



TRANSPOWER

Keeping the energy flowing

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27 September 2012

Alex Sim
Commerce Commission
44 The Terrace
PO Box 2351
Wellington 6140

Dear Alex

**Otahuhu Substation Diversity Project
Application for Increase of Major Capex Allowance**

Please find our Otahuhu Substation Diversity application for increase of Major Capex Allowance attached.

The Chief Executive's Certification of the amendment application is attached to this cover letter.

This is the first application for an amendment to Major Capex Allowance that we are submitting in accordance with the Transpower Capital Expenditure Input Methodology Determination, dated 31 January 2012 (the Capex IM).

It has been prepared in accordance with the Capex IM and we consider that it meets the requirements for the Commission to be able to approve the MCA amendment.

We look forward to your consideration of this application for amendment to MCA and will be happy to answer any questions the Commission may have.

Regards



John Clarke
General Manager, Grid Development
Enclosure

Chief Executive Certification

CHIEF EXECUTIVE OFFICER'S CERTIFICATION AS TO MAJOR CAPEX PROJECT AMENDMENT (OTAHUHU SUBSTATION DIVERSITY PROJECT APPLICATION FOR INCREASE IN MAJOR CAPEX ALLOWANCE)

*(Transpower Capital Expenditure Input Methodology Determination 2012 Part 9 Clause 9.3.1) (the **Capex IM**)*

I, Patrick Clifford Strange, Chief Executive Officer of Transpower New Zealand Limited (**Transpower**) hereby certify, in relation to all information provided in accordance with Schedule H to the Capex IM with respect to the Otahuhu Substation Diversity Project Application for Increase in Major Capex Allowance, that having made all reasonable enquiries, it is my belief that:

- (a) the information was derived from and accurately represents, in all material respects, the operations of Transpower; and
- (b) all parts of the major capex project to which the information relates have been approved in accordance with the applicable requirements of Transpower's director and management approval policies; and
- (c) the application for increase in major capex allowance complies, in all material respects, with the requirements of clause 7.4.2 of the Capex IM.

DATED: 26 September 2012



PATRICK CLIFFORD STRANGE