

Here's the data requested, with a chart showing the issue of the widening of the spread in the lead up to and across the WACC observation period, when we know that we and others were active in the swap market hedging, and the return to the lower levels by the time that rush of activity had settled down a couple of months later.

This shows that the market knew the activity was coming, and was seeing the increased activity via the widening of the spread, and as the activity passed through the market, the spread returned to more normal levels.

Clearly there are many things impacting the markets across this time, but it is clear that the unusually large amount of activity related to just the few regulated entities hedging that last time around, had an impact on market pricing – as it should for a small market such as NZ.

Hope this assists the ComCom.

**Stuart Marshall - Powerco Treasurer**