	-22.3
>10,000 and <=12,000	10,848	735	1,947.24	1,559.24	(388)	-19.9
>12,000 and <=16,000	13,535	526	2,508.79	2,120.79	(388)	-15.5
>16,000 and <=20,000	17,780	180	3,396.08	3,008.08	(388)	-11.4
>20,000	29,763	155	6,125.03	5,737.03	(388)	-6.3
<b>Total</b>		<b>29,690</b>				
<b>Average</b>	<b>5,461</b>		<b>781.72</b>	<b>611.00</b>	<b>(171)</b>	<b>-21.8</b>

**Note:** Consumption charges are exclusive of service charge

# Electricity tariff – Residential

## Impact on consumption charges including eco-reduction where applicable (NOP=5)

Tariff proposal impact on consumption charges p.a. for Residential accounts, NOP = 5						
Consumption range	Average consumption	Number of accounts	Consumption charges		Change in consumption charges	
			December 2008 tariff	Proposed 2009 tariff	Proposed vs December 08	
			€	€	€	%
=0	-	43	-	-	-	0.0
>0 and <=600	284	44	34.24	25.30	(9)	-26.1
>600 and <=1,000	789	45	95.31	70.44	(25)	-26.1
>1,000 and <=2,000	1,565	250	188.91	139.63	(49)	-26.1
>2,000 and <=3,000	2,581	612	316.84	236.85	(80)	-25.2
>3,000 and <=4,000	3,542	1,275	441.61	333.50	(108)	-24.5
>4,000 and <=5,000	4,525	1,894	569.11	432.26	(137)	-24.0
>5,000 and <=6,000	5,491	1,898	702.91	535.89	(167)	-23.8
>6,000 and <=8,000	6,861	2,499	916.17	705.18	(211)	-23.0
>8,000 and <=10,000	8,823	963	1,547.53	1,203.08	(344)	-22.3
>10,000 and <=12,000	10,855	374	1,948.71	1,560.71	(388)	-19.9
>12,000 and <=16,000	13,613	306	2,525.05	2,137.05	(388)	-15.4
>16,000 and <=20,000	17,644	99	3,367.64	2,979.64	(388)	-11.5
>20,000	30,061	97	6,194.05	5,806.05	(388)	-6.3
<b>Total</b>		<b>10,399</b>				
<b>Average</b>	<b>6,160</b>		<b>907.54</b>	<b>717.55</b>	<b>(190)</b>	<b>-20.9</b>

**Note:** Consumption charges are exclusive of service charge

# Electricity tariff – Residential

## Impact on consumption charges including eco-reduction where applicable (NOP=6)

Tariff proposal impact on consumption charges p.a. for Residential accounts, NOP = 6						
Consumption range	Average consumption	Number of accounts	Consumption charges		Change in consumption charges	
			December 2008 tariff €	Proposed 2009 tariff €	Proposed vs December 08 € %	
=0	-	19	-	-	-	0.0
>0 and <=600	248	17	29.90	22.10	(8)	-26.1
>600 and <=1,000	809	12	97.69	72.20	(25)	-26.1
>1,000 and <=2,000	1,558	53	188.08	139.02	(49)	-26.1
>2,000 and <=3,000	2,583	148	317.08	237.04	(80)	-25.2
>3,000 and <=4,000	3,540	299	441.28	333.24	(108)	-24.5
>4,000 and <=5,000	4,515	428	567.86	431.28	(137)	-24.1
>5,000 and <=6,000	5,496	449	695.13	529.86	(165)	-23.8
>6,000 and <=8,000	6,895	741	904.28	696.13	(208)	-23.0
>8,000 and <=10,000	8,870	348	1,221.62	951.35	(270)	-22.1
>10,000 and <=12,000	10,840	150	1,945.53	1,557.53	(388)	-19.9
>12,000 and <=16,000	13,608	83	2,524.04	2,136.04	(388)	-15.4
>16,000 and <=20,000	17,805	34	3,401.33	3,013.33	(388)	-11.4
>20,000	28,589	34	5,852.71	5,464.71	(388)	-6.6
<b>Total</b>		<b>2,815</b>				
<b>Average</b>	<b>6,560</b>		<b>943.81</b>	<b>750.23</b>	<b>(194)</b>	<b>-20.5</b>

