

**DRAFT FOR DISCUSSION**

**Manawatū-Whanganui Three Waters  
Financial Modelling Scenarios**

**Welcome**

# Introduction

The following slides contain summary scenarios for high-level assumptions testing, and scenario testing for different combinations of councils that will be included in the CCO.

**Cost Normalisation** takes the current trajectory for rates per connection and equalises this across the included councils by year ten. Year ten is reported, and graphs are available to analyse the ups and downs of years one to nine.

The **following key** has been developed to help interpret each scenario presented. These settings are applied to the Status Quo and Scenario equally, to allow an appropriate comparison.

Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	RATES

Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	DEBT

Horowhenua	OUT
Manawatu	OUT
Palmerston North	OUT
Rangitikei	IN
Ruapehu	IN
Tararua	OUT
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	RATES

It indicates which councils are in or out, whether the PNCC WWTP is covered by the CCO (IN) or PNCC ratepayers (either through rates or by a central government levy), and whether the changes in cost are applied to rates (“Keep Debt Equal” lever) or debt (“Keep Rates Equal” lever).

**NB:** PNCC is always assumed as paying for its WWTP in the Status Quo, as this cost will accrue to ratepayers whether it is funded by Council, or by IFF/CIP funding recouped via a levy collected on behalf of central government.

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2. Assumptions
3. Summary Scenarios
4. Scenario Testing 1 (WWTP not in CCO, paid by PNCC ratepayers)
5. Scenario Testing 2 (WWTP in CCO, paid by all CCO ratepayers)

# 2. Financial Modelling Inputs (including levers)

## Key Points

1. Model allows for inclusion or exclusion of Councils (TRUE or FALSE) for scenario analysis.
2. Key Model Assumptions (efficiencies, transition costs and interest) that can be varied between conservative, mid-point and optimistic scenarios.
3. New CCO Scenario allows change in efficiencies and costs to be allocated to rates or debt.
4. DCs collection policy currently set to status quo numbers, with options to change this to cover capex spend on additional demand or based on growth in connections.
5. PNCC WWTP is able to be included or excluded in the CCO scenarios.

Council	Include
Horowhenua	TRUE
Manawatu	TRUE
Palmerston North	TRUE
Rangitikei	TRUE
Ruapehu	TRUE
Tararua	TRUE
Whanganui	TRUE

Key Model Assumptions	Level
Opex Efficiency Savings	Mid Point
Capex Efficiency Savings	Mid Point
Transition Costs	Mid Point
CCO Interest Assumption	Mid Point

New CCO Scenario	
Goal	Keep Rates Equal
DCs collection policy	Keep the same

# 2. Financial Modelling Inputs (including levers)

## Net Savings & efficiencies – key points:

- Timing – net savings will not all occur in the first year, so will apply over a number of years
- Regulator will be focused on cost as part of price path consideration
- General net savings expected can be applied based on experience here and overseas
- For current high level modelling purposes, the plan is to use general net savings ratios rather than specific efficiency items
- Savings ratios applied here based on NZ experience – Waikato, Hawkes Bay, Watercare

## Net Savings & efficiencies – target savings ratios:

	Conservative	Mid Point	Optimistic	Phasing
Opex Efficiency Savings	11%	13%	16%	Year 1 Zero, Year 2-10 straight line allocation
Capex Efficiency Savings	6%	8%	10%	Year 1 Zero, Year 2-10 straight line allocation
Transition Costs	17%	13%	10%	Amortized Years 1 – 5, based on a % of Opex
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points	

# Assumptions

## In addition to the inputs and assumptions on the previous slides, it is worth noting:

- The numbers unless otherwise stated are taken directly from the three FISs for stormwater, wastewater and drinking water which are reported as nominal, undiscounted dollars.
- Finance costs are stripped out of the FISs to be treated separately
- Default interest rates in the Scenarios are assumed to be the weighted average implied interest rates in the Status Quo.
- Regulation / Compliance Cost Treatment in the Scenarios is assumed to be 1.0% of Opex in the Status Quo *plus* a fixed fee for audit that is shared among the CCO members.
- Regulation / Compliance Cost Treatment in the Status Quo is assumed to be 1.5% of Opex in the Status Quo *plus* a fixed fee for audit that is paid by each council individually.
- Total connections are assumed to be the average of the individual connection numbers for stormwater, wastewater and drinking water.
- The PNCC WWTP is currently assumed to be total capex of \$450m over 10 years, potentially understating the impact.

## In addition to these assumptions, it is important to note:

- The Scenario graphs show year ten rates numbers, which are lower than year seven peaks, or years four to eight increases for most councils. For some councils, large spend in year ten skews these numbers upwards

# Summary Scenarios

→ **Conservative, Mid Point, and Optimistic Assumptions Testing**

– All Councils

# 3. Summary scenarios

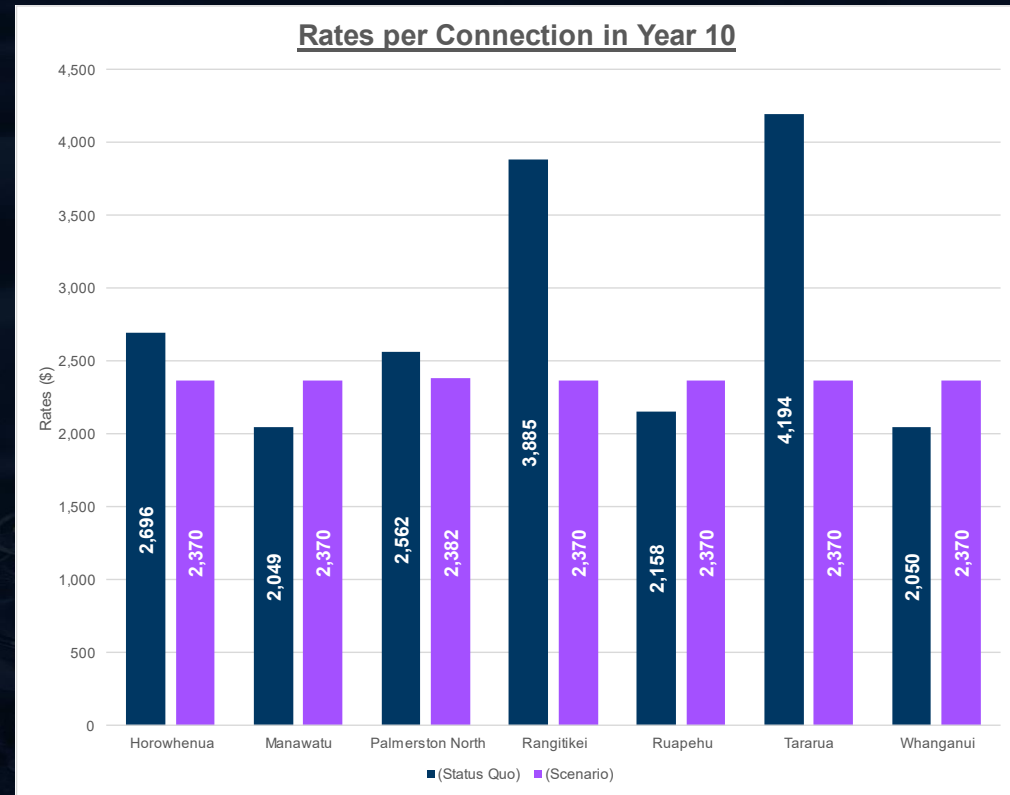
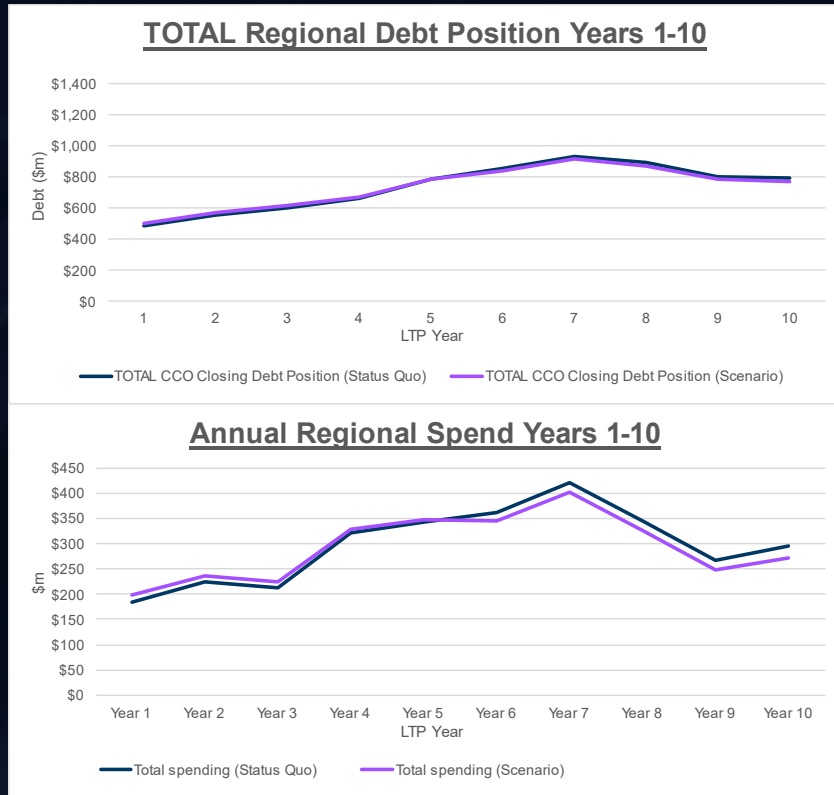
Efficiency Savings Effect	WWTP Treatment	Conservative	Mid range	Optimistic
Keep Debt Equal (Change Rates)	Paid by PNCC (not included in the CCO)	1	2	3
Keep Debt Equal (Change Rates)	Paid by CCO (included in the CCO)	4	5	6
Keep Rates Equal (Change Debt)	Paid by PNCC (not included in the CCO)	7	8	9
Keep Rates Equal (Change Debt)	Paid by CCO (included in the CCO)	10	11	12

## Discussion Points:

1. Numerous scenarios able to be modelled and it is planned to run additional ones which will include a range of individual council inclusions/exclusions.
2. Modelling captures the ten-year LTP period only, further analysis will be completed relating to large projects in years 11-30.
3. Consequential operational costs relating to the PNCC WWTP have been excluded in years 9-10.



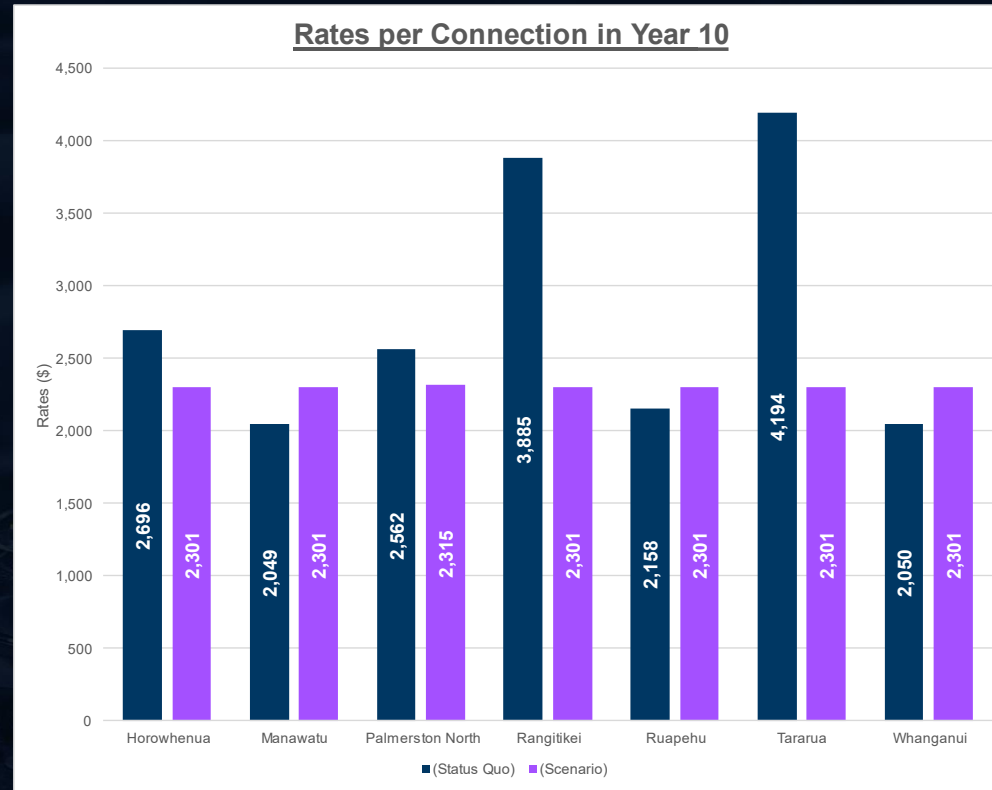
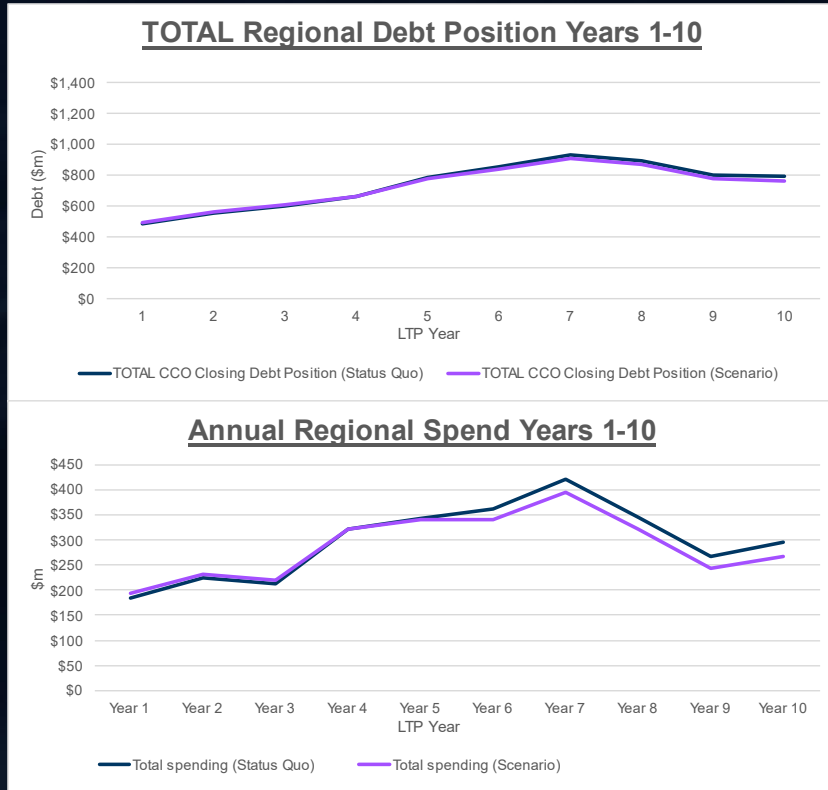
# Scenario 1 – Conservative, PNCC Pays, Keep Debt



