

ORDER OF THE REGULATOR No.2019/E68

Multi Year Tariff (MYT) Annual Review 2019

Statutory Obligations

Sub-section 19 (1) of the Electricity Act 2010 ("the Act") requires the Regulator to set all tariffs charged by a licensee. The Electric Power Corporation ("EPC") submitted a proposal to the Office of the Regulator on the 23rd April 2019 seeking approval in pursuant to Part IV Sections 19 and 20 of the Electricity Act 2010 ("the Act") for new electricity tariffs and some changes in tariff structure. The proposal involves changes to the calculation of electricity tariffs for the Multi Year Tariff Financial Years (FY) 2019-2020. This includes reviewing some aspects of the Usage charge component and Generation costs as well as its proposed Revenue Requirement.

Findings

The Review and the findings are based on the evidence attained by the Regulator from EPC and through consultations with stakeholders who took the opportunity to provide valuable input and information.

In light of the findings and considerations in the Determination, the Regulator makes the following Order for the regulated tariff for financial year 2019/2020.

Order #1: Tariff Structure

1. Current tariff classes for Domestic consumers are retained for the period of the MYT 2019-2021 as follows;
 - Cash power two-tiers [1-100kWh/month] and [101+ kWh/month]
 - Induction all kWh in **one flat rate**

2. Non- Domestic consumers as follows;
 - Cash power all kWh in **one flat rate**
 - Induction all kWh in **one flat rate**

Order# 2: Electricity Tariff rates

The following tariffs apply from 1st November 2019

To be effective from 1 November 2019				
DOMESTIC	Debt charge	Usage Charge	Energy Charge	Total Tariff
Induction Meters	sene/kWh	sene/kWh	sene/kWh	sene/kWh
All kWh	0.07	0.26	0.47	0.80
Cash Power Meters				
1 to 100 kwh	0.07	0.12	0.47	0.66
101 kwh and over	0.07	0.26	0.47	0.80
NON DOMESTIC				
Induction Meters				
All kWh	0.07	0.31	0.47	0.85
Cash Power Meters				
All kWh	0.07	0.26	0.47	0.80

The energy charge shall be monitored by the Office of the Regulator on a monthly basis using this formula :
$$\frac{[total\ cost\ of\ fuel\ to\ generate\ electricity] + [total\ invoice\ from\ IPP\ paid\ by\ EPC\ for\ feed\ in\ power]}{total\ kWh\ electricity\ sold\ to\ consumers\ that\ month}$$

For first 100 largest Non-Domestic induction consumers only, they will be charged the fixed daily charge discounted based on their consumption as follows:

Daily fixed charge for 100 largest consumers

Fixed Rate Category	Daily Fixed Charge	Energy Charge	Debt Charge	Usage Charge
FR1	1,520	0.470	0.02	0.08
FR2	1,140	0.470	0.02	0.08
FR3	840	0.470	0.02	0.08
FR4	380	0.470	0.04	0.16
FR5	240	0.470	0.04	0.16
FR6	130	0.470	0.04	0.16

Cost-reflective tariffs for customers with self-generation

Customer group	Daily Fixed Charge	Energy Charge	Debt Charge	Usage Charge
DM-C	1.4	0.47		
DM-I	1.7	0.47		
ND-C	6.00	0.47		
ND-I	9.10	0.47		
FR1	1,520	0.47	0.02	0.08
FR2	1,140	0.47	0.02	0.08
FR3	840	0.47	0.02	0.08
FR4	380	0.47	0.04	0.16
FR5	240	0.47	0.04	0.16
FR6	130	0.47	0.04	0.16

Duration of the Order

This Order shall expire on the earlier of:

- The Regulator revoking this Order; or
- The making of a new Order by the Regulator in relation to the matters addressed herein.

Effective date of this Order:

In accordance with section 20(5) of the Act, the Electric Power Corporation shall not charge the above mentioned rates until such time when the Electric Power Corporation has notified consumers of the new tariffs. The Regulator will allow the Electric Power Corporation ten (10) calendar days to notify the public of the change.

This order is effective from the 1st November 2019

Date of the Order: 18 October 2019



Lefaoali'i Unutoa Auelua Fonoti
REGULATOR