

CONNECTION STANDARD

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172 CARNARVON ST. PO BOX 1048 GISBORNE

TELEPHONE: General Enquiries: (06) 867-0100

Faults: (06) 863-1188

FACSIMILE: (06) 867-8563

SAFETY

- Treat electricity with respect as contact with live conductors can cause severe shock or possibly death.
- Treat all electricity lines as live at all times. If there is any doubt contact Eastland Network Ltd.
- Ensure anyone working on or repairing electrical fittings know what they are doing and are qualified to carry out the work.
- Keep trees clear of powerlines. If trees are touching powerlines, please contact Eastland Network for advice on clearing the hazard.
- If you see anything that could be a hazard with the electricity supply, please notify Eastland Network as such action may prevent property damage or injury.

THIS DOCUMENT

WHERE AN ELECTRICITY RETAILER is invoicing you the Transmission and Distribution Charges, the shaded portions of this document do not apply to you.

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1.0 HOW THIS STANDARD RELATES TO YOU

In most circumstances the contract to supply electricity, including Transmission and Distribution Charges, is between You, the person responsible for the account at the premises, and the ELECTRICITY RETAILER supplying the energy to you.

Eastland Network Limited is the owner of the Distribution System including wires and equipment which transports the electrical energy from the National Grid to the Points of Connection of the end use Customer such as yourself.

Your Electricity Retailer holds a Use of System Agreement with Eastland Network Limited which sets out the terms and conditions for the Electricity Retailer's use of the Distribution System to convey electrical energy to you. The Use of System Agreement refers to the Connection Standards and requires the Electricity Retailer to include them as part of the terms and conditions of supply to yourself.

Where the Electricity Retailer is invoicing you for the Transmission and Distribution, the contractual arrangement is solely between yourself and the Electricity Retailer. You have no contractual arrangement with Eastland Network Limited.

In isolated cases, Eastland Network Limited may be invoicing you directly for Transmission and Distribution charges. This would be a variation on the standard practice and would need to be agreed as a form of charging between Eastland Network Limited, the Electricity Retailer, and yourself. Should this occur, this document forms the terms and conditions between yourself and Eastland Network Limited to allow connection to the network. The additional information/requirements for this option are shaded within this document.

2.0 ELECTRICITY RETAILER PROVIDING SUPPLY

You may not remain or be connected to the Distribution System unless you have entered into an agreement for the supply of electricity with an ELECTRICITY RETAILER.

The ELECTRICITY RETAILERS using the Distribution System are required to advise Eastland Network Limited of any change in the Customer's they are supplying.

In order to change the Electricity Retailer supplying electricity to you, Eastland Network Limited requires:

- a) the terminated Electricity Retailer to advise the date when supply will no longer be provided.
- b) the new Electricity Retailer to advise the date when supply will be commenced.
- c) the necessary metering equipment to be installed allowing supply to be provided.

Unless the terminating Retailer has provided the necessary notification to Eastland Network, this retailer, unless Eastland Network decides otherwise, shall remain your energy provider.

Contact Energy Limited is the Incumbent Electricity Retailer on the Distribution System and is the supplier of last resort. Where you take energy when not on Eastland Network Limited records as being supplied from another Electricity Retailer, the supply shall be deemed to have been provided by Contact Energy Limited.

Regardless of Contact Energy Limited being the supplier of last resort, Eastland Network may disconnect you at its discretion when no Electricity Retailer has acknowledged being your energy supplier.

3.0 TRANSMISSION AND DISTRIBUTION CHARGES

Unless agreed otherwise with Eastland Network, you will be invoiced for the use of the Transmission and Distribution Systems by the Electricity Retailer. Eastland Network will invoice the Electricity Retailer for the use of the Transmission and Distribution Systems to deliver your energy. As the Electricity Retailer, at their discretion, may repackage the charges the amount invoiced to you can differ from the amount Eastland Network has invoiced the Electricity Retailer.

Various components will make up your total electricity invoice from the Electricity Retailer including Energy, Transmission, and Distribution charges. Eastland Network as owner of the Distribution System only contributes to the Distribution charge component of the invoice.

Distribution charges have been set to allow Eastland Network to earn a fair and reasonable return on the assets employed on the Distribution System having regard to the Asset Management Plan and other work requirements.

3.1 Component of Charges

Charges are divided into fixed and variable components, and apply to each meter installation.