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

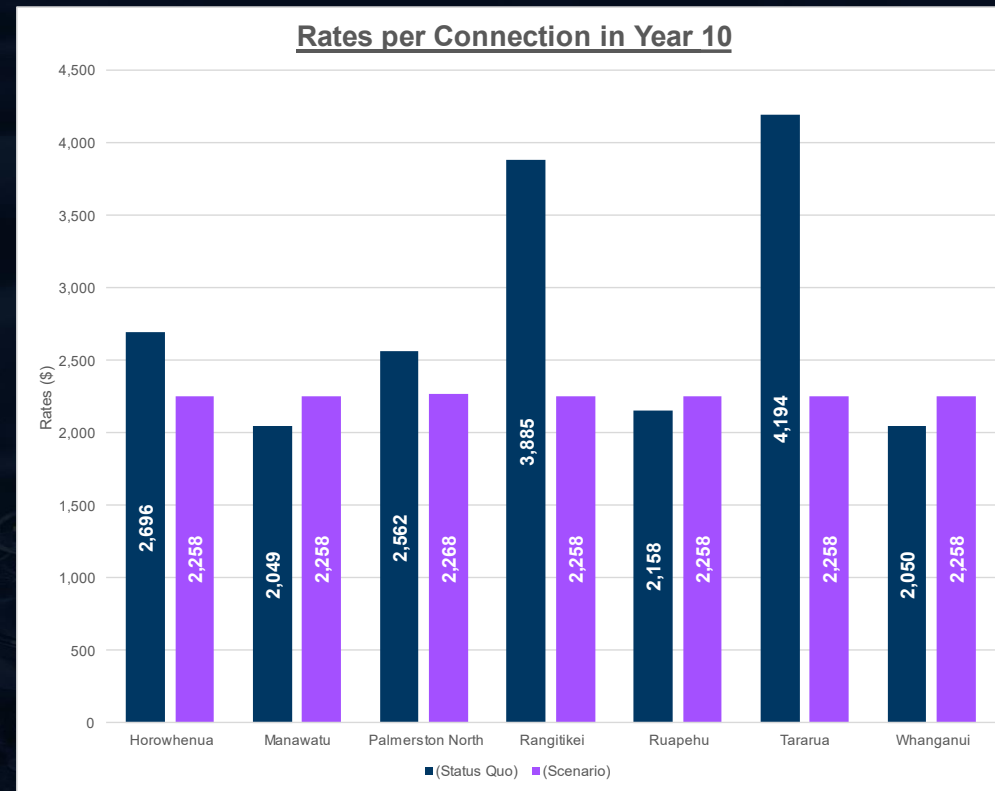
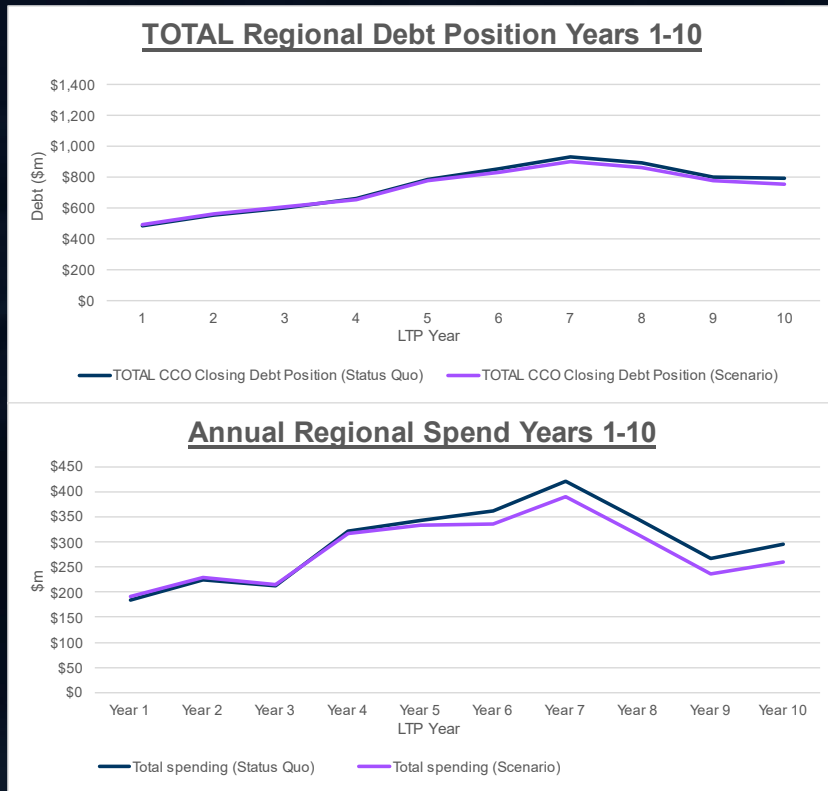
# Scenario 2 – Mid Point, PNCC Pays, Keep Debt



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

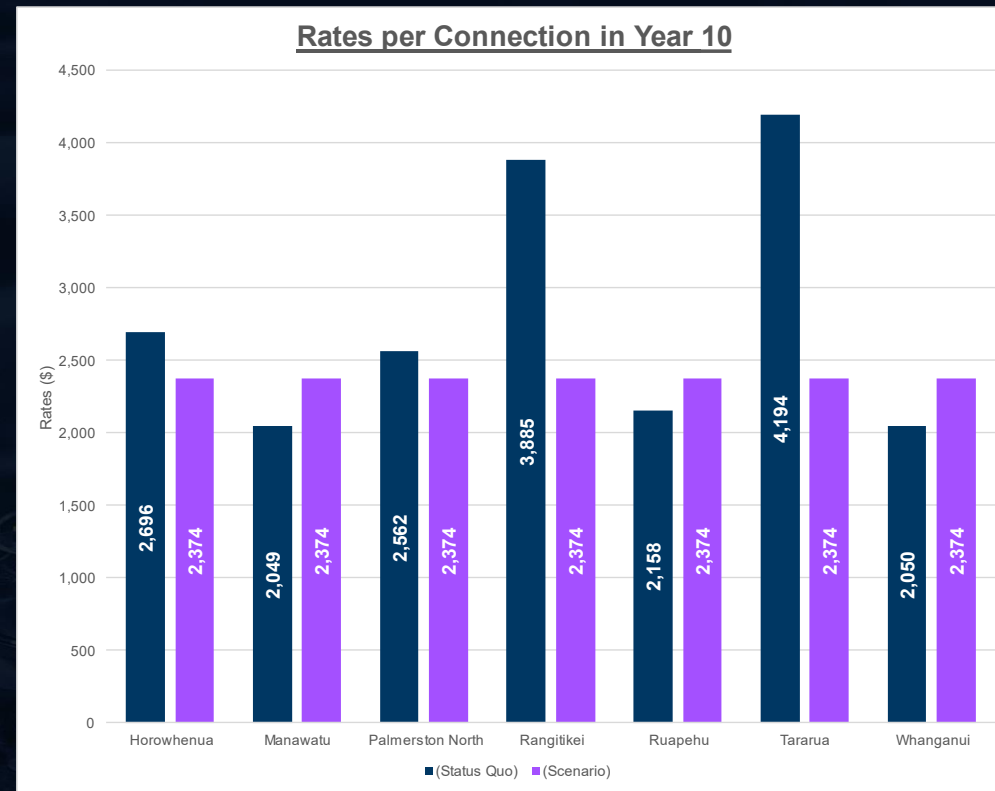
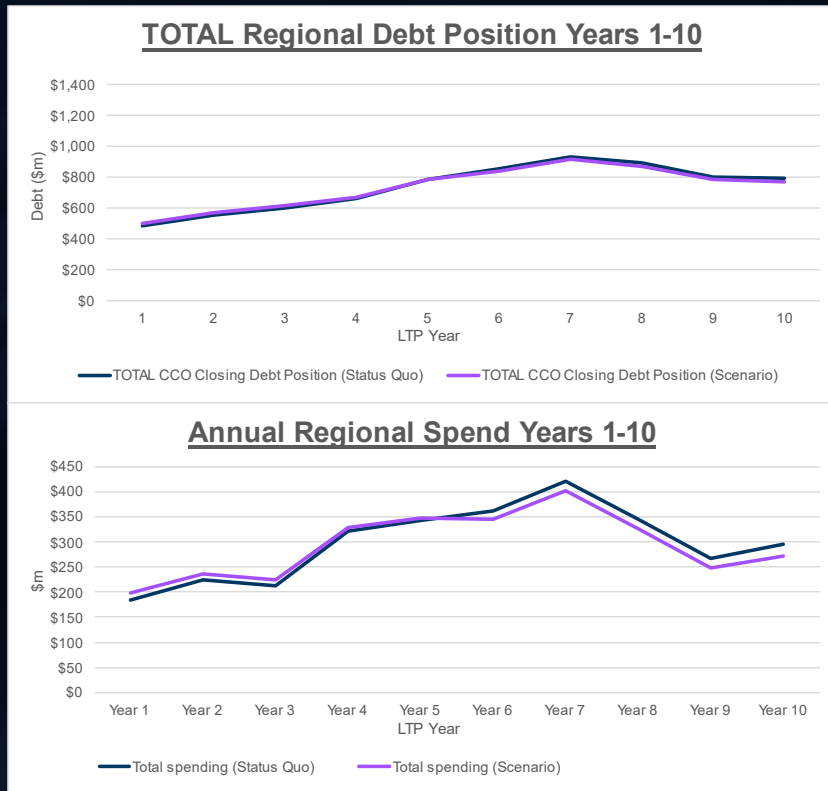
# Scenario 3 – Optimistic, PNCC Pays, Keep Debt



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

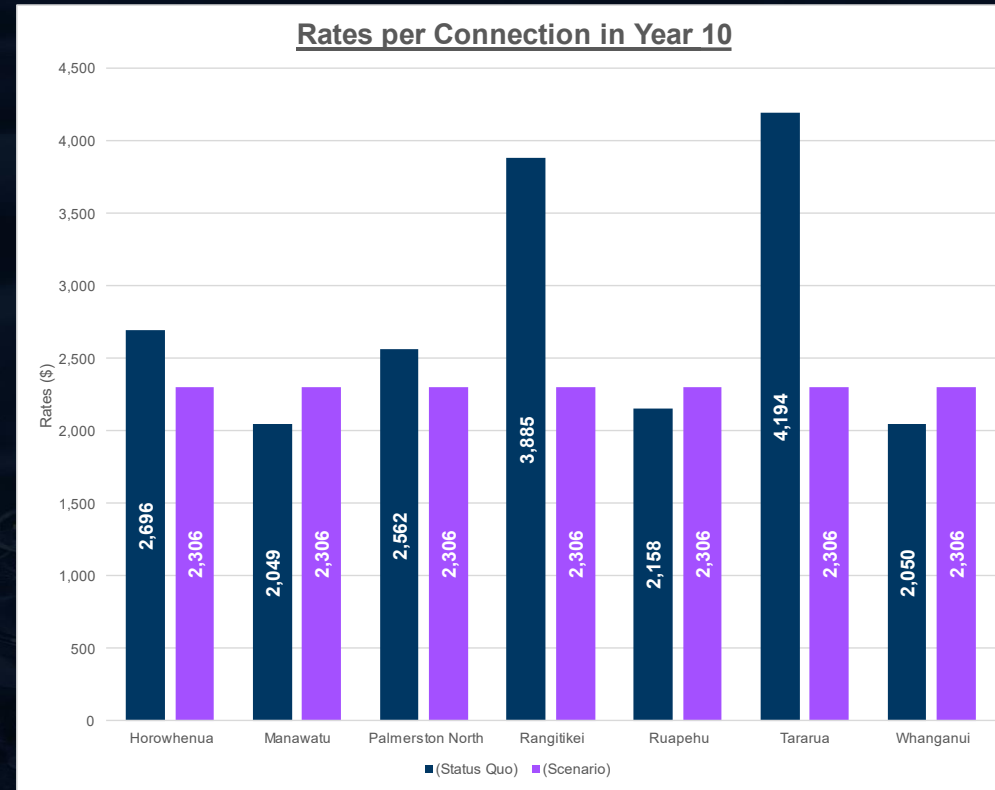
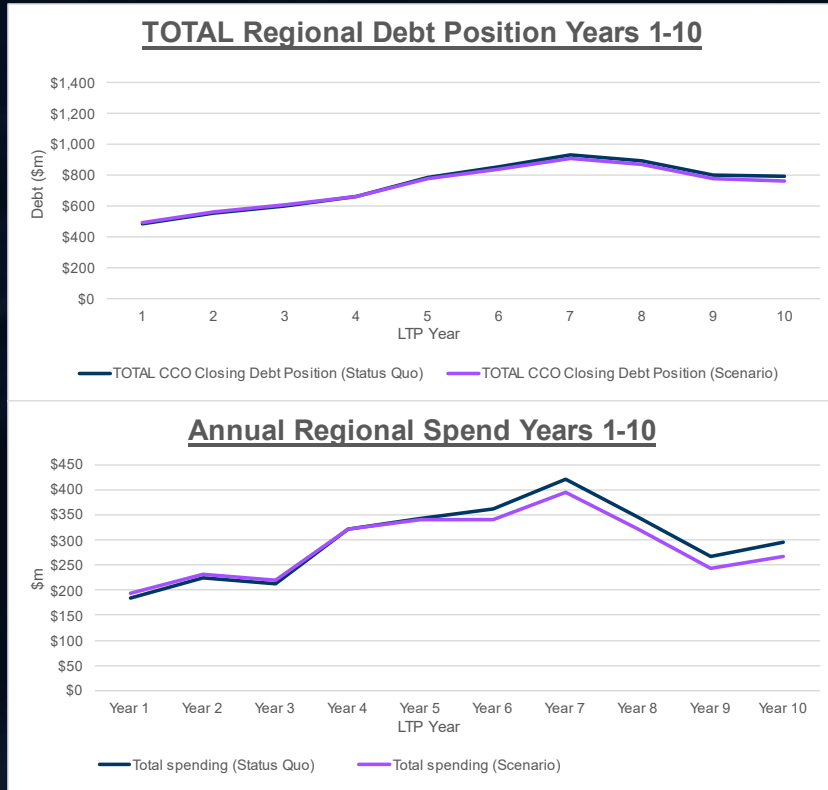
# Scenario 4 – Conservative, CCO Pays, Keep Debt



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

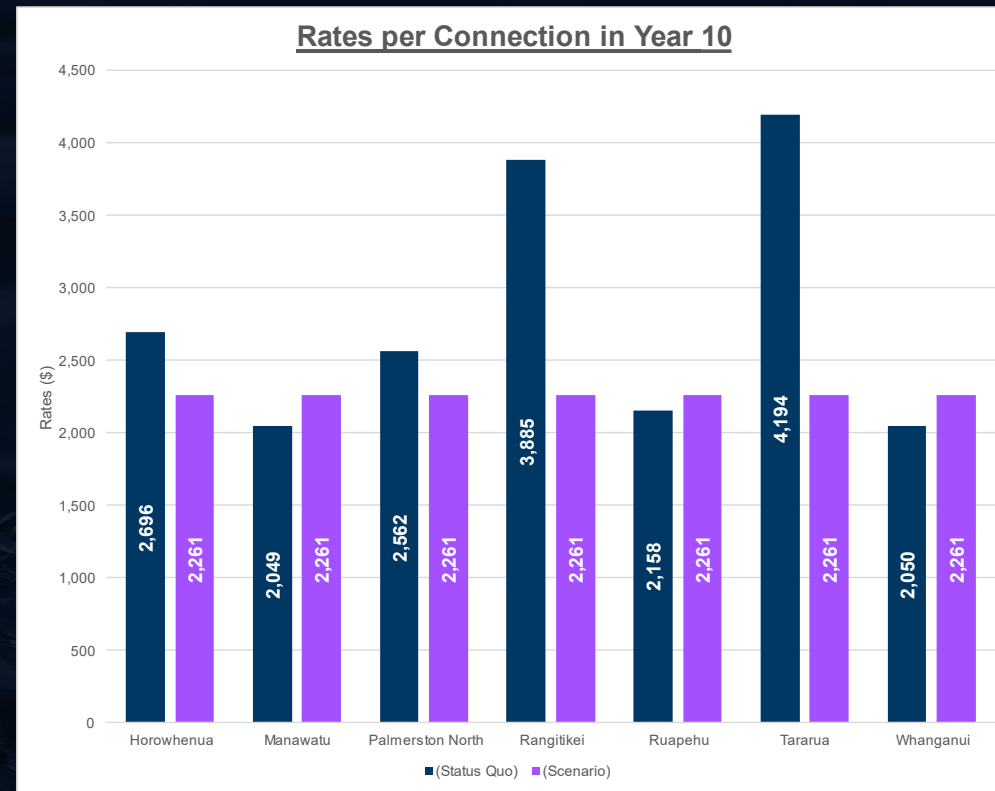
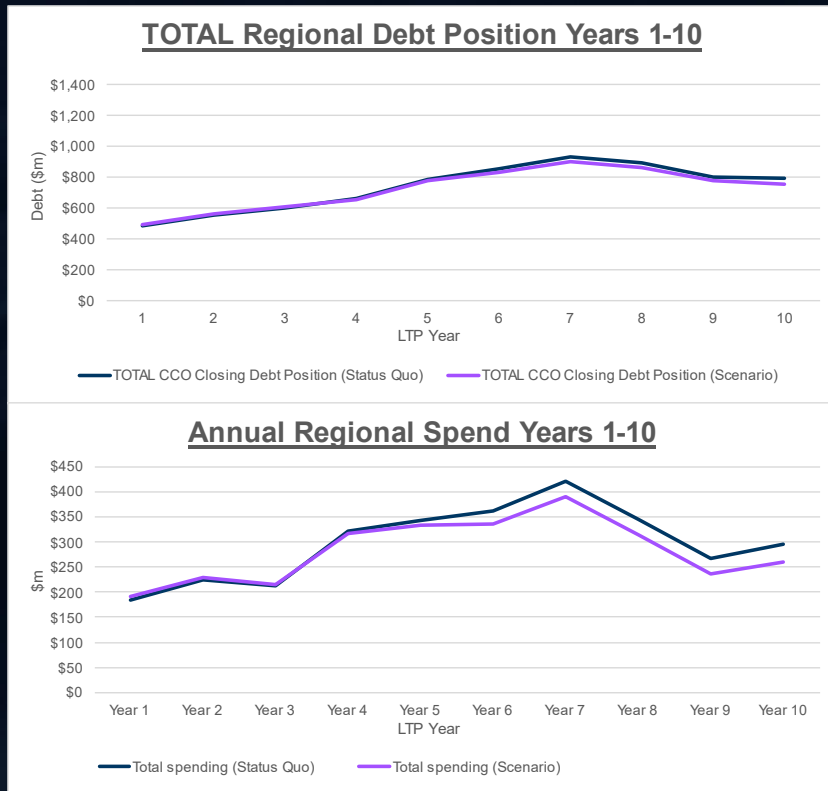
# Scenario 5 – Mid Point, CCO Pays, Keep Debt



