



Buller Electricity Limited

24 Robertson Street
Westport 7825
New Zealand

P O Box 243
Westport 7866
New Zealand

T +64 3 788 8171
E info@bullernetwork.co.nz
W www.bullerelectricity.co.nz

February 23 2023

BEL RETAILER NOTIFICATION

BEL is pleased to advise that, in response to its interim injunction proceedings, Transpower has undertaken to withhold any increases arising from the reclassification of assets until such time as BEL's substantive proceedings against the Electricity Authority and Transpower are resolved.

Consequently, BEL will be reducing its price increases previously notified on 31 January 2023, to remove any pricing element relating to the reclassification of the Buller assets. These adjusted prices are now set out **[attached with this letter]**. All other pricing components unrelated to the connection charge increases will remain as previously notified. As with the 31 January notification, these price changes will take effect on 1 April 2023. Given that this is a price reduction, rather than an increase, BEL anticipates that retailers will not take issue with the fact that this price change is being notified within the ordinary 40 working day period before it comes into effect (on 1 April 2023).

Given that BEL has taken this action on behalf of the residents of Buller in an effort to avoid the harsh consequences for Buller residents and businesses, BEL asks that retailers recognise the unique and extraordinary circumstances behind BEL's legal claim, and adjust their pricing in line with this notification. While BEL recognises that price volatility is not ideal, and that retailers may already have started communicating with consumers, BEL is concerned that the implementation of these increases will cause significant hardship for Buller residents. The interim arrangement enables these effects to be avoided until BEL's claims have been properly tested and decided by the Court.

BEL appreciates that the uncertainty around this matter is less than ideal and we apologise for any inconvenience. We are seeking to provide certainty and finality as soon as possible. To this end, one of the terms of the interim agreement with Transpower is that the parties will seek a substantive fixture as soon as possible so that the legality of Transpower's proposed reclassification of assets can be determined by the Courts without delay.

Yours Faithfully

A handwritten signature in blue ink, appearing to read "Clark R Nelson", is written over a faint, illegible printed name.

Clark R Nelson
Chief Executive