**Note:** Consumption charges are exclusive of service charge

# Electricity tariff – Residential

## Impact on consumption charges including eco-reduction where applicable (NOP >=7)

Tariff proposal impact on consumption charges p.a. for Residential accounts, NOP >= 7						
Consumption range	Average consumption	Number of accounts	Consumption charges		Change in consumption charges	
			December 2008 tariff €	Proposed 2009 tariff €	Proposed vs December 08 € %	
=0	-	7	-	-	-	0.0
>0 and <=600	299	8	36.07	26.66	(9)	-26.1
>600 and <=1,000	792	4	95.63	70.69	(25)	-26.1
>1,000 and <=2,000	1,500	16	181.06	133.83	(47)	-26.1
>2,000 and <=3,000	2,558	43	313.84	234.53	(79)	-25.3
>3,000 and <=4,000	3,547	91	442.19	333.95	(108)	-24.5
>4,000 and <=5,000	4,554	145	572.82	435.13	(138)	-24.0
>5,000 and <=6,000	5,528	146	699.29	533.09	(166)	-23.8
>6,000 and <=8,000	6,984	273	899.95	692.65	(207)	-23.0
>8,000 and <=10,000	8,841	137	1,197.98	932.33	(266)	-22.2
>10,000 and <=12,000	10,844	75	1,534.12	1,232.02	(302)	-19.7
>12,000 and <=16,000	13,386	36	2,477.74	2,089.74	(388)	-15.7
>16,000 and <=20,000	17,763	24	3,392.43	3,004.43	(388)	-11.4
>20,000	54,877	76	11,951.49	11,563.49	(388)	-3.2
<b>Total</b>		<b>1,081</b>				
<b>Average</b>	<b>10,120</b>		<b>1,707.92</b>	<b>1,498.08</b>	<b>(210)</b>	<b>-12.3</b>

**Note:** Consumption charges are exclusive of service charge



# **Domestic Consumption tariff**

# Electricity tariff – Domestic (NOP=0)

## Consumption tariff structure

<i>December 2008</i>	Bands	Cumulative consumption (kWh)	Consumption tariff inc. 5% VAT €
	Band 1	2,000	16c1
	Band 2	6,000	17c3
	Band 3	10,000	18c9
	Band 4	20,000	20c9
	Band 5	> 20,000	23c2

  

<i>Proposed</i>	Bands	Cumulative consumption (kWh)	Consumption tariff inc. 5% VAT €
	Band 1	2,000	16c1
	Band 2	6,000	17c3
	Band 3	10,000	18c9
	Band 4	20,000	20c9
	Band 5	> 20,000	23c2

# **Non-Residential Consumption tariff**

# Electricity tariff – Non-Residential (kWh)

## Consumption tariff structure

		December 2008 tariff		Proposed 2009 tariff	Changes in tariffs	
Consumption Bands	Cumulative Consumption	Normal Rate exc. VAT €	Reduced Rate exc. VAT €	Consumption tariff exc. VAT €	Normal Rate exc. VAT € / %	Reduced Rate exc. VAT € / %
Band 1	2,000	14c7	10c4	10c4	-4c3 / -29.3%	-
Band 2	6,000	15c5	11c2	11c2	-4c3 / -27.7%	-
Band 3	10,000	16c8	12c5	12c5	-4c3 / -25.6%	-
Band 4	20,000	18c3	14c0	14c0	-4c3 / -23.5%	-
Band 5	60,000	20c0	15c7	15c7	-4c3 / -21.5%	-
Band 6	100,000	18c5	14c2	14c2	-4c3 / -23.2%	-
Band 7	1,000,000	17c2	12c9	12c9	-4c3 / -25.0%	-
Band 8	5,000,000	16c0	11c7	11c2	-4c8 / -30.0%	-0c5 / -4.3%
Band 9	>5,000,000	13c4	9c1	8c6	-4c8 / -35.8%	-0c5 / -5.5%

# Electricity tariff – Non-Residential (kWh)

## Consumption tariff structure – Day/Night tariffs

- ◆ The ‘day’ rate is applicable between the hours 06:00 and 22:00, whereas the ‘night’ rate is applicable between the hours 22:00 and 06:00
- ◆ These time windows have remained unchanged
- ◆ The current spread for Day and Night rates is +€0.003 and -€0.003 respectively, for both the normal rate and reduced rate
- ◆ The revised spread for Day and Night rates is +€0.002 and -€0.005 respectively

# Electricity tariff – Non-Residential (kWh)

## Impact on consumption charges

Tariff proposal impact on consumption charges p.a. for Non-residential accounts, Normal rate (kWh)