<u>Variable rates</u> are a charge for each kWh unit of electricity used. The more units used, the higher the cost.

<u>Fixed rates</u> are an annual charge reflecting some of the fixed costs incurred by Eastland Network. For convenience, these are billed as a daily fee. Fixed charges apply even if no electricity is used or supplied. Where charges are based on the kVA demand, this shall be determined by Eastland Network taking into account the transformer capacity, Power Factor, and the Anytime Maximum Demand in the previous 12 months.

<u>Location</u> – Charges vary with the substation location supplying the Customer's premises. The further away from Gisborne, the more expensive the electricity supply will be. This reflects the increased cost to supply Customers at the more remote parts of the region.

<u>Economy Rates</u> apply where Eastland Network can switch loads such as water heaters off for short intervals to avoid peak loads. Such action lowers the electricity cost to the whole region.

Eastland Network reports the methodology of calculating Transmission and Distribution charges as required by the Information Disclosure Regulations.

3.2 New Connection Charges

The charges apply to new connections and the inspection of premises disconnected for more than six months. Where a contribution is required towards the modification of the network to supply a new connection, Eastland Network will determine the cost after consultation with the Customer.

3.3 Other Charges

Other charges may apply in addition to the standard charges for electricity. These may include default reconnection; repairs carried out on lines or installations where the Customer has a maintenance responsibility; temporary disconnections; inspection services; tree cutting and meter checks to name a few. Where chargeable services are provided directly by a Contractor, the Contractor may invoice you directly. You may choose to use the services of the approved contractor of your choice.

3.4 Alteration and Notification of Charges

Eastland Network will not increase or decrease the Distribution Charges more than once in any 12 month period unless there has been some change in charges, levies, or taxes imposed by a regulatory authority which has been outside of Eastland Network's control. Where Transpower New Zealand costs for using the National Grid alter, Eastland Network may make a corresponding alteration to the Transmission Charges by giving the required notice.

Standard charges for Transmission and Distribution will be published in the Gisborne Herald and Wairoa Star. Thirty days notice shall be given of any price change.

Copies of the standard charges are available at Eastland Network's offices.

3.5 Performance Bonds and Guarantees

Where there is no previous payment history, or where a default in payment has occurred, Eastland Network may require prepayment of two months of Transmission and Distribution charges based on the usage of an average Customer in a similar situation. As an alternative, Eastland Network may accept a guarantee from a third party.

The performance bond will be held in a Trust account and will be used to settle any default in future payments, or will be returned after 12 months where a record of good payment has been established.

4.0 WHO IS RESPONSIBLE FOR WHAT

Various parties including yourself have responsibilities to repair and maintain parts of the Power System.

4.1 You are responsible for maintenance and repair of:-

- a) the fuse and powerline or cable from the Point of Connection to the switchboard where this line or cable connects to your premises.
- b) the switchboard, subboards, and fuseboards on the premises.
- c) all other wiring or equipment on the premises that is part of the electricity system except the equipment or wiring referred to as the Electricity Retailer's or Eastland Network's responsibility.
- d) maintenance of the electrical Power Factor on the premises to be greater than 0.95 lagging at all times.
- e) You should not operate or maintain any equipment that causes interference to the supply given to any other Customer or into the Eastland Network Distribution System. You are responsible for the cost to prevent such interference.
- f) In some instances, and particularly in rural areas, the distance between the Point of Connection and where the electricity is used can be long. In these cases, your responsibility includes the maintenance of high voltage and low voltage lines. You must ensure the level of maintenance and repair of the equipment listed above meets the requirements of the Electricity Regulations.

This diagram shows who is responsible for which part of the power system.

Under fault conditions, any repairs undertaken by Eastland Network on your line to restore power supply will be charged to you. Where practicable you will be advised of the likely cost prior to the repair being carried out.

4.2 Protection of Sensitive Equipment

Eastland Network shall not in any circumstances be liable to you for any damage or loss caused by any momentary fluctuation in the voltage or frequency of the electricity supplied.

Should you operate equipment, which requires continuous supply or a supply without fluctuations in voltage or frequency for any reason, you will need to install devices to ensure the continuous supply and/or a satisfactory supply of the required quality.

4.3 Trees

Trees are a major cause of faults in the power system. You are responsible, at your cost, to keep trees on your property away from powerlines. Each Customer's attention to this detail can result in less interruptions for everyone.

