What does the QSDEP monitor?
The QSDEP monitors tariffs publicly advertised in the retail electricity market on a particular date. This provides a handy indicator of how recent price increases are likely to impact on consumers. However, it does not reflect what customers have actually paid for electricity in any particular period, as the QSDEP only models one type of customer in each city or town, when in reality, consumption and pricing plans vary significantly across households.

For information on what households have actually paid for electricity over time, please see the Ministry’s sales based retail electricity prices. Sales based data reflects all discounts actually received by consumers, such as prompt payment discounts, lower fixed term prices, loyalty rewards, and acquisition and retention payments.

What are the key assumptions for the model QSDEP household?
The QSDEP attempts to model a typical New Zealand household. The model customer has the following key attributes in each of the towns and cities where prices are surveyed:

- They consume an average of around 22 kWh per day. This equates to an annual consumption of 8000 kWh.
- They choose the lowest publicly advertised retail plan available with each retailer without a fixed term contract. For a customer using 8000 kWh in a year, this is always a ‘low use’ plan with low fixed charges.
- They pay their bill on time and receive any available prompt payment discounts (including electronic or online only discounts).
- They solely use electricity for their water heating and have a ripple controlled electricity meter.
- They are on the most common, controlled, retail metering configuration in each town and city we monitor. The most common retail metering configurations are either:
  - All inclusive – customers are charged one rate for all electricity that is purchased accounting for the fact that usage for hot water is controlled.
  - Uncontrolled/Controlled – electricity use for water is metered separately from other usage and controlled. We assume 60% of household demand is uncontrolled and 40% is controlled.
  - Day/Night – electricity use is metered demanding on time of day, but hot water usage is still controlled. We assume 70% day and 30% night usage.

How are regional average retail prices calculated for the report?
For each retailer in each town or city, the Ministry calculates an average price based on the QSDEP model household based on data sourced from Consumer Powerswitch. This information is no longer published in the QSDEP report, as retailer specific price comparisons should be sourced directly from Consumer Powerswitch. See www.powerswitch.org.nz.

Market share information for individual lines pricing areas is obtained from the Electricity Authority’s Electricity Market Information (EMI) website. In the QSDEP report we use the EA latest report on “Market share trends by network reporting region”. This can be obtained at: www.emi.ea.govt.nz/Datasets/Retail/MarketStructure

This market share information is based on ICP data which includes residential consumers, as well as commercial and industrial consumers. Approximately 87% of ICPs are residential customers.

How does the QSDEP report break down the retail price into a ‘Lines Component’ and an ‘Energy and Others Costs’ component?
As part of the QSDEP we collect lines charge information separately for all electricity network companies through disclosures on their website. This information is used to calculate a ‘Lines Component’ of the total retail charge. The ‘Energy and Others Costs’ component is then calculated by subtracting the ‘Lines Component’ from the retail price (with the exception of ‘The Line Company TLC Limited’ which is the only lines company in New Zealand to directly bill residential consumers).

Where are metering charges included?
Metering charges are included in the ‘Energy and Others Costs’ component. For towns supplied by TLC Limited, the metering cost is still included under the ‘Energy and Others Costs’ even though it is usually billed by TLC Limited. This ensures consistent treatment of lines charges across line areas.

How is GST included?
The total retail charge in each town or city is inclusive of GST. The ‘Lines Component’ and ‘Energy and Others Costs’ components are also inclusive of GST. As a consequence the proportion of the total bill that is lines charges versus other charges is the same as it would be if GST were excluded from both parts.

What about lines company discounts and energy trust distributions?
The QSDEP report does not include any discounts or trust distributions which reflect consumer ownership in any of our retail or line price data series. This is the best way to consistently treat all lines company discounts and energy trust distributions equally in our consumer prices.

However the QSDEP does include footnotes which identify the most recent information we have on additional discounts made by lines companies and energy trusts (currently for the year ending 31 March 2018) for the model QSDEP customer.

Would you like further information?
Please see the more detailed document “Key Assumptions for the QSDEP”.

Important
Although every attempt has been made to ensure the information in the report is accurate, neither the Crown nor any Minister, employee or agent of the Crown:
- warrants the accuracy, completeness or usefulness for any particular purpose of the information contained in this publication in paper or electronic form; or
- accepts any liability for any loss or damage, however caused, from the reliance on or use of that information or arising from the absence of information or any particular information in this publication in paper or electronic form.
## Quarterly Survey of Domestic Electricity Prices

Nominal indicators on 15 February 2019

Modelling NZ Consumer - 22 kWh per day on cheapest low user tariff available without a fixed term contract. For further detail see the notes page.

* indicates an area where, due to GXP based billing, it is not possible to completely align lines charges with retail charges. Therefore the breakdown into components is an approximation.

### Analysis of Change in Last Quarter

<table>
<thead>
<tr>
<th>Location</th>
<th>Retail Lines</th>
<th>Retail Lines</th>
<th>Energy &amp; Other</th>
<th>Percentage Change</th>
<th>Absolute Price Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>C/kWh</td>
<td>C/kWh</td>
<td>C/kWh</td>
<td>%</td>
<td>C/kWh</td>
</tr>
</tbody>
</table>

### Notes on additional ownership based discounts and distributions for the year ending 31 March 2018

For the full report see our webpage

### North Island

- Kerikeri: Tui Energy
- Whangarei: Northpower
- Auckland North Shore: Vector (Northern)
- Auckland Central: Vector (Auckland)
- Pukekohe: Counties Power
- Tauranga: Powerco (Tauranga)
- Hamilton: WEL Networks
- Thames: Powerco (Thames Valley)
- Cambridge: Waipara Networks
- Whakatane: Horizon Energy (Urban)
- Rotorua: Unison (Rotorua)
- Taupo: Unison (Taupo)
- Gisborne: Eastord (High Density)
- New Plymouth: Powerco (Western A - Whakatane)
- Otorohanga: The Lines Company (Hawke's Bay - LV High Density)
- Taumarunui: The Lines Company (Hawke's Bay - LV High Density)
- Napier: Unison (Hawke's Bay)
- Hawera: Powerco (Eastern B - LA Taratahi)
- Waipukurau: Centralways
- Dannevirke: Scapower
- Masterton: Powerco (Eastern B - Wairarapa)
- Palmerston North: Powerco (Central - Manawatu)
- Paraparaumu: Unison (King Country Energy)
- Wellington City: Wellington Electricity Lines

### South Island

- Nelson: Nelson Energy
- Richmond: Network Tasman
- Blenheim: Marlborough Lines (Non-remote)
- Westport: Buller Electric
- Greytown: Wairarapa Power (Greytown)
- Rangiora: Wairarapa Power (Napier)
- Christchurch: Christchurch Electric NZ
- Ashburton: EA Networks
- Timaru: Alpine Energy (Low Cost Area)
- Oamaru: Line Trust South Canterbury
- Dunedin: Aurora Energy (Dunedin)
- Queenstown: Aurora Energy (Queenstown)
- Cromwell: Aurora Energy (Clyde/Cromwell)
- Balclutha: Unison (Balclutha)
- Winton: The Power Company (Winton)
- Invercargill: Electricity Invercargill

Notes:

- This discount is paid only to customers of King Country Energy serviced by the following GXPs: National Park, Ohakune, Ongarue, Tokaanu.