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

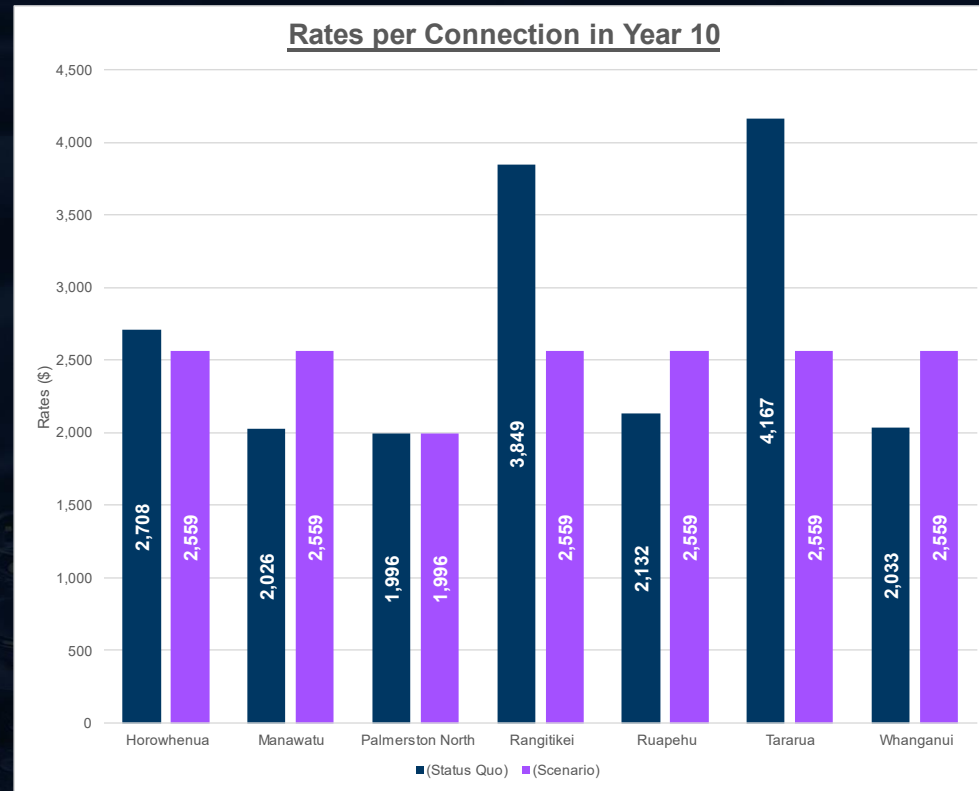
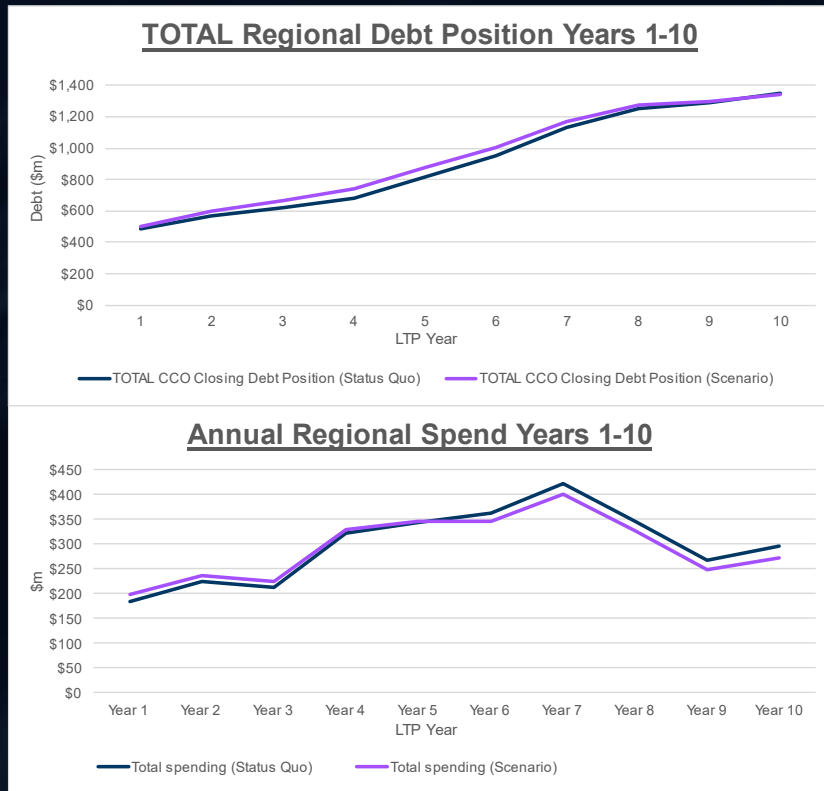
# Scenario 6 – Optimistic, CCO Pays, Keep Debt



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

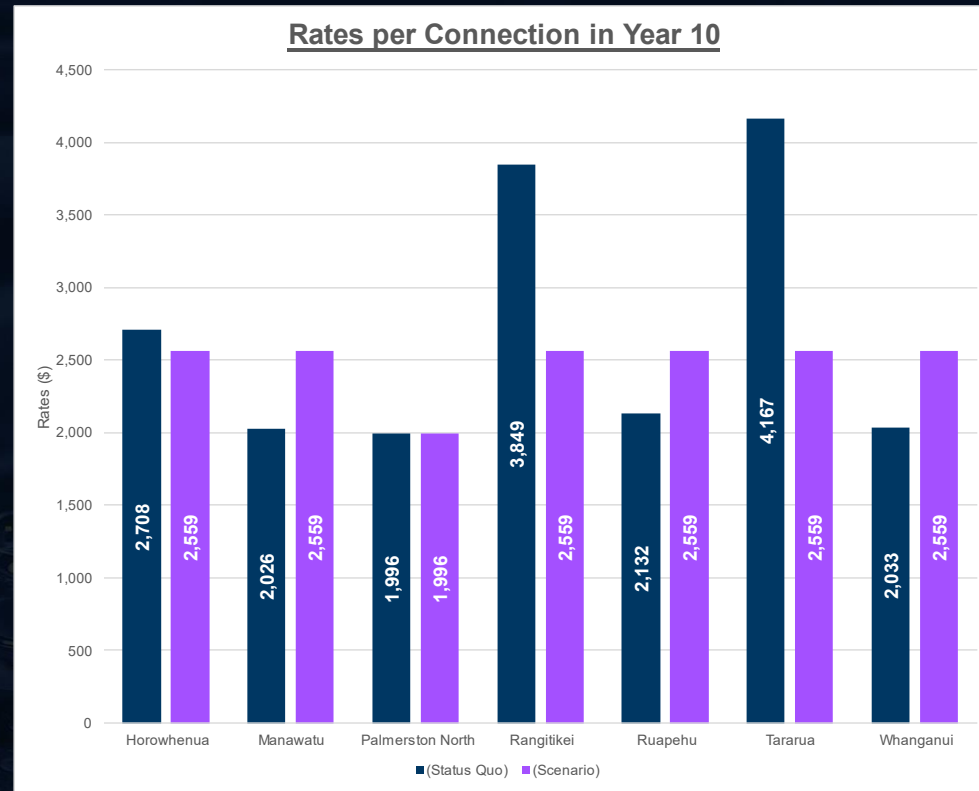
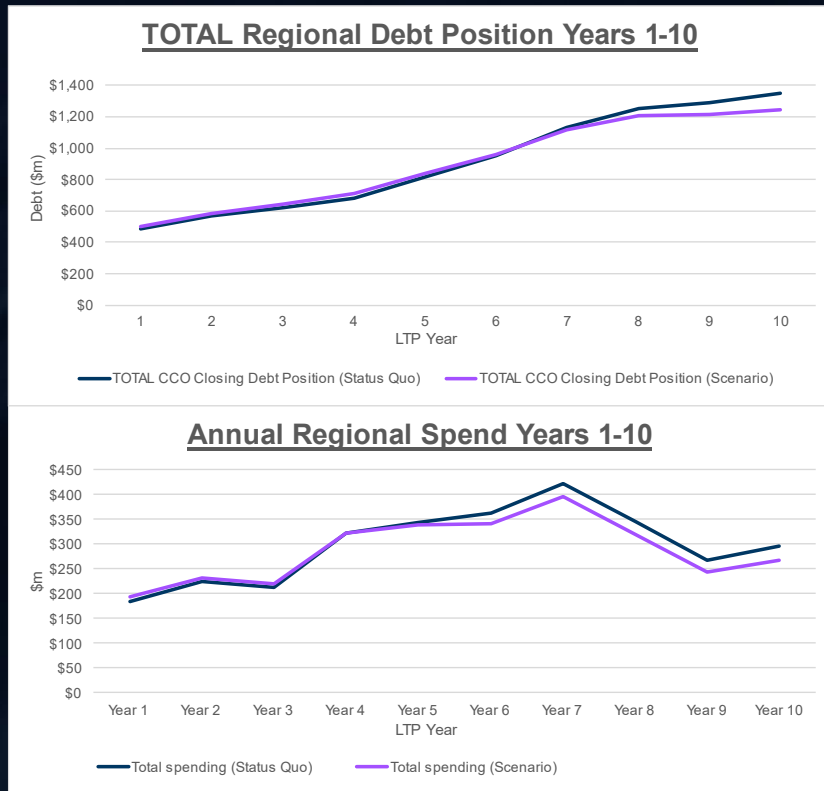
# Scenario 7 – Conservative, PNCC Pays, Keep Rates



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	DEBT

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

# Scenario 8 – Mid Point, PNCC Pays, Keep Rates

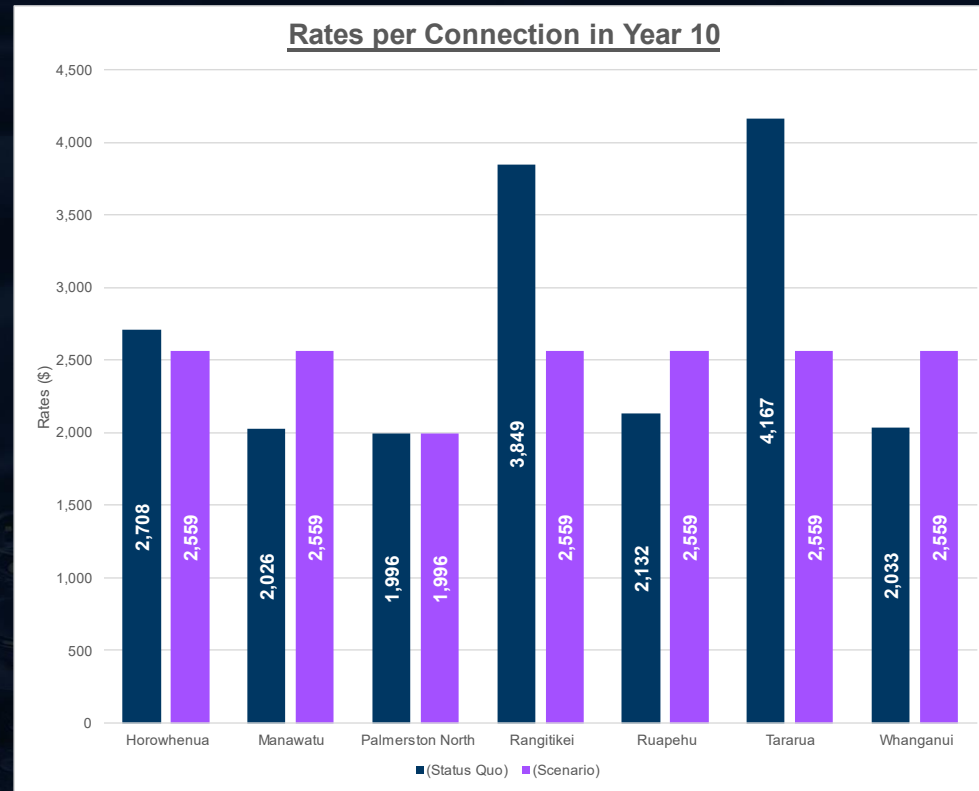
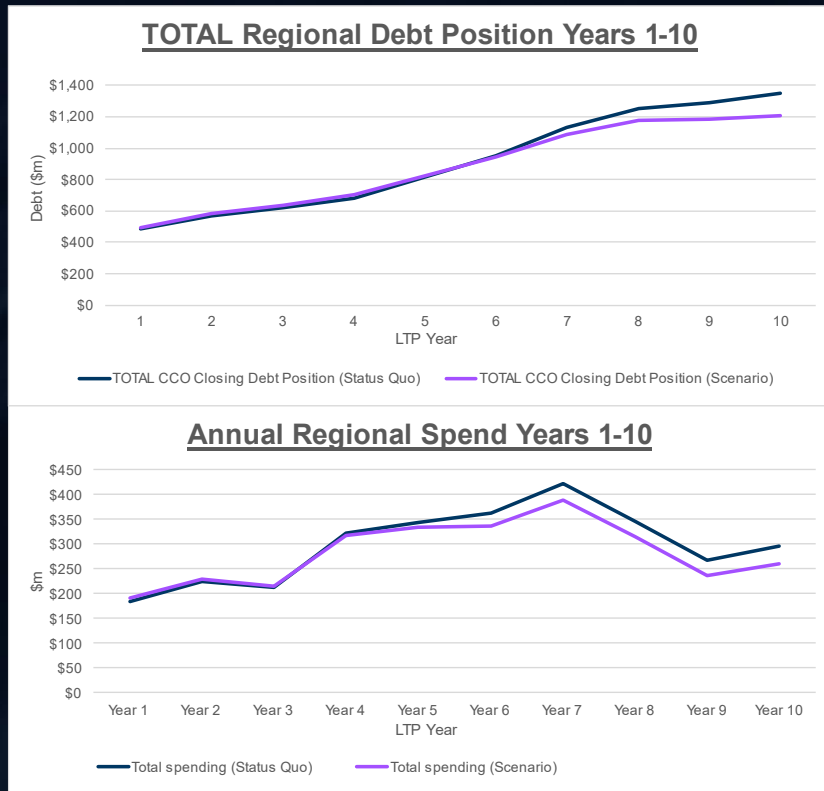


Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	DEBT

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points



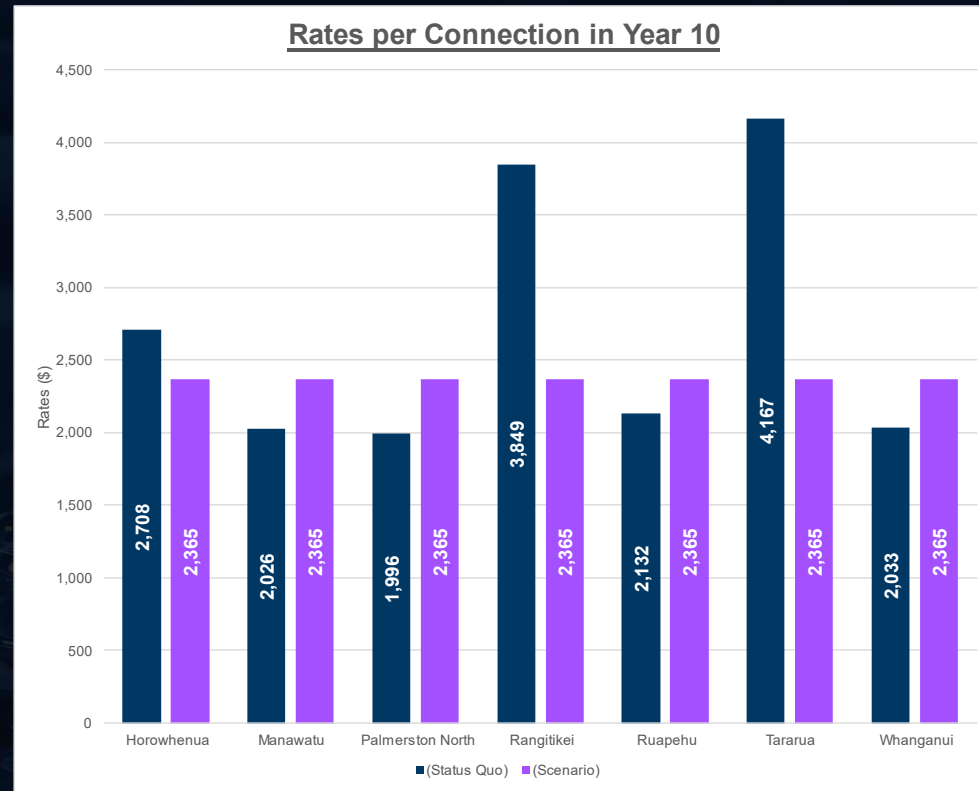
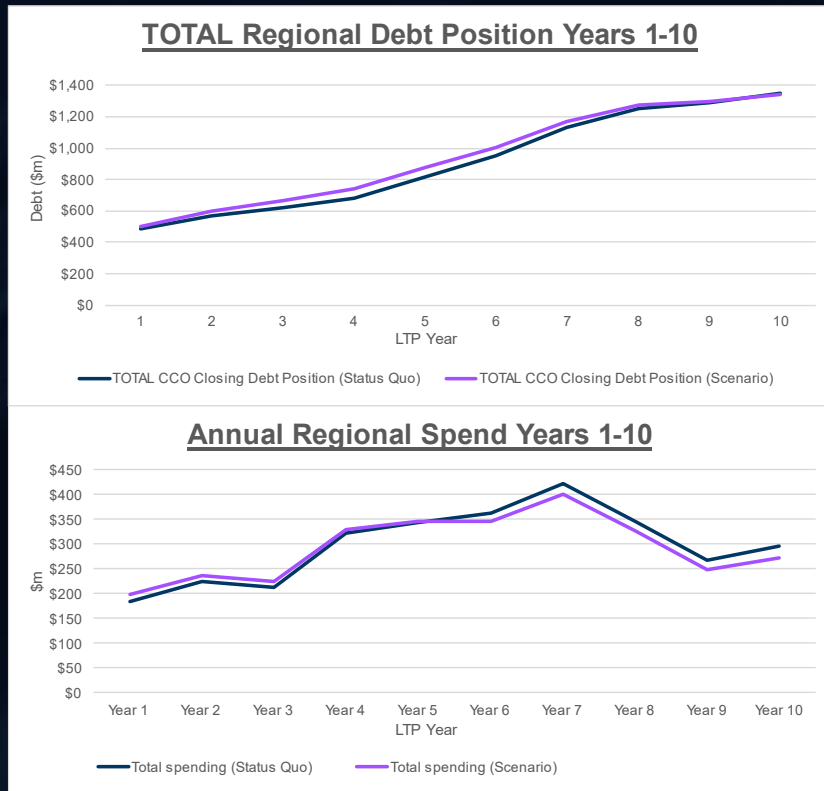
# Scenario 9 – Optimistic, PNCC Pays, Keep Rates



