

Latest Information:

The Lines Company (TLC) Pricing Review: ToU (time-of-use) Trial

15 August 2017

Background

As part of TLC's Pricing Review, we are running a ToU trial. Here is the latest information. Please check back here for updates from time to time.

When is the trial?

The trial starts on 1 September 2017 and is likely to go through to 31 March 2018.

Who is going to be involved?

There are three groups of customers invited to participate. They total about 250 installations and include both ToU and legacy (traditional) meters. The invited groups are:

- Customers we recorded as attending or invited to one of our forums since October 2016;
- TLC employees (who are also customers); and
- A representative sample of primarily randomly selected customer types across the network.

Taking up the invitation and being part of the trial is voluntary. Those in the trial will receive a \$50 voucher to spend at a local business as an acknowledgement for their time and participation.

How is the trial going to work?

There are two options:

1. *Active*: people will pay their bill based on the ToU approach;
2. *Passive*: people will pay their TLC bill, but will also receive a mock invoice based on the ToU approach.

What does it mean if I choose the "active" option?

Choosing "active" means the period of your bill will change from the current to the previous month i.e. you will no longer pay in advance. You will receive your next invoice about 1 October 2017.

You will be credited back the difference at the end of the trial if your ToU bills end up being higher, in total, than your current bills *for the same periods*. You will pay no more for being in the trial than you would have otherwise.

Through the new ToU approach TLC is trialling, there is the opportunity for you to pay less and to keep this saving. You will still need to pay your bill on time to get any available prompt payment discount (PPD) – any PPD lost will not be credited back.

If your installation is eligible for any credits e.g. via WESCT, market rebate, etc., these will be applied based on the rules given to TLC, or rules established. Any calculations will be based on your current lines bill (**not the trial bill**).

What does it mean if I choose the "passive" option?

People will pay their normal bill, but also receive a mock invoice based on the ToU approach.

What are the trial ToU times and prices?

Every day of the week (including weekends and public holidays):

Times	Start	Finish
Peak	7:00 am	9:30 am
Shoulder	9:30 am	5:30 pm
Peak	5:30 pm	8:00 pm
Shoulder	8:00 pm	11:00 pm
Off Peak	11:00 pm	7:00 am

We expect to confirm trial prices shortly, and this is likely to be around 21 August 2017. It is expected that trial prices will broadly be in line with other distributors with Peak, Shoulder and Off Peak pricing.

What happens to load control?

We do not expect to alter load controlling throughout the trial.

Which option should I choose?

Your participation is voluntary, and the decision is yours. You may like to consider that we are moving from winter into spring and summer, how you have used energy in the past and that you will not pay more than your current pricing, for the periods involved.

What are the obligations of trial participants?

Aside from the topics outlined above, if you choose to join the trial, we will ask for your feedback and your experiences of it. This may be in the form of questionnaires, interviews, phone calls and home visits.

It is preferable that you have an email address so we can contact you.

What is the reason for the trial?

To help us understand the best ways to both manage and communicate what could be TLC's new pricing approach. It will help answer these questions:

- **How do we explain ToU to customers?** What material is needed to help you and other customers easily understand ToU pricing?
- **What information is meaningful to you?** This includes information on the format of the bill, newsletters and information on our website.
- **What is your experience with TLC?** How well do our people and processes support your questions about ToU pricing?
- **How well do our systems and processes support ToU pricing?** This includes our billing system, as well as testing and proving our data collection processes, for example, the half hour data that may come from your meter.
- **How will people change their behaviour to manage their TLC bill?** What information do we need to provide for you to manage your TLC charges under a ToU pricing structure?

Where can I find more information?

We will be putting up a series of Frequently Asked Questions (FAQs) on the TLC Pricing Review web page.

For other information, please email pricing@thelines.co.nz or phone 07 878 0661.

If I have been invited and decide I would like to join the trial, what do I do next?

If you would like to participate, please check the details on our website and send an email to pricing@thelines.co.nz with the following as the subject line by 28 August 2017:

I want to participate: Choose **Active** or **Passive** + Account: <INSERT ACCOUNT NUMBER>