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Matthew Lewer
Manager, Regulation Development
Commerce Commission
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Dear Matthew

Submission on correction of definition of discount in IM Determination and Electricity Distribution Services Default Price-Quality Path Determination 2020

- 1.1 This letter is a submission from Top Energy Limited to the amendment to Electricity Distribution Services Input Methodologies Determination and Electricity Distribution Services Default Price-Quality Path Determination 2020 paper - Correction to definition of discount published on 27 February 2020
- 1.2 Top Energy agree with the problem definition outlined in section 3.2 and that the outcomes are undesirable as stated in Section 3.3. In particular, that it does not support the intent of the original IM Provision to distinguish between discretionary discounts and posted discounts
- 1.3 Top Energy support the proposed solution in 3.12 of amending clause 3.1.1(11)(c) to require that discounts apply **“when forecast revenue from prices is calculated”**, in place of when **“forecast net allowable revenue was determined”** and that the final decision is published before 31 March 2020. This aligns with our view that that the discount is applied when prices are set.
- 1.4 This submission is non-confidential and Top Energy is happy for it be published.



Russell Shaw
Chief Executive
Top Energy Group