Do not cut trees that are touching or likely to touch powerlines. In these circumstances, please contact Eastland Network for advice – your safety is involved.

Eastland Network may issue you with a tree cutting notice and will provide information on suitable contractors to carry out the work. If within 30 days the trees have not been cut, Eastland Network may carry out the work and invoice you for the charges involved, and you are required to pay the charges invoiced on the due date.

4.4 Eastland Network is responsible for the maintenance and repair of:

- a) The Distribution System from the connection to the National Grid to the Points of Connection to Customers such as yourself.
- b) Any meters and load control relays provided by Eastland Network.
- c) Any transformer and associated switchgear provided by Eastland Network and located on your property.

Eastland Network will monitor its equipment using recognised industry practice to establish any maintenance and repair requirements. No person has the right to work on any aspect of the Distribution System without Eastland Network's approval. All equipment provided by Eastland Network on your property that has not been paid for by yourself remains the property of Eastland Network.

4.5 Electricity Retailers are responsible for the maintenance and repair of:

- a) All meters, metering equipment, and any other equipment provided by the Electricity Retailer in order to provide electricity to your premises.
- b) Providing your meter information to a reconciliation agent to determine the amount of electricity transported by each Electricity Retailer on the Distribution System.
- c) Providing your meter information to Eastland Network in order for your Transmission and Distribution charges to be calculated.

4.6 Streetlights

Streetlights in the city, rural towns, and major intersections are owned and operated by the Gisborne District Council, Wairoa District Council or Transit New Zealand.

If you have a concern over streetlighting, or wish to report a malfunction, please contact the appropriate authority.

5.0 NEW CONNECTIONS

An application for connection is required where:

- a premises previously connected to the Distribution System is reconnected
- an existing Customer transfers premises
- a new Customer requires connection
- premises have not been previously connected
- the Distribution System is required to be strengthened or modified to meet increased capacity requirements of an existing connection.

In each case, Eastland Network may need to check the capability of the Distribution System to provide supply. If extensions or alterations to the network are required in order to provide supply, you may have to contribute to the cost of this work.

You are required to provide the line or cable between the Point of Connection and the switchboard of the premises where there is no existing line or cable or where this is inadequate for the capacity of supply required.

Please contact Eastland Network as soon as you are aware you will require an electricity connection and state the location and date on which it is required. Eastland Network will use all reasonable endeavours to provide a connection on the requested date. In most circumstances, Eastland Network will be able to connect you on 21 days notice. In some circumstances (for example if modification of the network is required to provide supply) connection may not be possible within this time. If this is the case, Eastland Network shall notify you of the likely date for connection.

5.1 Subdivisions

Developers are required to meet the cost for the reticulation of the subdivision development and may have to contribute to the cost to modify the Distribution System to provide supply to the subdivision.

Providing the reticulation meets the Eastland Network standards for subdivision reticulation, Eastland Network may at its discretion take over the ownership of the reticulation and incorporate it as part of the Distribution System. In consideration of the change in ownership of the reticulation, an agreement shall be entered into between the developer and Eastland Network allowing for payment to the developer to be made as each new connection is made within the subdivision.

Details of the reticulation standards and the payment for the transfer of ownership of the reticulation can be obtained from Eastland Network.

5.2 Substations on Premises

If a new connection or an increase of capacity cannot be met from the adjacent Distribution System you will need to provide and maintain substation accommodation as required by Eastland Network. The substation equipment is generally the transformers, switchgear and other equipment necessary for providing supply.

Eastland Network shall be entitled to supply other customers from any substation and where this is the case may enter into an agreement with you to share the cost of providing and maintaining the substation accommodation.

5.3 Requirements for Connection

Eastland Network may set requirements on how a premises can be supplied. For example, in the rural area where the electrical capacity is not strong, a two phase supply may be required. Any particular requirement will be advised by Eastland Network at the time of application for a new connection.

5.4 Refusal to Connect

Eastland Network may refuse to connect where:

- a contribution to modify the Distribution System has not been paid, or
- a Customer has arrears owing from a previous connection, or
- the terminating Customer remains resident at the premises with arrears still owing, or
- required easements or consents have not been obtained, or
- an Electricity Retailer has not confirmed supply to the premises.
- the installation is non compliant with the Electricity Regulations or the requirements of this standard.