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	DEBT

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

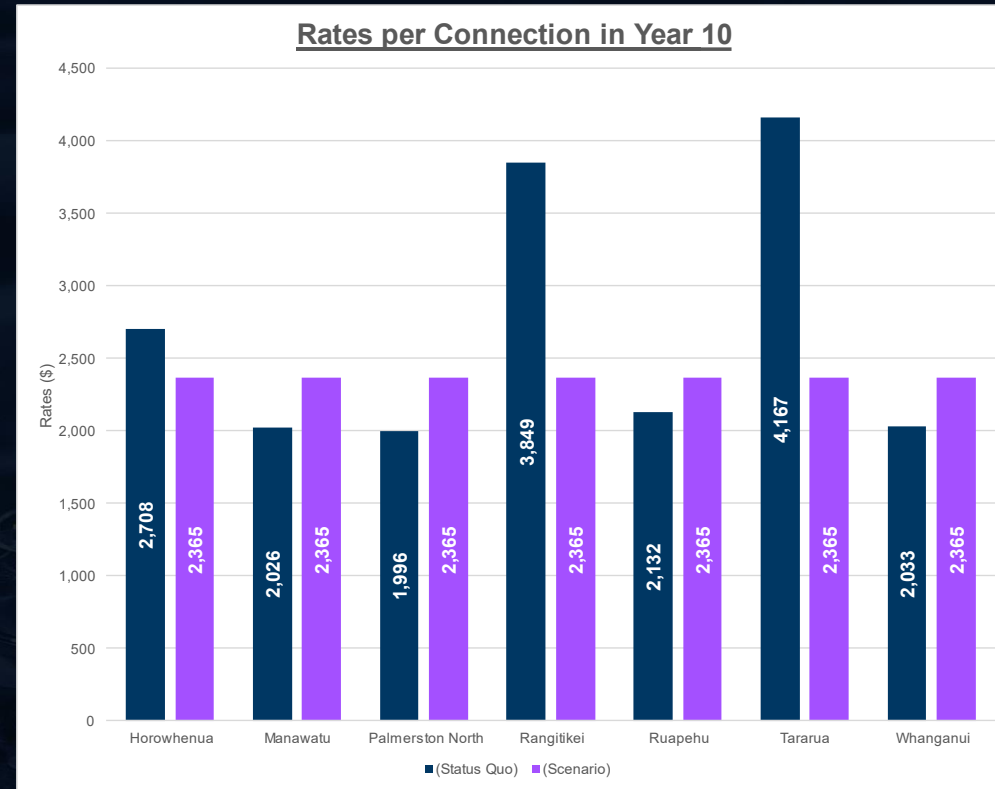
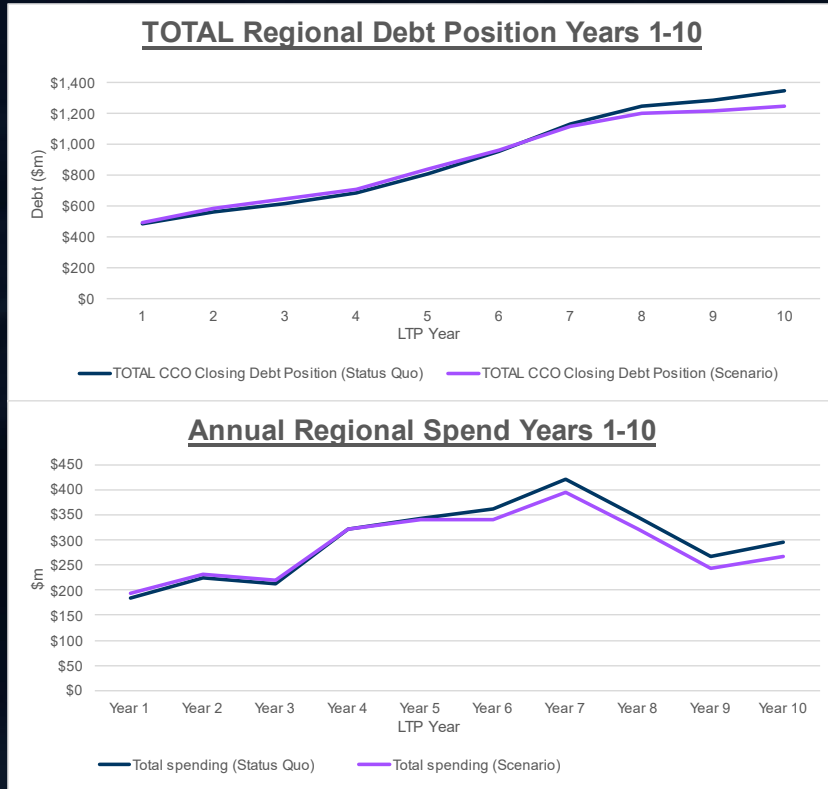
# Scenario 10 – Conservative, CCO Pays, Keep Rates



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	DEBT

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

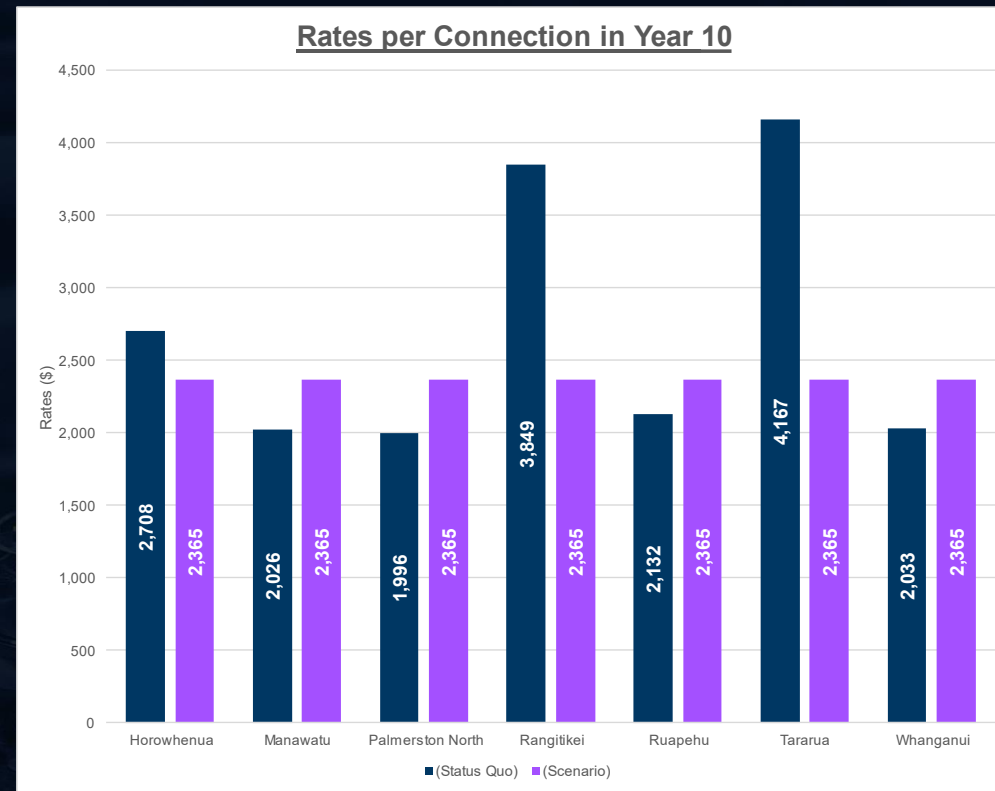
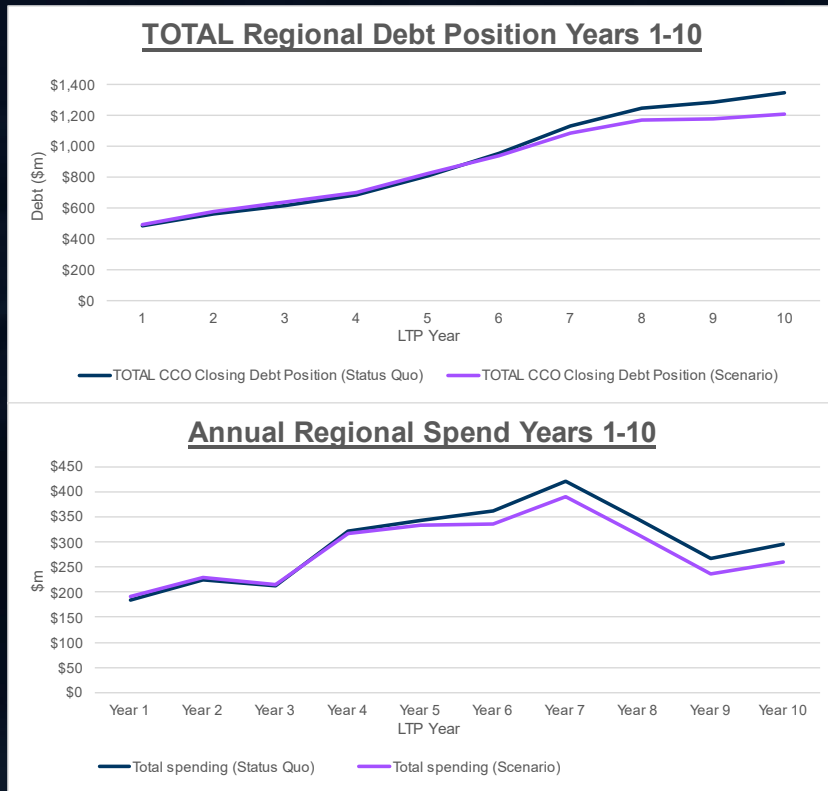
# Scenario 11 – Mid Point, CCO Pays, Keep Rates



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	DEBT

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

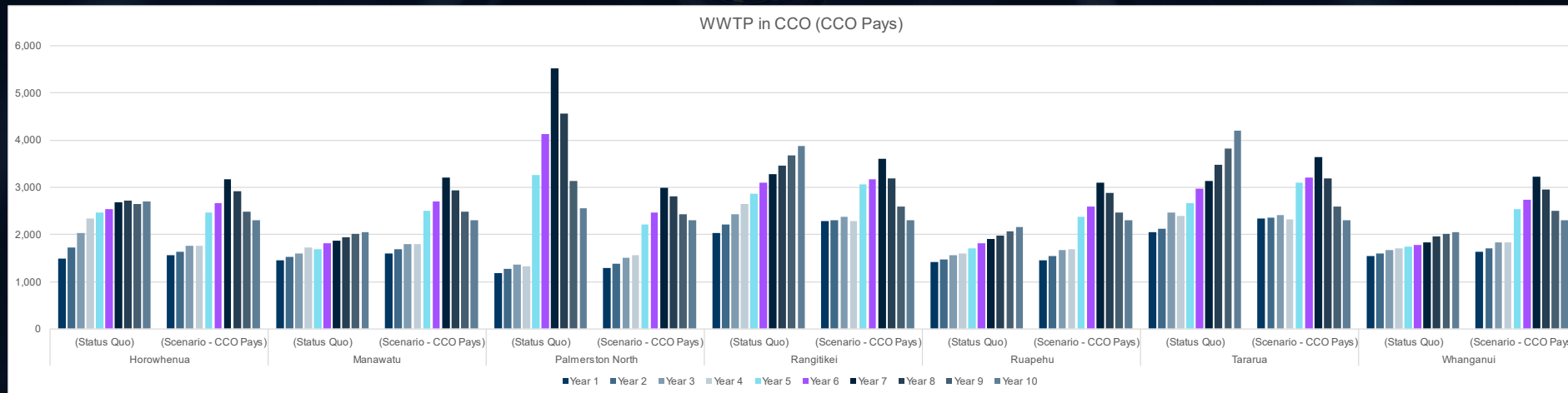
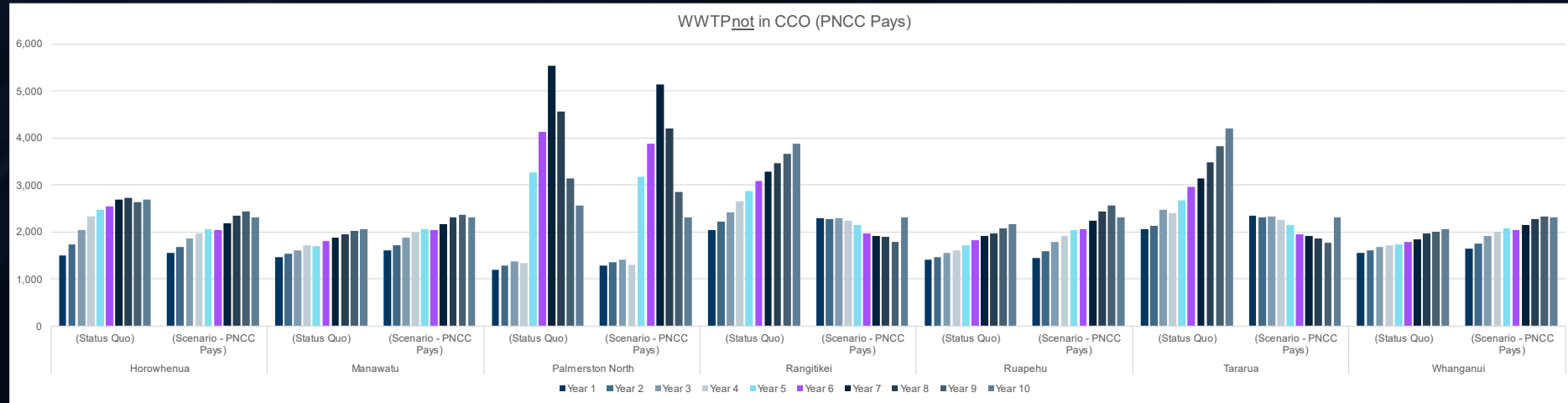
# Scenario 12 – Optimistic, CCO Pays, Keep Rates



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	DEBT

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

# 4. Rates per connection cost by council (with WWTP in and out)

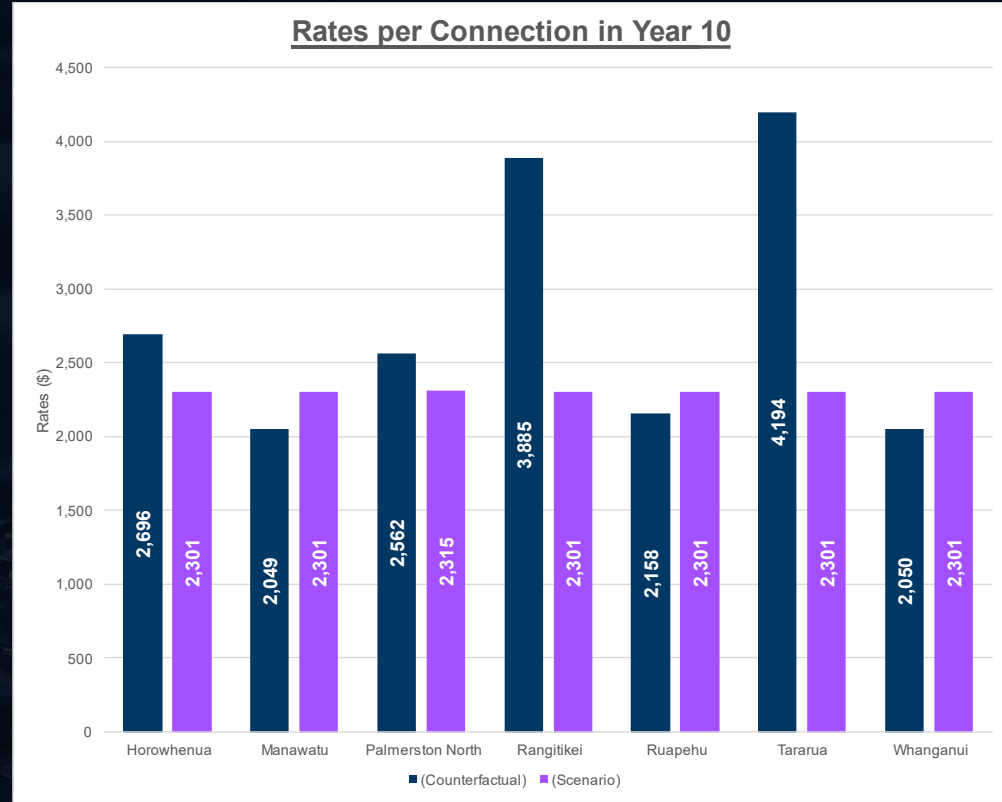
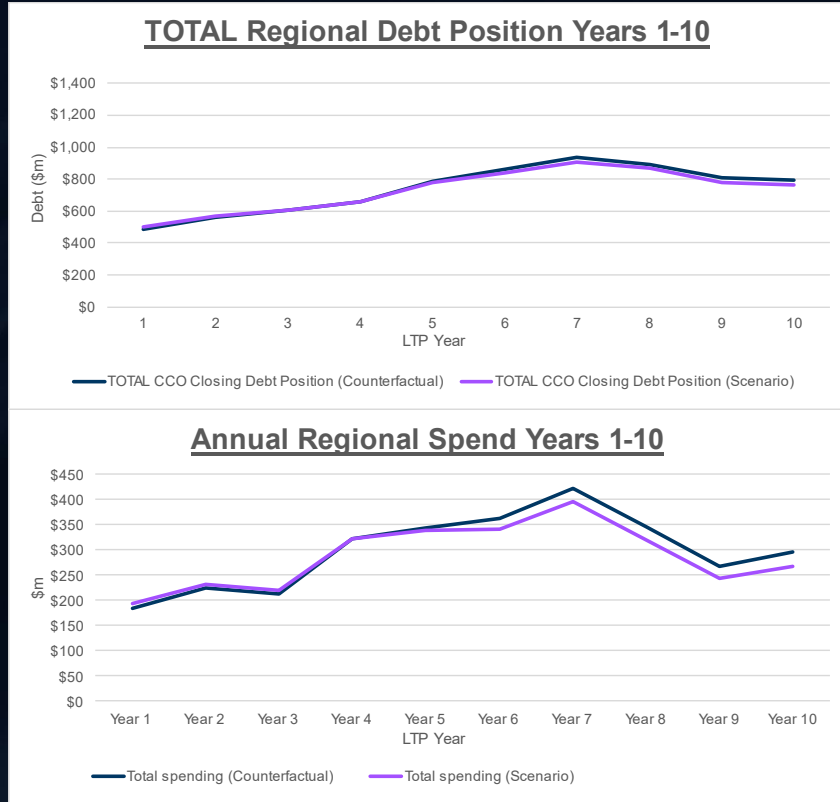