Consumption range	Average consumption	Number of accounts	Consumption charges		Change in consumption charges	
			December 2008 tariff	Proposed 2009 tariff	Proposed vs December 2008	
			€	€	€	%
<=20,000	2,719	36,068	405.39	288.49	(117)	-28.8
>20,000 and <=40,000	28,124	2,228	5,040.71	3,831.40	(1,209)	-24.0
>40,000 and <=60,000	48,738	853	9,163.66	7,067.91	(2,096)	-22.9
>60,000 and <=80,000	68,827	435	13,048.95	10,089.40	(2,960)	-22.7
>80,000 and <=100,000	89,126	217	16,804.32	12,971.90	(3,832)	-22.8
>100,000 and <=200,000	137,776	444	25,313.47	19,389.11	(5,924)	-23.4
>200,000 and <=400,000	287,567	201	51,077.61	38,712.21	(12,365)	-24.2
>400,000 and <=600,000	483,049	76	84,700.42	63,929.32	(20,771)	-24.5
>600,000 and <=800,000	737,920	38	128,538.32	96,807.74	(31,731)	-24.7
>800,000 and <=1,000,000	1,265,928	16	216,164.55	160,399.99	(55,765)	-25.8
>1,000,000 and <=5,000,000	1,459,905	38	247,200.77	182,125.34	(65,075)	-26.3
>5,000,000 and <=10,000,000	6,869,192	2	1,064,087.73	739,366.51	(324,721)	-30.5
>10,000,000	39,768,000	1	5,472,528.00	3,568,664.00	(1,903,864)	-34.8
<b>Total</b>		<b>40,617</b>				
<b>Average</b>	<b>13,899</b>		<b>2,370.25</b>	<b>1,763.70</b>	<b>(607)</b>	<b>-25.6</b>

Note: Consumption charges are exclusive of service charge

# Electricity tariff – Non-Residential (kWh)

## Impact on consumption charges

Tariff proposal impact on consumption charges p.a. for Non-residential accounts, Reduced rate (kWh)

Consumption range	Average consumption	Number of accounts	Consumption charges		Change in consumption charges	
			December 2008 tariff	Proposed 2009 tariff	Proposed vs December 2008	
			€	€	€	%
<=20,000	3,037	306	324.12	324.12	-	-
>20,000 and <=40,000	27,889	28	3,794.61	3,794.61	-	-
>40,000 and <=60,000	50,385	14	7,326.51	7,326.51	-	-
>60,000 and <=80,000	70,653	15	10,348.78	10,348.78	-	-
>80,000 and <=100,000	88,063	5	12,821.00	12,821.00	-	-
>100,000 and <=200,000	143,267	32	20,097.41	20,097.41	-	-
>200,000 and <=400,000	296,010	22	39,801.34	39,801.34	-	-
>400,000 and <=600,000	465,530	22	61,669.42	61,669.42	-	-
>600,000 and <=800,000	661,334	14	86,928.07	86,928.07	-	-
>800,000 and <=1,000,000	1,441,936	5	182,322.56	180,112.88	(2,210)	-1.2
>1,000,000 and <=5,000,000	2,207,287	41	271,868.58	265,832.15	(6,036)	-2.2
>5,000,000 and <=10,000,000	6,598,900	8	744,115.90	716,121.40	(27,995)	-3.8
>10,000,000	40,758,300	4	3,852,621.30	3,653,829.80	(198,792)	-5.2
<b>Total</b>		<b>516</b>				
<b>Average</b>	<b>674,507</b>		<b>73,723.72</b>	<b>71,247.63</b>	<b>(2,476)</b>	<b>-3.4</b>

Note: Consumption charges are exclusive of service charge

# Electricity tariff – Non-Residential (kVah)

## Consumption tariff structure

		December 2008 tariff		Proposed 2009 tariff	Changes in tariffs	
Consumption Bands	Cumulative Consumption	Normal Rate exc. VAT €	Reduced Rate exc. VAT €	Consumption tariff exc. VAT €	Normal Rate exc. VAT € / %	Reduced Rate exc. VAT € / %
Band 1	2,000	13c5	9c6	9c6	-3c9 / -28.9%	-
Band 2	6,000	14c3	10c3	10c3	-4c0 / -28.0%	-
Band 3	10,000	15c5	11c5	11c5	-4c0 / -25.8%	-
Band 4	20,000	16c8	12c9	12c9	-3c9 / -23.2%	-
Band 5	60,000	18c4	14c4	14c4	-4c0 / 21.7%	-
Band 6	100,000	17c0	13c1	13c1	-3c9 / 22.9%	-
Band 7	1,000,000	15c8	11c9	11c9	-3c9 / 24.7%	-
Band 8	5,000,000	14c7	10c8	10c3	-4c4 / 29.9%	-0c5 / -4.85%
Band 9	>5,000,000	12c3	8c4	7c9	-4c4 / 35.8%	-0c5 / -6.33%