5.5 Electrical Inspections

Where premises have not been supplied with electricity for periods exceeding six months, an inspection is required to ensure that it is safe to reconnect. Eastland Network can advise where this inspection service can be obtained.

For premises not previously connected, a copy of the Certificate of Compliance for the electrical installation will be required prior to a connection being provided.

6.0 ELECTRICITY SUPPLY

Electricity will be supplied according to the specifications set out in the Electricity Act 1992. Voltage supplied will either be 11,000 Volt AC (line to line), where high voltage service mains are involved, or 230 Volt AC phase to neutral each with a tolerance level of plus and minus 6% at the point of connection to the network. Please note that 3 phase supply is not available in all parts of the Distribution System.

When supply to the Customer is by a high voltage line, Eastland Network will provide the transformer to convert from the high to low voltage. Ownership of the transformer and its maintenance shall remain with Eastland Network.

6.1 Power Factor

Eastland Network requires the power factor at each Point of Connection to be greater than 0.95 lagging. If a power factor problem arises, Eastland Network will notify you of the action that needs to be taken. You must ensure that action is taken. Details of equipment installation is available from Eastland Network. If within 30 days of the notice to you, the necessary action has not been taken, Eastland Network may either:

- a) raise your charges to reflect the low power factor situation; or
- b) take the necessary action to correct the low power factor and recover the cost of this from yourself. You shall pay any such costs on demand.

You are responsible for all costs to maintain the power factor above 0.95 lagging at your premises.

6.2 Motor Starting

To minimise interference with other customers, Eastland Network limits the size of motors which can be started direct on line to 3.75kW (5hp) on 3 phase supplies, and on single phase supply as follows:

Rural Area 0.75kW (1hp); Urban Domestic 1.5kW (2hp); Urban Commercial 2.2kW (3hp).

Where a customer is supplied using a separate transformer, Eastland Network may allow motors with a higher capacity to be started direct on line. Soft starters will generally be required to start higher horsepower motors.

6.3 Interference

You shall not operate or maintain any equipment that causes interference or damage to the supply given to any other Customer or the Eastland Network Distribution System. The cost to prevent such interference is the responsibility of yourself. Where Eastland Network has given a notice of such interference, and that interference is not eliminated within 30 days, Eastland Network reserves the right to:

- a) install the necessary equipment and invoice you for the cost, or alternatively;
- b) disconnect you until the cause of the interference is removed.

This is in addition to any remedies Eastland Network may have resulting from damage to, or interference with, supply to another Customer or to Eastland Network's Distribution System.

6.4 Controlled Load

In order to reduce the National Grid charges into the region, Eastland Network endeavours to minimise the peak demand on the Distribution System. For this reason, Eastland Network requires all storage water heaters to be connected as a Controlled Load. It is important for customers to select a water cylinder of a size appropriate for their needs. The maximum element size that can be connected to a controlled circuit is 3kW. Having control of the load allows a lower price to be offered. If the characteristic of your load prevents the ability of Eastland Network to control a minimum of 40% of the total load at your premises, then your charges may be altered to reflect the higher costs associated with supply to your load.

6.5 Interconnection

If you have more than one Point of Connection at your premises, no interconnection is to be made between those Points of Connection without the written approval of Eastland Network.

6.6 Constraint Levels

Where:

- a) the amount of Energy available is limited through situations such as low Hydro Lake levels, or
- b) capacity constraints are imposed by the National Grid, or
- c) capacity constraints exist on the Eastland Network Distribution System,

Eastland Network may notify you in writing a constraint on your KVA demand level or energy usage. Allocation of the available energy will be made at the discretion of Eastland Network and where practical on an equitable basis having regard for the needs of all Customers.

6.7 Powerline Signalling

Unless approved in writing by Eastland Network, the Distribution System shall not be used by any other person to transmit signals or for any communication purposes. Where your premises interferes with the load control signalling operated by Eastland Network, notice shall be given to you according to Section 6.3 Interference.

6.8 Generation Connection

No generation shall be connected to the Power System without the written approval of Eastland Network. Approval shall only be given when:

- a) Eastland Network is satisfied that the owner of the generator is party to the energy reconciliation methodology for injection and offtake from the Distribution System and National Grid as is currently being used.
- b) Metering equipment is fitted which meets Eastland Network's requirements and measures both the injection and offtake from the Distribution System.
- c) The generation plant meets where applicable the requirement of the National Grid Operator.
- d) Eastland Network is satisfied the generator presents no safety risk and will not interfere with the satisfactory operation of the Distribution System.