# Scenario Testing 1

→ WWTP not in CCO

– paid by PN ratepayers (via rates OR IFF/CIP levy collected)

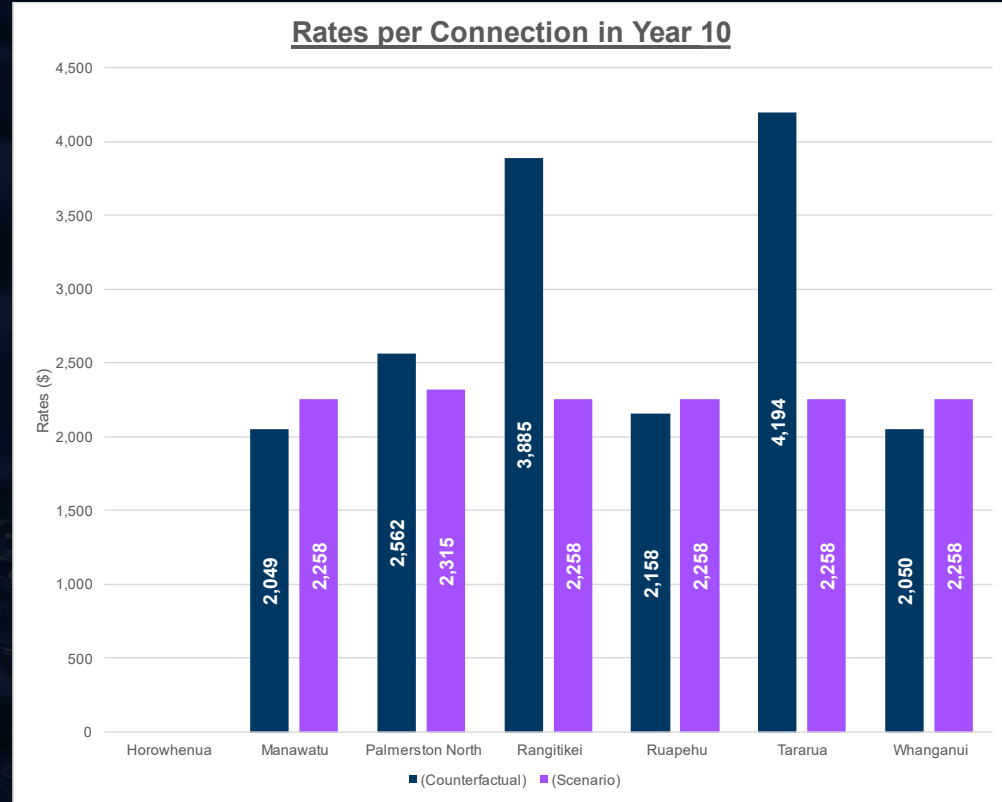
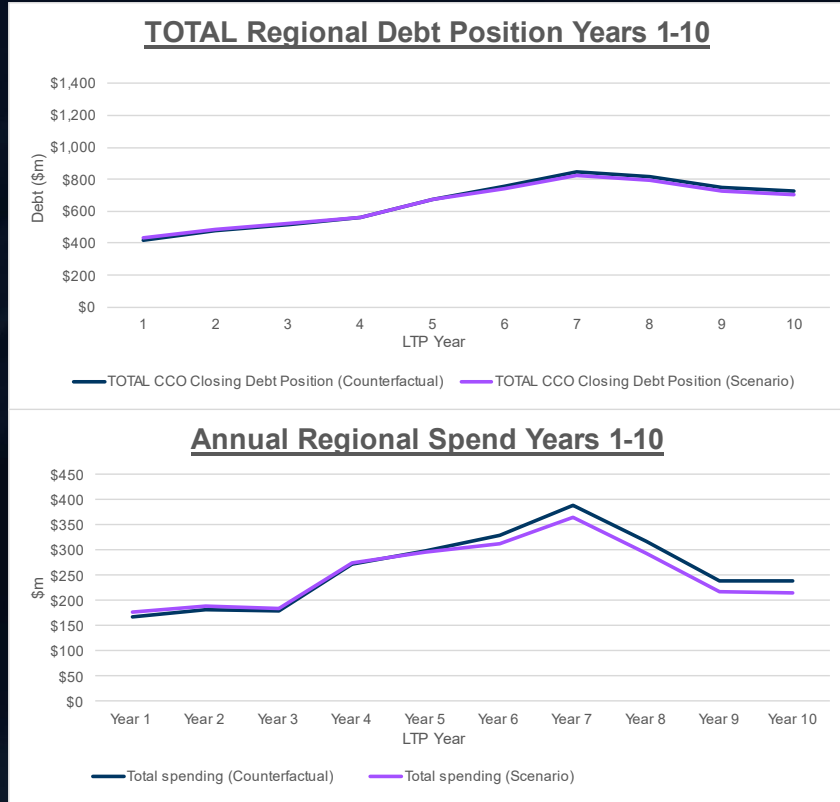
# Scenario 0 – All In



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

# Scenario 1 – Horowhenua Out

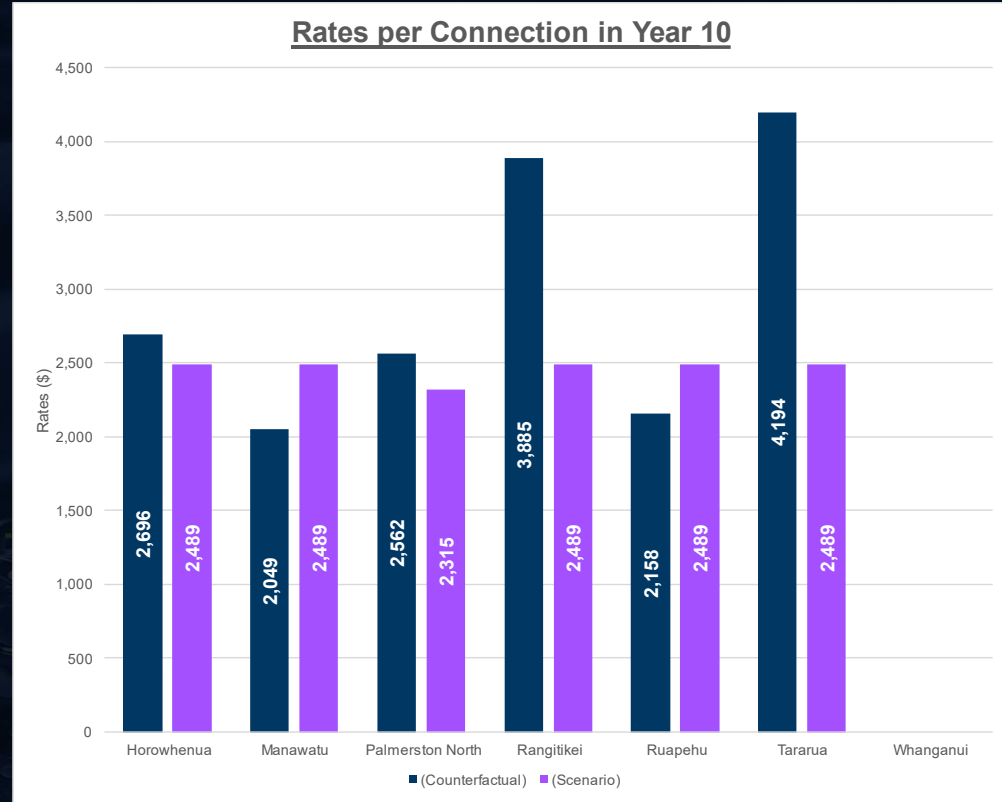
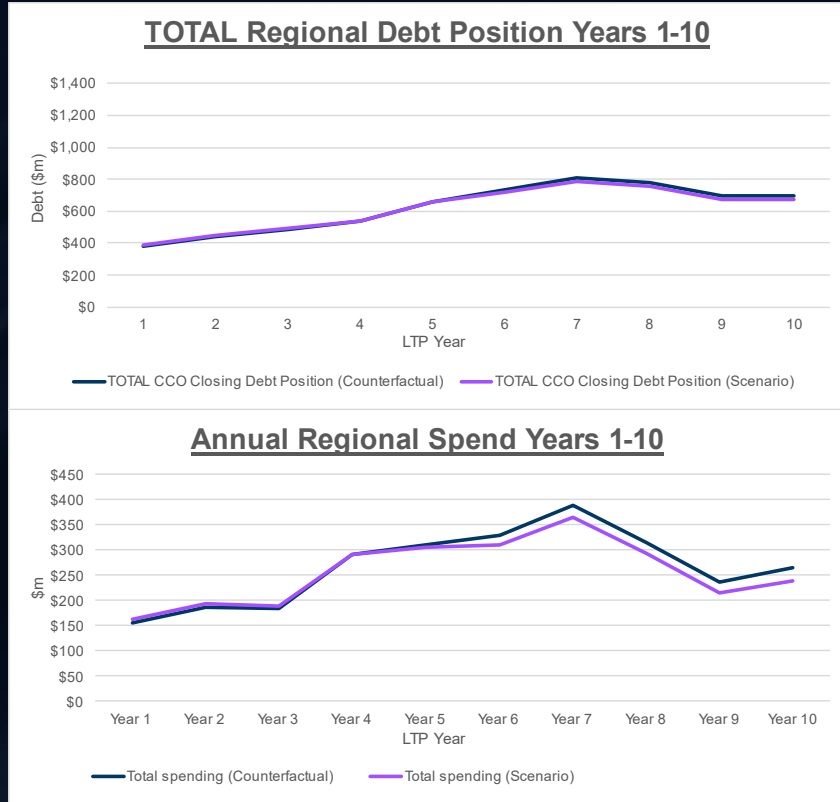


Horowhenua	<b>OUT</b>
Manawatu	<b>IN</b>
Palmerston North	<b>IN</b>
Rangitikei	<b>IN</b>
Ruapehu	<b>IN</b>
Tararua	<b>IN</b>
Whanganui	<b>IN</b>
WWTP in CCO?	<b>OUT</b>
Changes made to:	<b>RATES</b>

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	<b>13%</b>	16%
Capex Efficiency Savings	6%	<b>8%</b>	10%
Transition Costs	17%	<b>13%</b>	10%
CCO Interest Assumption	+25 basis points	<b>Weighted Average</b>	-25 basis points



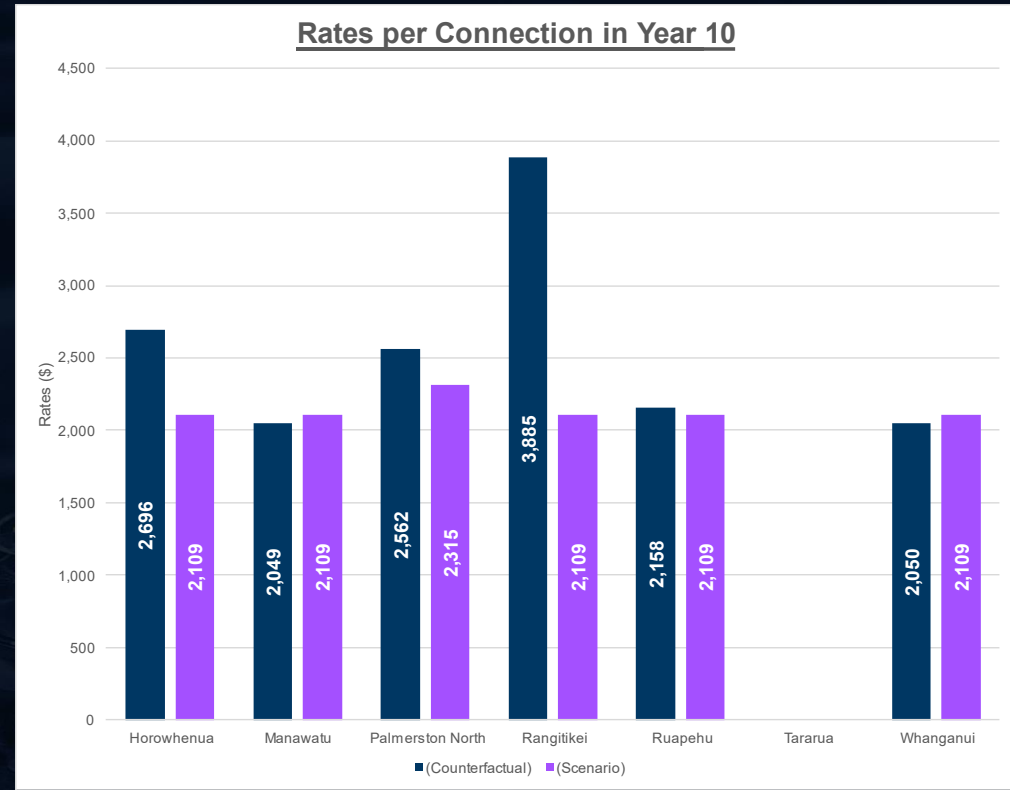
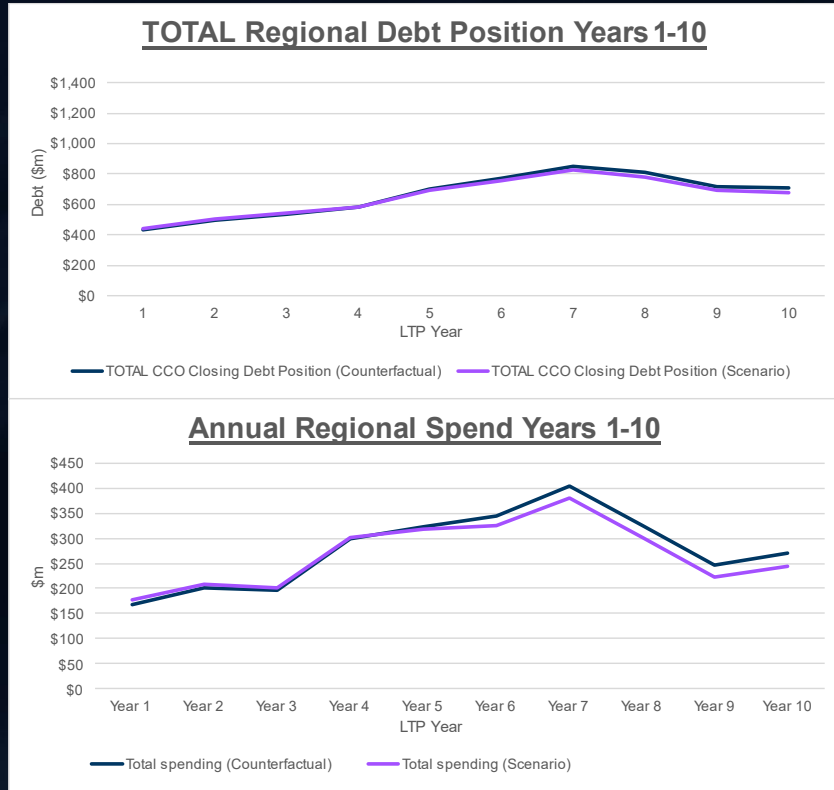
# Scenario 2 – Whanganui Out