# Electricity tariff – Non-Residential (kVah)

## Consumption tariff structure – Day/Night tariffs

- ◆ The ‘day’ rate is applicable between the hours 06:00 and 22:00, whereas the ‘night’ rate is applicable between the hours 22:00 and 06:00
- ◆ These time windows have remained unchanged
- ◆ The current spread for Day and Night rates is +€0.003 and -€0.003 respectively, for both the normal rate and reduced rate
- ◆ The revised spread for Day and Night rates is +€0.002 and -€0.005 respectively

# Electricity tariff – Non-Residential (kVah)

## Impact on consumption charges

Tariff proposal impact on consumption charges p.a. for Non-residential accounts, Normal rate (kVah)

Consumption range	Average consumption	Number of accounts	Consumption charges		Change in consumption charges	
			December 2008 tariff	Proposed 2009 tariff	Proposed vs December 2008	
			€	€	€	%
<=20,000	-	-	-	-	-	-
>20,000 and <=40,000	34,215	1	5,757.56	4,400.96	(1,357)	-23.6
>40,000 and <=60,000	58,678	1	10,258.75	7,923.63	(2,335)	-22.8
>60,000 and <=80,000	66,172	4	11,551.16	8,922.47	(2,629)	-22.8
>80,000 and <=100,000	91,937	3	15,931.23	12,297.70	(3,634)	-22.8
>100,000 and <=200,000	145,233	15	24,448.84	18,736.74	(5,712)	-23.4
>200,000 and <=400,000	271,730	10	44,435.28	33,789.82	(10,645)	-24.0
>400,000 and <=600,000	510,292	17	82,128.16	62,178.77	(19,949)	-24.3
>600,000 and <=800,000	758,044	9	121,272.99	91,661.26	(29,612)	-24.4
>800,000 and <=1,000,000	868,103	5	138,662.21	104,758.21	(33,904)	-24.5
>1,000,000 and <=5,000,000	1,264,725	22	198,416.50	147,720.62	(50,696)	-25.6
>5,000,000 and <=10,000,000	6,869,192	2	977,412.62	680,120.17	(297,292)	-30.4
>10,000,000	11,676,650	1	1,568,729.95	1,059,909.35	(508,821)	-32.4
<b>Total</b>		<b>90</b>				
<b>Average</b>	<b>873,400</b>		<b>133,230.72</b>	<b>97,551.58</b>	<b>(35,679)</b>	<b>-26.8</b>

Note: Consumption charges are exclusive of service charge

# Electricity tariff – Non-Residential (kVah)

## Impact on consumption charges

Tariff proposal impact on consumption charges p.a. for Non-residential accounts, Reduced rate (kVah)

Consumption range	Average consumption	Number of accounts	Consumption charges		Change in consumption charges	
			December 2008 tariff	Proposed 2009 tariff	Proposed vs December 2008	
			€	€	€	%
<=20,000	-	-	-	-	-	-
>20,000 and <=40,000	28,113	2	3,522.20	3,522.20	-	-
>40,000 and <=60,000	-	-	-	-	-	-
>60,000 and <=80,000	-	-	-	-	-	-
>80,000 and <=100,000	-	-	-	-	-	-
>100,000 and <=200,000	186,842	1	23,688.20	23,688.20	-	-
>200,000 and <=400,000	320,268	4	39,565.83	39,565.83	-	-
>400,000 and <=600,000	482,359	9	58,854.67	58,854.67	-	-
>600,000 and <=800,000	740,689	7	89,596.04	89,596.04	-	-
>800,000 and <=1,000,000	929,045	4	112,010.38	112,010.38	-	-
>1,000,000 and <=5,000,000	2,127,402	45	242,213.43	236,576.42	(5,637)	-2.3
>5,000,000 and <=10,000,000	7,294,465	10	745,189.04	713,716.72	(31,472)	-4.2
>10,000,000	-	-	-	-	-	-
<b>Total</b>		<b>82</b>				
<b>Average</b>	<b>2,237,123</b>		<b>245,675.57</b>	<b>238,744.00</b>	<b>(6,932)</b>	<b>-2.8</b>

Note: Consumption charges are exclusive of service charge