Eastland Network may require the generator to be disconnected in order for maintenance or upgrading to be carried out on the Distribution System.

7.0 INTERRUPTION TO SUPPLY

Eastland Network cannot guarantee continuous and uninterrupted electricity supply. Outages may occur due to faults or during storm conditions, or due to other factors beyond Eastland Network's control. Maintenance work also requires outages from time to time. Eastland Network shall use reasonable endeavours to provide a continuous supply of electricity, provided that it may interrupt the supply in the following circumstances:

- a) to avoid danger to persons and property.
- b) to undertake planned maintenance, alteration, tree cutting, or any addition to the Distribution System.
- c) in the case of emergency to preserve and protect the proper working of the Distribution System.
- d) to avoid interference with the conveyance of electricity through the Distribution System.
- e) to control interruptible loads such as water heating.
- f) where the available supply from, or the stability of, the National Grid is impaired.

If Eastland Network interrupts the supply in any of these circumstances, it shall resume supply as soon as it determines that it is practicable to do so. Eastland Network shall also have the right to determine the order of priority of any work on the Distribution System.

7.1 Notice of Interruption

Eastland Network will give a minimum of 48 hours notice of any planned interruption to supply (excluding load control). Such notice will be given in the Gisborne Herald newspaper and/or on ZGFM 98FM, and Ngati Porou as applicable. The time of the supply interruption may vary due to weather conditions. Any potential variations will be stated in the shutdown notice.

On occasions, interruption of supply may occur due to accident, fault, equipment failure, or emergency. In such cases, advance notice cannot be given.

7.2 Temporary Disconnection

You should contact Eastland Network for a temporary disconnection if you intend to work close to powerlines. A nominal charge applies for this service.

7.3 Faults

Faults on the network can be localised affecting one Customer, or widespread in the case of severe storms, or major equipment failure. You should contact Eastland Network if you have any information, which could assist in locating the cause of a fault.

Eastland Network will endeavour where practical to minimise any fault outages on the Distribution System. You should be aware that the cause of some faults are difficult to locate. This is particularly the case with rural faults occurring at night, and daylight may be required to locate the cause. With severe storm damage, it may take a longer time to restore supply due to the number of faults on the Distribution System.

8.0 METERS

Metering to measure the amount of electricity used at your premises will normally be provided by the Electricity Retailer supplying your electricity. Eastland Network has the right to use the readings from the meters to calculate your Distribution and Transmission Charges.

Eastland Network may fit check meters and/or load control equipment for interruptible loads such as water heating. No other person shall make use of the metering and load control equipment provided by Eastland Network without written consent.

8.1 Meter Accuracy

Electricity Retailers are required to install meters that meet the standards set by Eastland Network or by the party responsible for the National Reconciliation of Energy usage. The prime objective is to ensure the confidence in the accuracy of the meters used. Eastland Network's standards follow the principles outlined in the Electricity Supply Association's Metering Code of Practice, as at 1 April 1998.

If you are concerned that your meter is not functioning correctly, you should contact your Electricity Retailer. The procedures relating to a meter check should be covered in your contract with the Electricity Retailer.

Generally, if you request a meter check, the cost of this will be chargeable to you unless an error is found. In this case the cost of the check will be paid by the meter owner.

8.2 Your Responsibility

You are required to provide adequate space for the installation of the necessary metering equipment. Any modification required to your premises in order to install the metering equipment will be chargeable to yourself. Details on the metering requirements and the space necessary is available from Eastland Network. The Electricity Retailer may also have requirements for meter installation.

8.3 Meter Tampering

Instances of meter tampering will be treated seriously and may result in prosecution through the Courts.

Disconnection will occur if no satisfactory explanation for meter tampering is received within 24 hours of Eastland Network notifying you. Eastland Network will seek to recover all costs associated with meter tampering, including the cost of new meters, installation, unbilled Transmission and Distribution charges, and any other associated costs.

You will not be liable for electricity usage or any meter tampering associated with the previous occupant, except where you are, or should reasonably be, aware that the meter has been tampered with and do not notify Eastland Network or the Electricity Retailer as soon as is reasonably practicable.