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	OUT
WWTP in CCO?	OUT
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

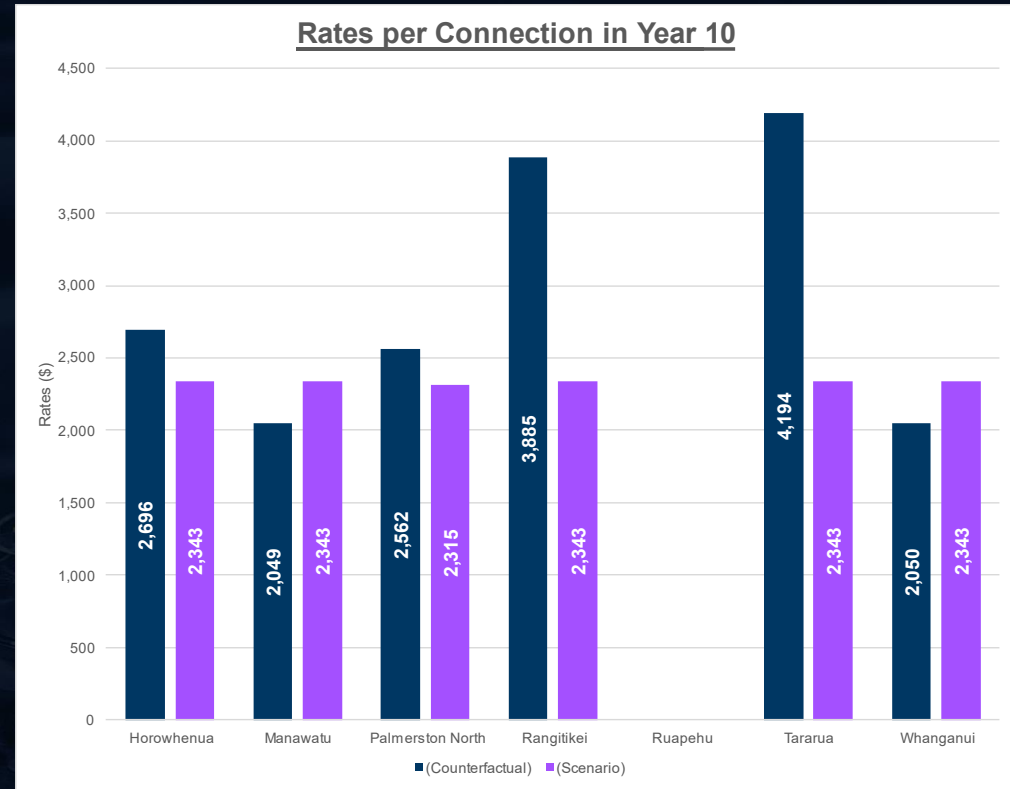
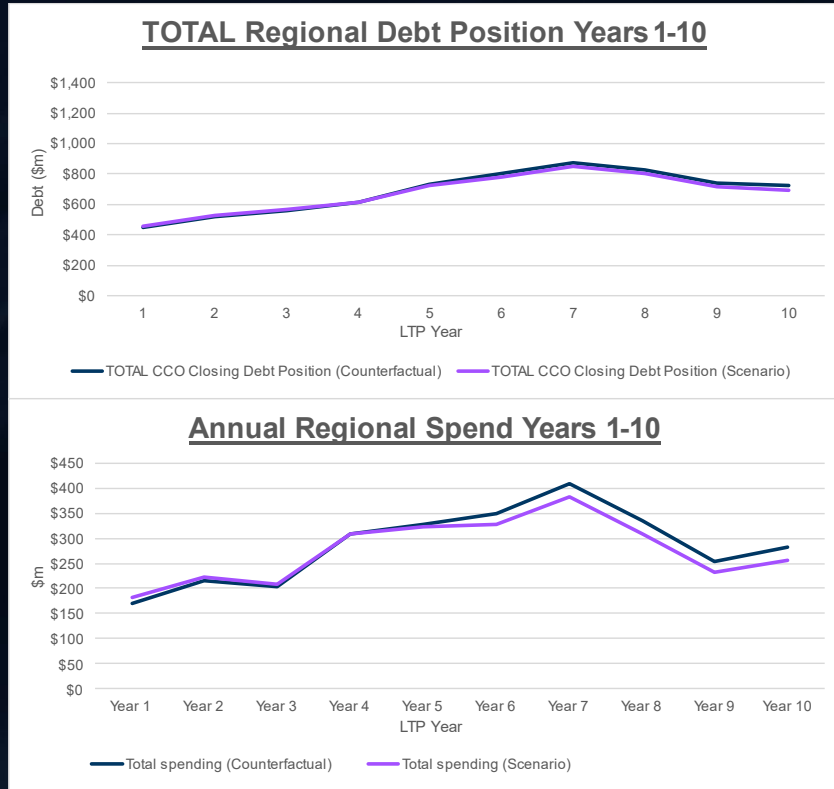
# Scenario 3 – Tararua Out



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	OUT
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

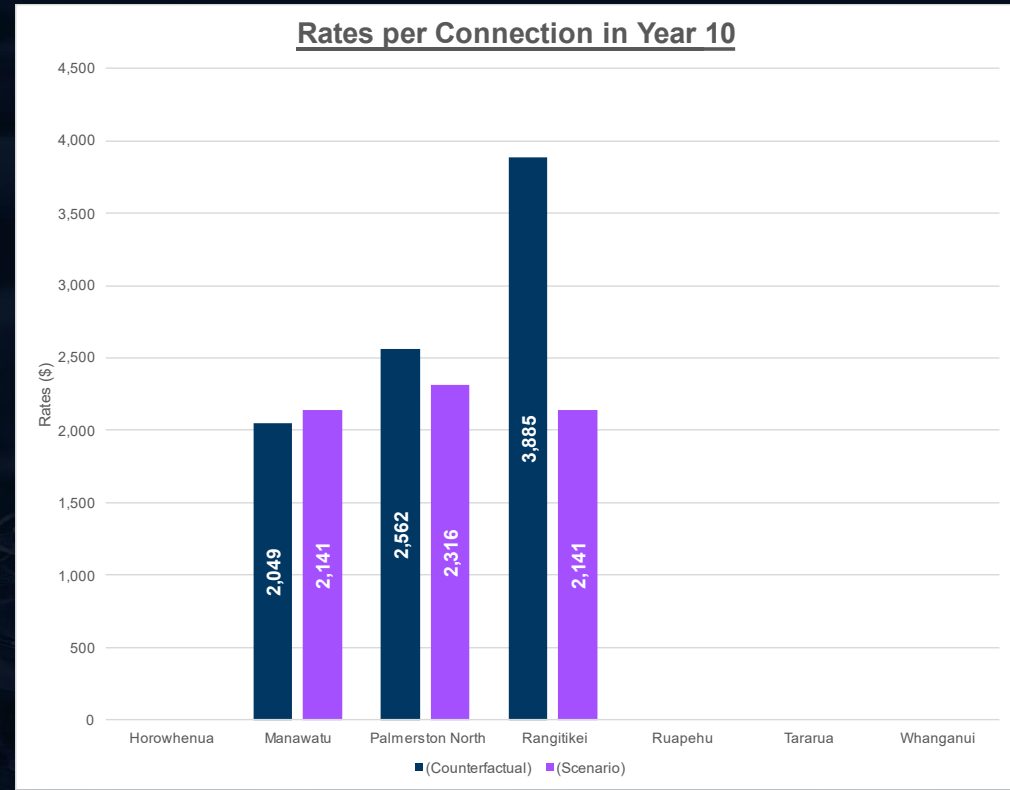
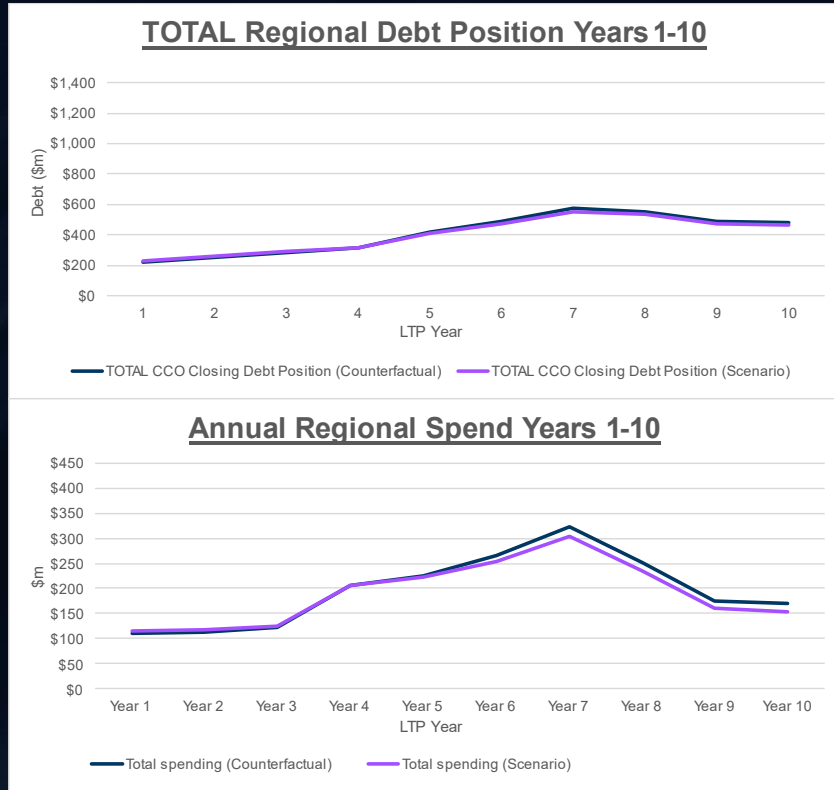
# Scenario 4 – Ruapehu Out



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	OUT
Tararua	IN
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

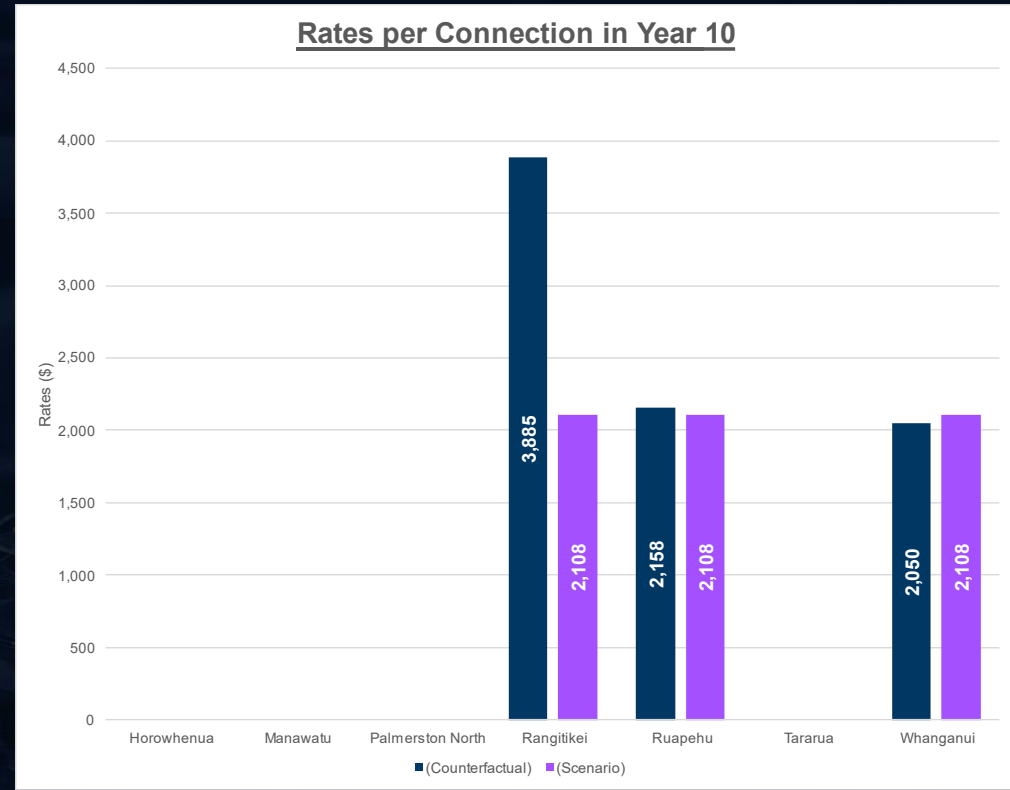
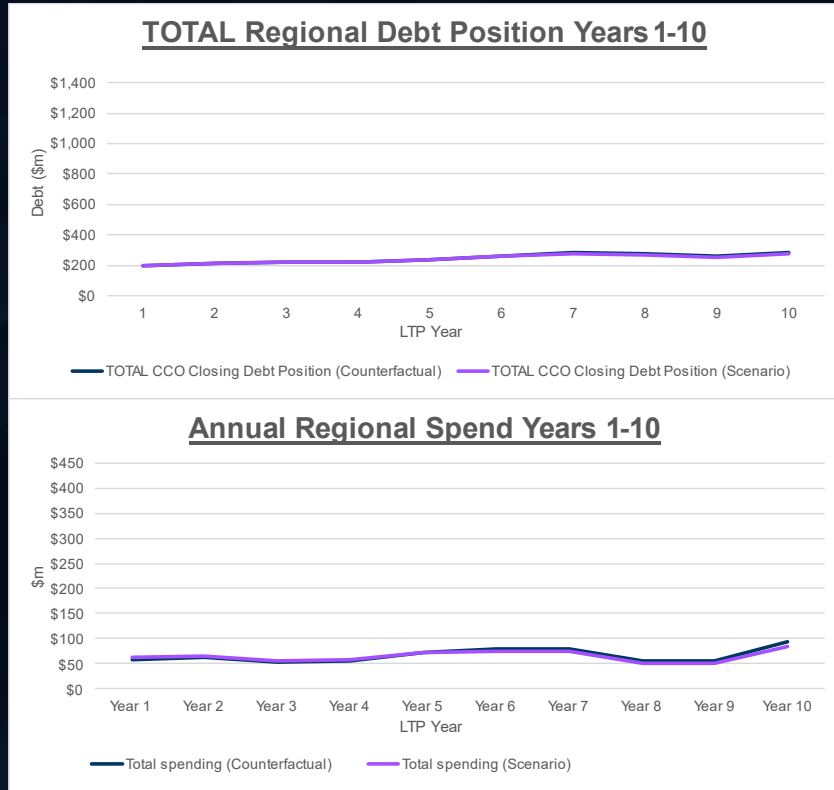
# Scenario 5 – HDC + RuDC + TDC + WDC Out



Horowhenua	OUT
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	OUT
Tararua	OUT
Whanganui	OUT
WWTP in CCO?	OUT
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

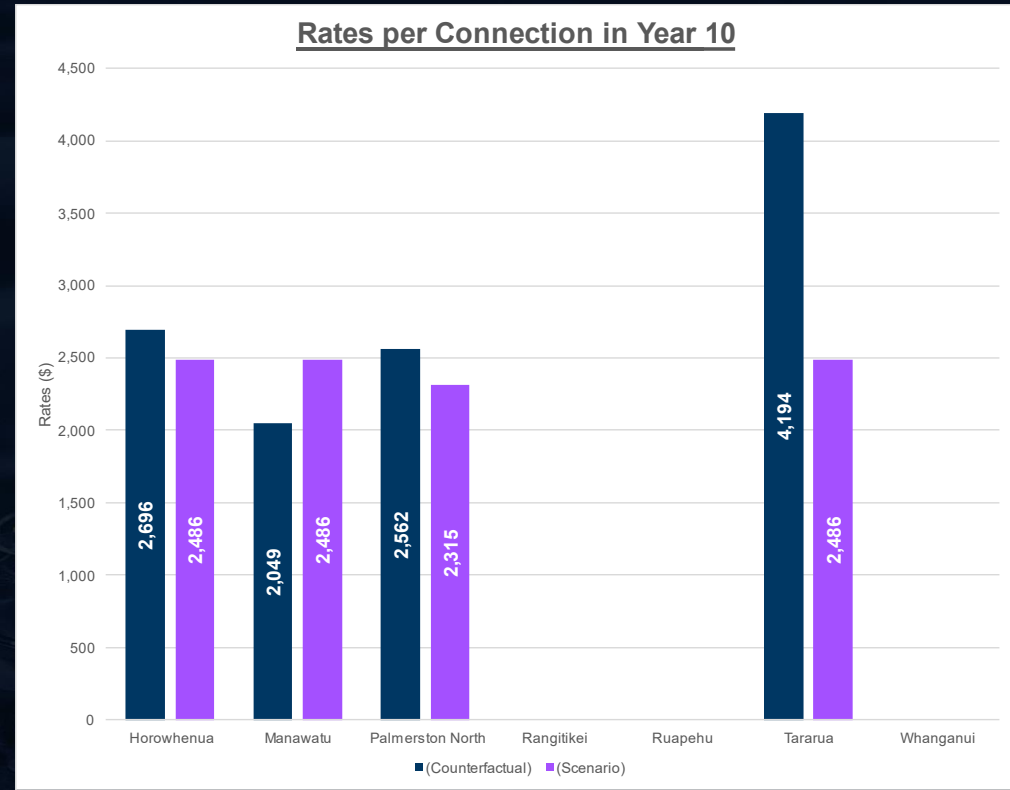
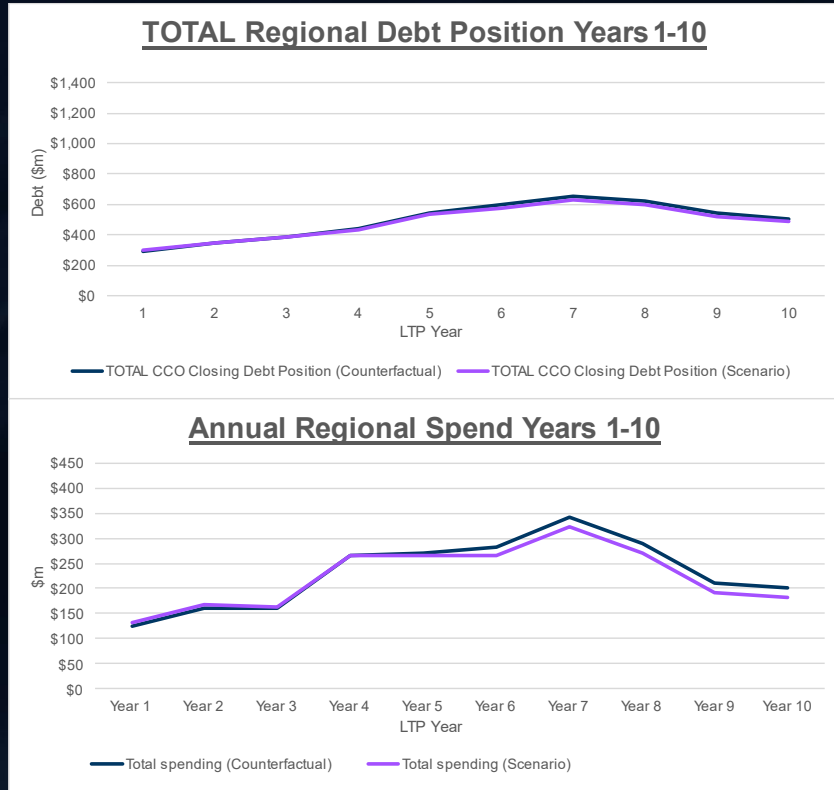
# Scenario 6a – 1st Half: RaDC + RuDC + WDC