8.4 Damaged, Malfunctioning, or Inaccurate Meters

If the metering equipment is not functioning, or it is established that it is inaccurate, then if the damage or inaccuracy is due to any action of yourself, you shall pay for any unbilled Transmission and Distribution Charges that Eastland Network reasonably determines was supplied to you calculated on the basis of:

- a) check meters; or
- b) recalibration or mathematical calculations where these are able to correct the inaccuracy, or
- c) if neither of the above are practicable, then on an estimation based on historical data of electricity supplied when the relevant meter was accurate.

After determining the cost of unbilled Transmission and Distribution charges according to one of the above methods, Eastland Network shall invoice the amount to be paid by you or the Electricity Retailer as the case may be.

You will not be required to pay for unbilled Transmission and Distribution charges where the damage or inaccuracy arose through a fault of Eastland Network.

If overpayment occurs because of metering error, all overpayments of Transmission and Distribution charges will be refunded. This will be backdated to the later of when the metering error occurred, the length of time the person was a Customer of Eastland Network, or 24 months.

9.0 ACCESS

In order to meet its obligations under this standard, Eastland Network shall have access during business hours, 8am to 5pm Monday to Saturday, to all Eastland Network's equipment including meters, relays, transformers, and disconnection points situated on your premises. If access is not possible to read meters for any reason, including the presence of dogs, Eastland Network will assess the electricity usage. A minimum of three actual meter readings need to be made in any 12 month period. Any meter reading carried out outside the normal reading cycle will incur a charge to you.

Where access remains an issue, suitable arrangements will need to be agreed with you. Eastland Network shall have the right to disconnect you where access to equipment has been an issue for a period exceeding three months.

Where you have provided a key to Eastland Network for access, Eastland Network shall keep the key in a secure area and identify you by the use of a code.

Where lines owned by Eastland Network for which Eastland Network is responsible for maintenance and repair cross your property, Eastland Network shall be entitled to enter onto your property to inspect, maintain, repair or otherwise carry out its responsibilities on reasonable notice to you (except that in the case of emergency Eastland Network is not required to give any notice).

10.0 DISCONNECTION

Eastland Network may disconnect you from the Distribution System for any of the following, where:

- a) you are not contracted to an Electricity Retailer for supply, or
- b) your Electricity Retailer has not paid Eastland Network for any Transmission and Distribution Charges due for supply to your premises, or
- c) you have not paid Eastland Network for any Transmission or Distribution charges due for supply to your premises, or
- d) the Electricity Retailer has instructed Eastland Network to disconnect you due to a breach of contract between yourself and the Electricity Retailer.
- e) the Electricity Retailer fails to meet its obligations to Eastland Network under the Use of System Agreement with the Electricity Retailer.
- f) you have not performed the obligations under this Connection Standard.
- g) your installation, line, or cable does not comply with the regulations issued under the Electricity Act 1992.

Eastland Network will provide 7 days written notice of disconnection unless:

- a) the Electricity Retailer has already provided this notice
- b) safety consideration requires immediate disconnection. In this instance you will be given written notice of the reason for disconnection.

11.0 WRITTEN NOTICES

Where this Standard requires written notice to be given to you, this shall be properly given if posted to your last known address and shall be deemed to have been received by you two working days after the date of posting.

12.0 INVOICES

Eastland Network will invoice you for any maintenance, repair, tree cutting, or other services it has carried out in relation to your responsibilities outlined in this Standard.

Where you are being invoiced directly by Eastland Network for Transmission and Distribution Charges, these will be forwarded on a monthly basis. When the charges are calculated from the meter readings supplied by the Electricity Retailer, the invoice to the Electricity Retailer shall be calculated at the end of a month based on the actual meter reading plus an estimation of electricity usage between the date of the meter reading or last invoice if no meter reading has been received from the Electricity Retailer, and the date of invoice.

Eastland Network shall not be obliged to read your meter as the Electricity Retailer is required to provide the reading under the Use of System Agreement. Should you require Eastland Network to read the meter, an additional meter reading charge shall apply.

The date payment is due is shown on the invoice and will generally be 14 days from the date the invoice was generated.

Eastland Network reserves the right to charge interest on any overdue amount at a rate of 10 percent per annum, or in the case of Electricity Retailers, as is detailed in the Use of System Agreement.

If there is any dispute over the invoiced amount, you should advise Eastland Network in writing prior to the payment date. You may withhold the disputed amount until the issue is resolved according to the Disputes Procedures in Section 13.0.

12.1 Payment Options

Different payment options are available and you should select the method that best suits your needs. The current options available are: payment by mail; counter payment in cash or by EFTPOS; telebanking; direct credit; and direct debit (Easy Pay system). Certain conditions may apply.

12.2 Non Payment

Where a customer is having difficulty paying an invoice, they are encouraged to contact Eastland Network to make arrangements for settling the account.

Eastland Network will not disconnect you for non-payment of a genuinely disputed invoice until the dispute has been considered by Eastland Network pursuant to the Disputes Resolution procedure.

Disconnection may occur for circumstances outlined in Section 10.0 DISCONNECTION. Disconnection will not occur if the non-payment relates to services other than for Transmission and Distribution charges. Non-payment in these circumstances will be pursued through the Courts.

You will be liable for any expenses incurred by Eastland Network in collecting overdue accounts whether or not an actual disconnection occurred. You will be charged a "reverse item fee" where a cheque or automatic payment is not cleared by your bank.

13.0 DISPUTES PROCEDURE

If you have a dispute with Eastland Network, you should write to Eastland Network:

- a) outlining the reasons for the dispute and the resolution sought, and
- b) where the dispute relates to an invoice, the notification should be done prior to the payment date shown on the invoice.

Eastland Network will not disconnect supply to you nor pursue debt collection where the amount owing is subject to a genuinely disputed invoice.

Eastland Network will respond to your notice of dispute within five working days. Where time is required to gather more information, the reply may advise when a response to you can be expected.

On receiving the response, you must advise Eastland Network within five working days if the dispute still exists. If no reply is received from you within this period, it shall be deemed that the dispute has been resolved.

If the dispute has not been resolved, Eastland Network will institute the following process:

- a) Arrange to meet with you to attempt to resolve the dispute. If you are still not satisfied with the outcome, then:-
- b) The Gisborne Law Society will be asked to appoint an independent mediator to hear the dispute. This independent mediator may reserve the right not to hear complaints considered frivolous or vexatious. The ruling of the mediator is not binding unless agreed by both Eastland Network and yourself, or
- c) Where the dispute involves amounts greater than \$15,000, or where the dispute is unresolved by mediation, you or Eastland Network may refer the dispute to the Disputes Tribunal or Court.
- d) Following any dispute resolution, any amounts to be paid relating to the dispute by either Eastland Network or yourself shall be paid within 14 days.

Eastland Network will endeavour to resolve disputes within 30 days if possible.

14.0 CUSTOMER INFORMATION

In order to perform to the requirements of this standard, Eastland Network requires personal information about you in order to check your credit worthiness. It is important that you ensure this information is correct, as is any other personal information required. You also need to advise when any of this information changes.

The information provided to Eastland Network is strictly confidential and will be kept secure. The details of the information held on you is freely available to you on request and on proving identity. Pursuant to the Privacy Act 1993 you have the right to request that incorrect personal information held about you is corrected.

The information collected by Eastland Network about any individual will be used only for the purposes of distributing electricity and associated purposes in accordance with the terms of this Standard. Personal information will not be given to any third party except where:

- you authorise Eastland Network to do so, or
- Eastland Network is legally obliged to do so.

Eastland Network will advise you if Eastland Network needs to:

- carry out a reference check, or
- advise any credit agency to assist the recovery of money that you owe Eastland Network.

15.0 LIABILITY

Unless Eastland Network is invoicing you directly for Transmission and Distribution charges, Eastland Network shall not be liable for any loss or damage irrespective of being direct or consequential. The extent of Eastland Network's liability is contained within the Use of System Agreement between the Electricity Retailer and Eastland Network. Should you have any claim relating to your electricity supply or associated activities, the issue shall be resolved directly with the Electricity Retailer.

Where Eastland Network is invoicing you directly for Transmission and Distribution Charges or has performed other services, you or Eastland Network will not be liable to the other for any loss or damage, including any actual damage to property, unless it arises due to:

- a) a negligent act or omission of Eastland Network or you, or a person for whom you are responsible for, or
- b) a failure to comply with the terms of this Standard

and that loss or damage is:

- a) reasonably foreseeable and is directly caused by the failure, negligence or omission; and
- b) not caused by an event or circumstances beyond Eastland Network's or your control.]

An event or circumstances beyond a party's control include acts of God, war, earthquakes, floods, drought, fires, lightening, storms, industrial dispute, and other similar events but does not include a lack of financial means.