Horowhenua	OUT
Manawatu	OUT
Palmerston North	OUT
Rangitikei	IN
Ruapehu	IN
Taranua	OUT
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

# Scenario 6b – 2nd Half: HDC + MDC + PNCC + TDC



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	OUT
Ruapehu	OUT
Tararua	IN
Whanganui	OUT
WWTP in CCO?	OUT
Changes made to:	RATES

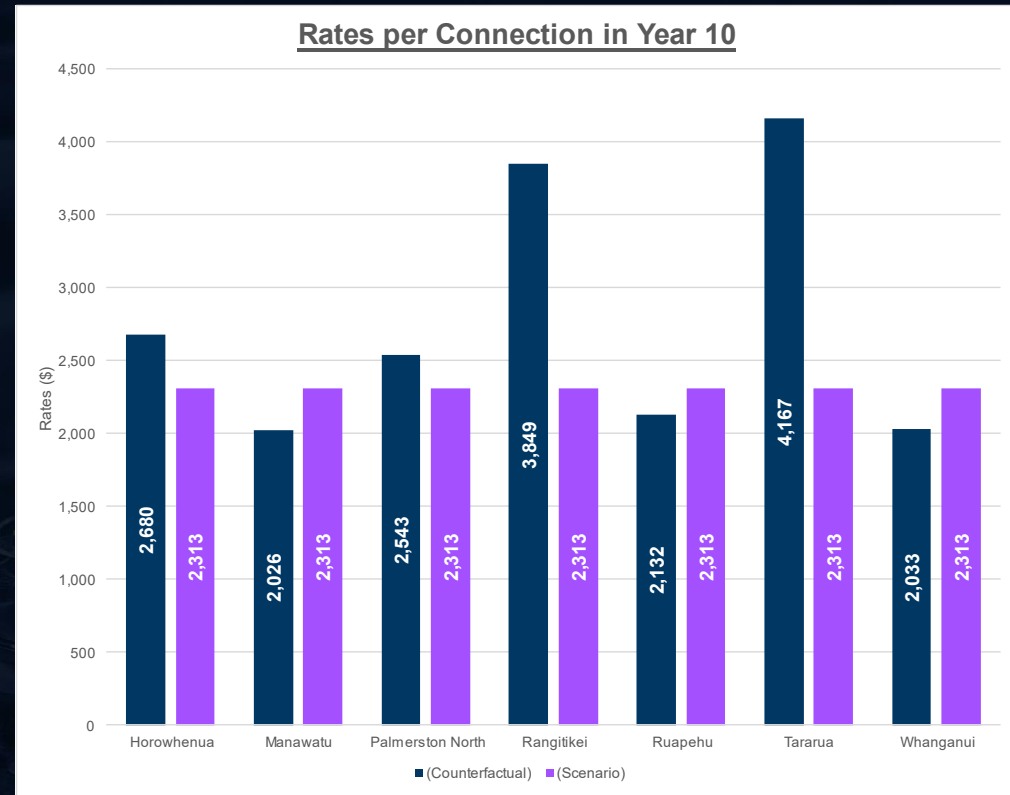
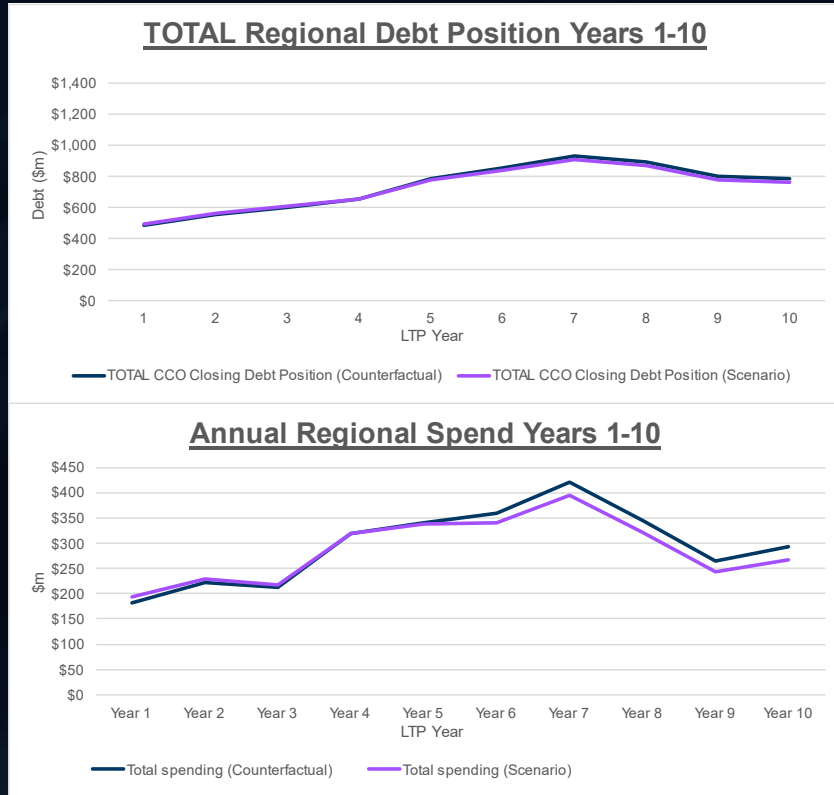
	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

# Scenario Testing 2

→ **WWTP in CCO**

– paid by all CCO ratepayers

# Scenario 0 – All In

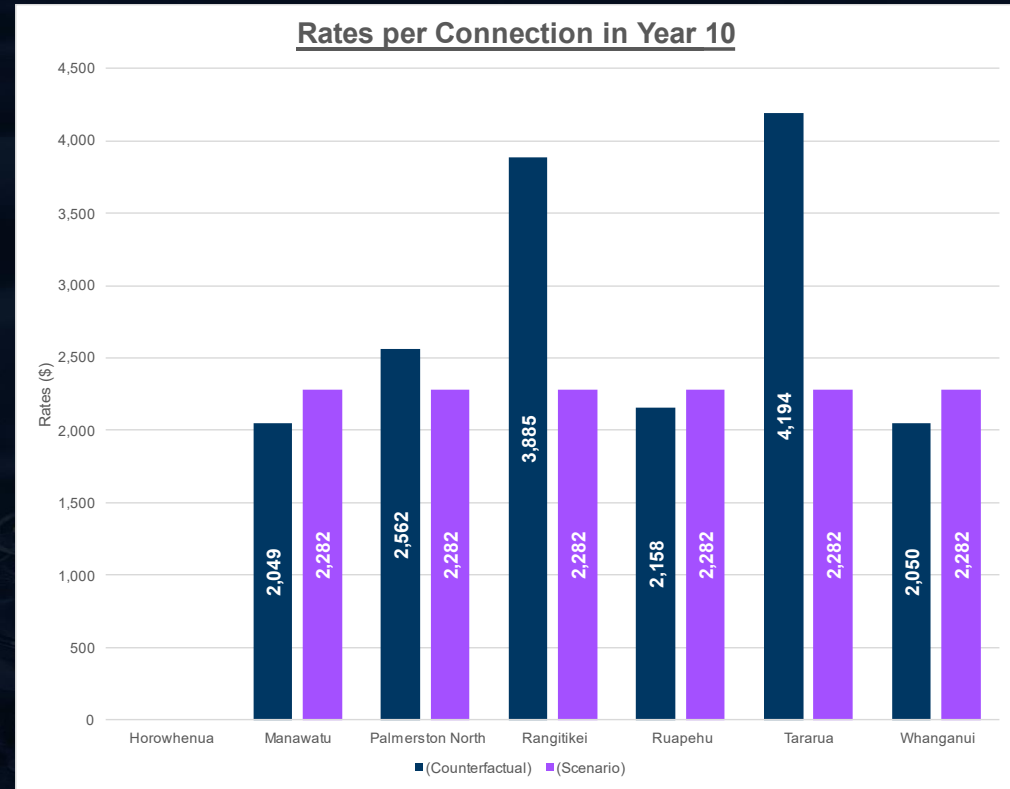
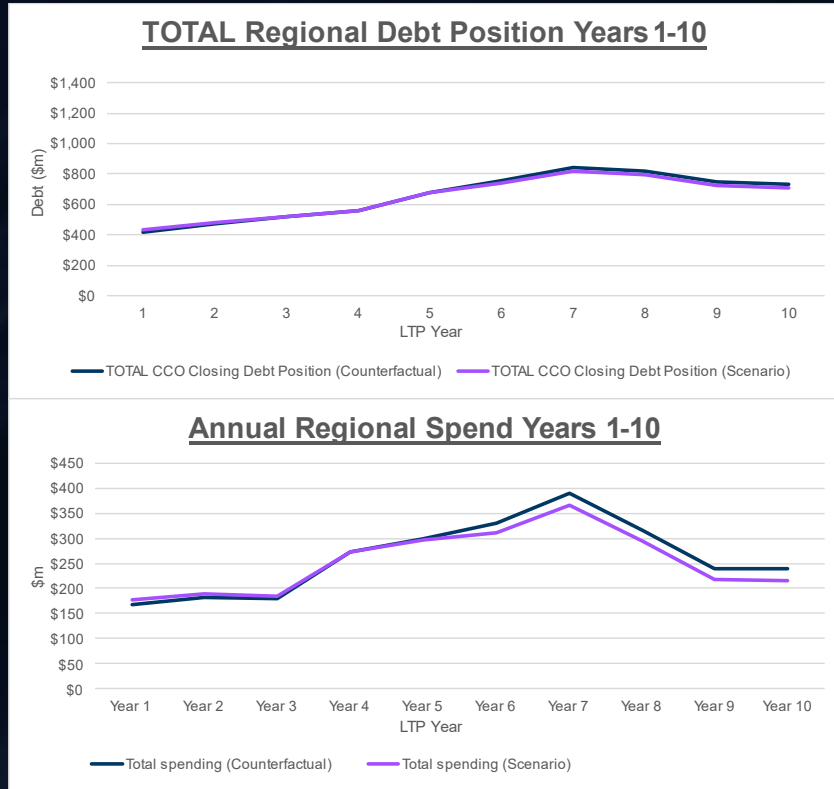


Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points



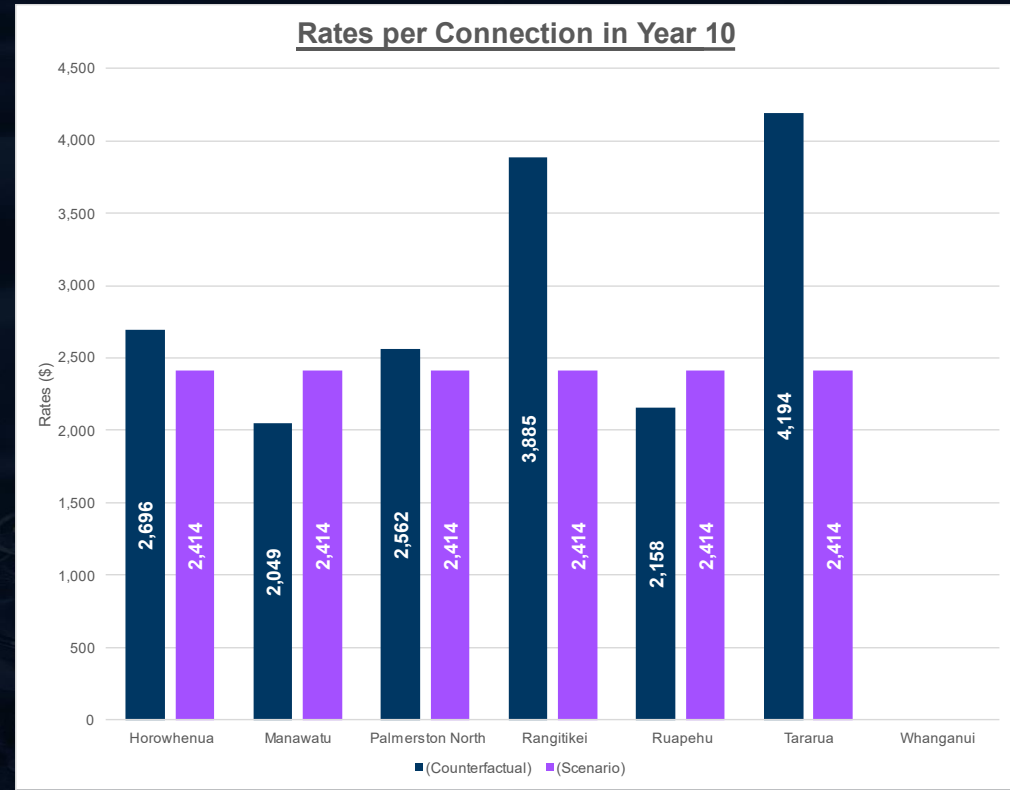
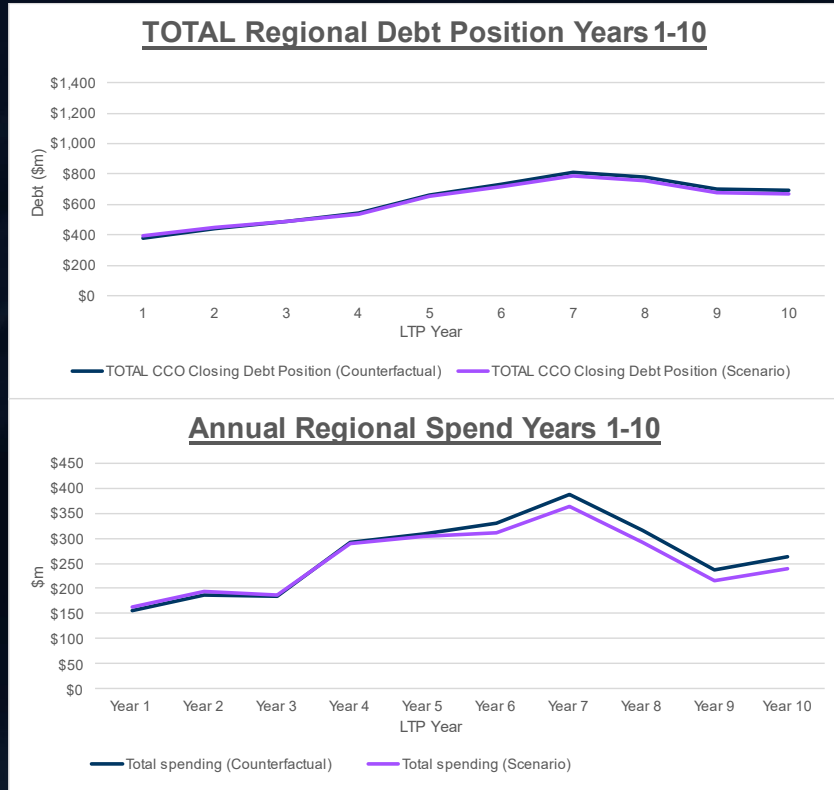
# Scenario 1 – Horowhenua Out



Horowhenua	<b>OUT</b>
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	<b>RATES</b>