Except in cases of supplies to which the Consumer Guarantee Act 1993 applies, Eastland Network nor the Customer shall in any event have a liability of any kind to the other exceeding \$10,000 in value, nor be liable for any indirect or consequential loss or damage of any kind, whether or not the damage was caused by the failure, neglect, act, or omission of Eastland Network or yourself. Any limitation of liability does not affect any unpaid invoices for services rendered.

Any liability on you or Eastland Network must be handled directly or by the Electricity Retailer as a consequence of the Use of System Agreement between Eastland Network and the Electricity Retailer. Multiple liability claims on any particular event is disallowed.

16.0 TERMINATION OF STANDARD

You may terminate this standard by giving 7 days notice to Eastland Network. A final invoice for Transmission and Distribution charges will be issued and forwarded to your forwarding address. Where a performance bond exists any amount exceeding the invoice will be refunded to you. The premises shall be disconnected. You should advise the Electricity Retailer of your intention to discontinue supply.

Eastland Network may terminate this standard in the event that default has occurred and has remained unremedied, by giving 24 hours notice in writing to you. All charges due up to the termination of the standard remain payable. On expiry of the notice, Eastland Network shall disconnect the premises and advise the Electricity Retailer (if any) of this action.

Where a premises is disconnected from the Distribution System for a period exceeding three months, Eastland Network may remove the portion of the Distribution System providing supply to the premises. Future connection may require a capital contribution from you as outlined in Section 5.0 NEW CONNECTIONS.

17.0 ASSIGNMENT

This Standard cannot be assigned by you without the written agreement of Eastland Network.

18.0 CHANGES TO THE STANDARD

Any changes to this Standard (other than charges) will be published in the Gisborne Herald newspaper. Copies can be obtained from your Electricity Retailer or from Eastland Network. A 60 day notice period shall apply. Eastland Network shall consider any comments received within 30 days from notification but shall have sole right to decide whether to modify and republish the changes to the Standard.

19.0 TERMINOLOGY

- "Electricity Retailer" means the company contracting to supply you electrical energy. You are likely to be invoiced by the Electricity Retailer for Energy, Transmission and Distribution.
- "<u>Transmission Charges</u>" relate to your use of the National Grid. The overall National Grid cost into the region is allocated across all customers on the basis of a fixed charge and on the amount of electricity used.
- "<u>Distribution Charges</u>" relate to your use of the Eastland Network Distribution System. The overall system cost is allocated across all customers on the basis of a fixed charge and on the amount of electricity used.
- "<u>Power Factor</u>" is a measure on how efficiently you are using the Distribution System. A Power Factor of 1.0 is the most efficient. It is the ratio of Active to Reactive power. Low Power Factor requires more Distribution Assets to provide supply.
- "<u>Point of Connection</u>" means the point at which fittings are used or intended to be used solely for the purpose of supplying electricity to you are connected to the Distribution System or such other point on the electrical installation as may be stipulated by Eastland Network to you. Generally you have maintenance and repair responsibilities for poles with green tags attached.
- "<u>Powerline Signalling</u>" means use of the Distribution System for the conveyance of information or control signals from one position to another. For example, the ripple injection system used to control Water Heating.
- "<u>Use of System Agreement</u>" means the agreement between the Electricity Retailer and Eastland Network that allows the Electricity Retailer to use the Distribution System to delivery electricity to you.
- "Incumbent Electricity Retailer" means the Electricity Retailer of last resort. In this case, Contact Energy Limited.
- "KVA Demand" means the amount of electricity kVAh used in any half hour multiplied by two.
- "Anytime Maximum Demand" means the highest kVA demand you impose on the Distribution System.
- "Information Disclosure Regulations" means regulations pursuant to the Electricity Act 1993 requiring Eastland Network to disclose certain information such as the methodology of calculating charges.
- "National Grid" means the Transmission System owned and operated by Trans Power New Zealand Limited.
- "Electricity Regulations" means the regulations published pursuant to the Electricity Act 1992.
- "<u>Distribution System</u>" means the lines and equipment such as transformers and switchgear owned and operated by Eastland Network connecting your point of connection to the National Grid which allows you to receive electricity.
- "Certificate of Compliance" is issued pursuant to the Electricity Regulations indicating the electrical installation meets the required standards at that time.