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	<b>13%</b>	16%
Capex Efficiency Savings	6%	<b>8%</b>	10%
Transition Costs	17%	<b>13%</b>	10%
CCO Interest Assumption	+25 basis points	<b>Weighted Average</b>	-25 basis points

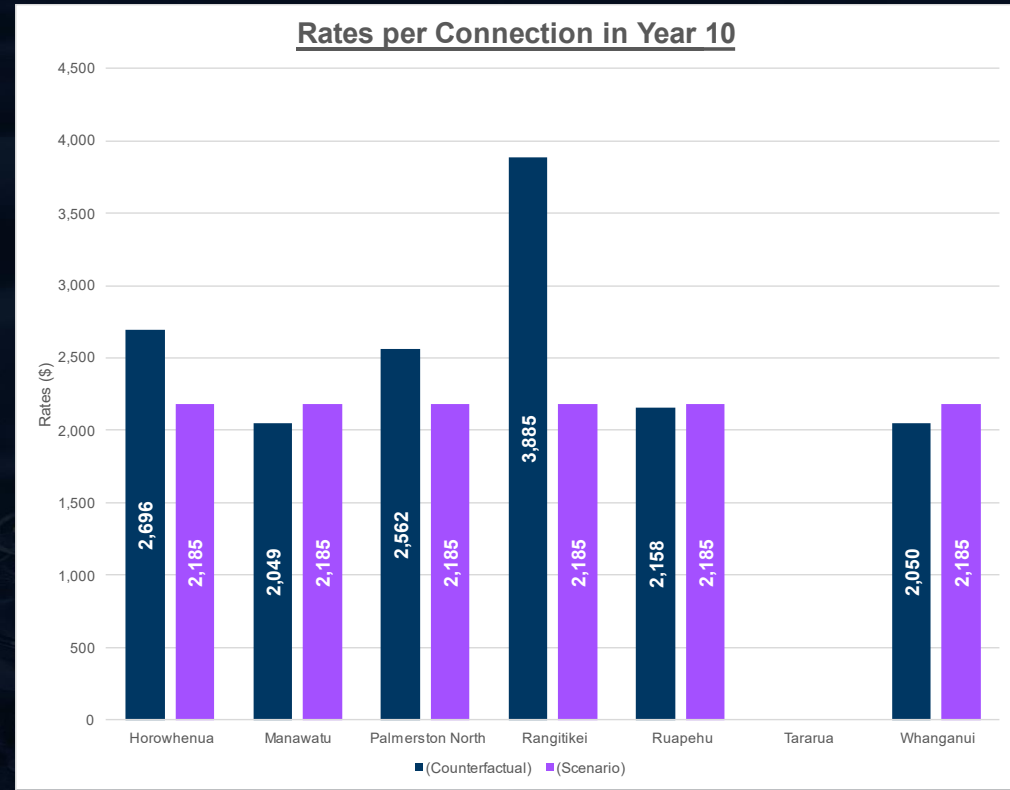
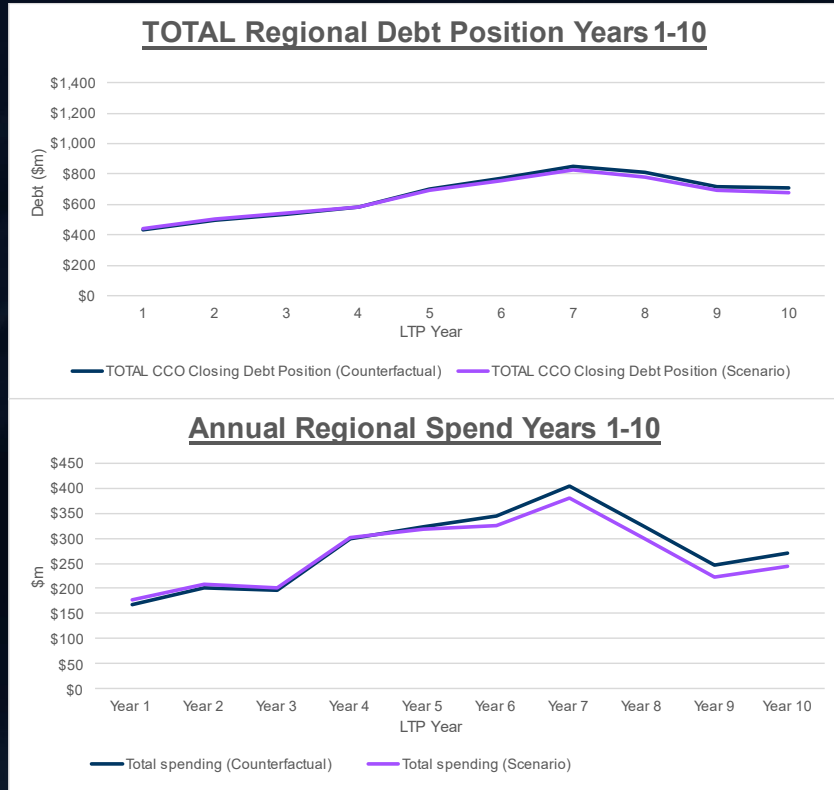
# Scenario 2 – Whanganui Out



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	OUT
WWTP in CCO?	IN
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

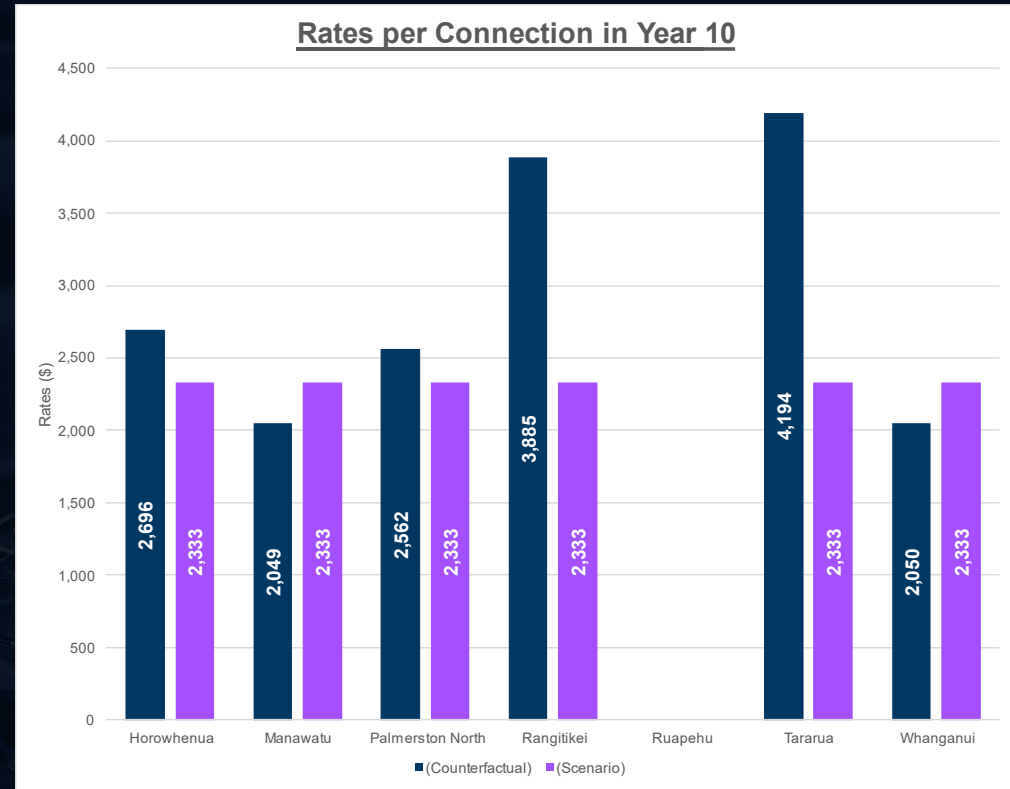
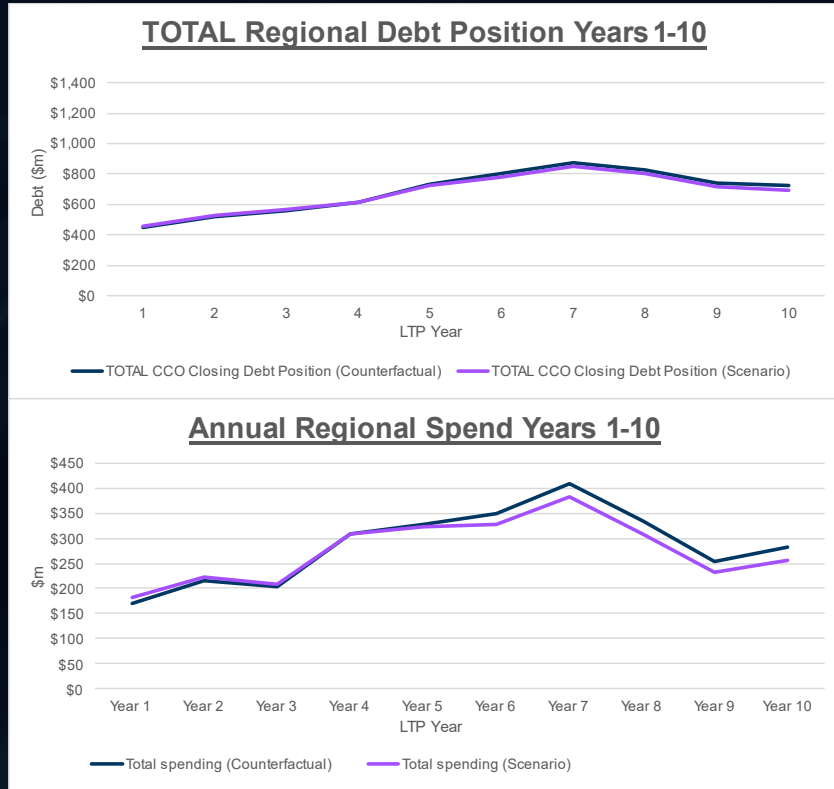
# Scenario 3 – Tararua Out



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	OUT
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

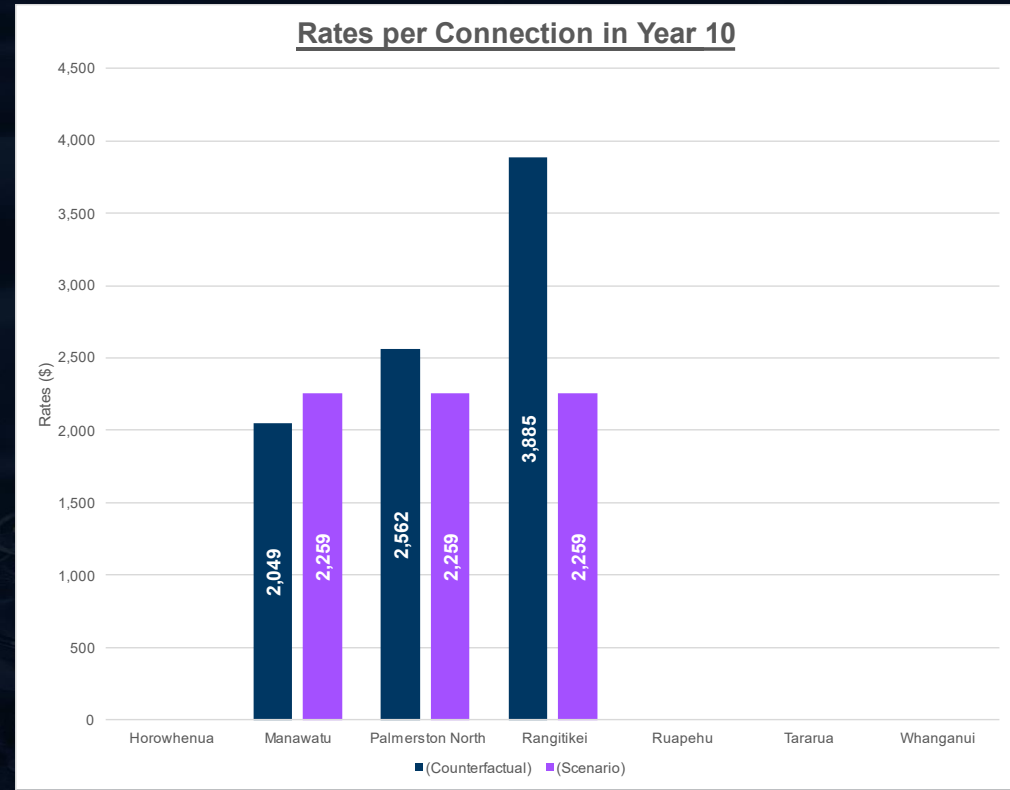
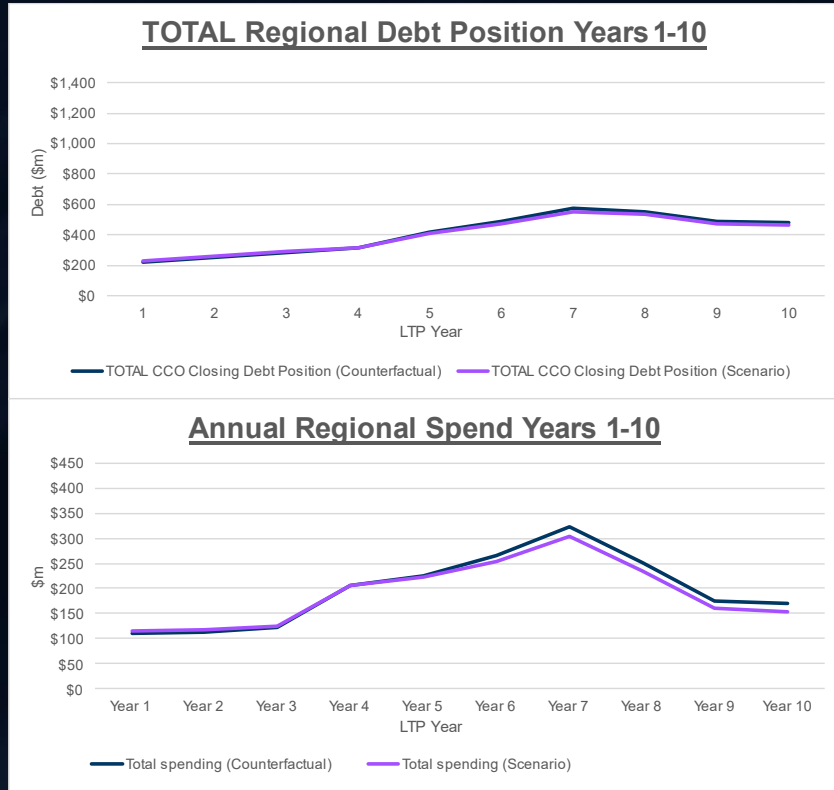
# Scenario 4 – Ruapehu Out



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	OUT
Tararua	IN
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

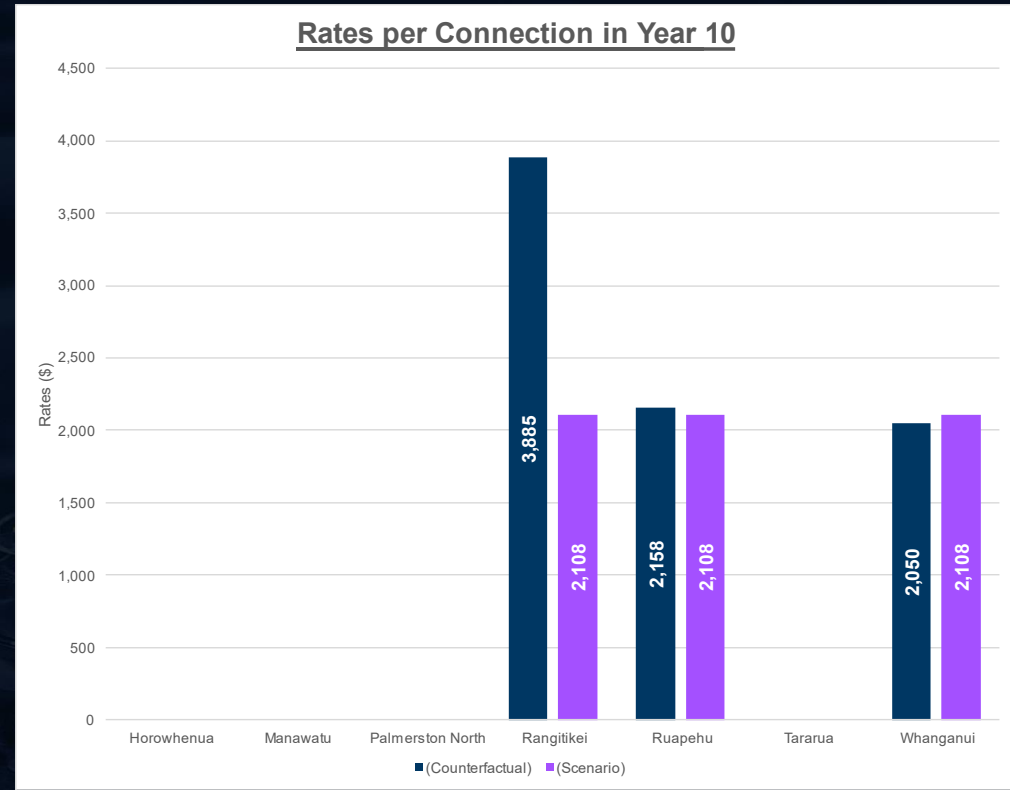
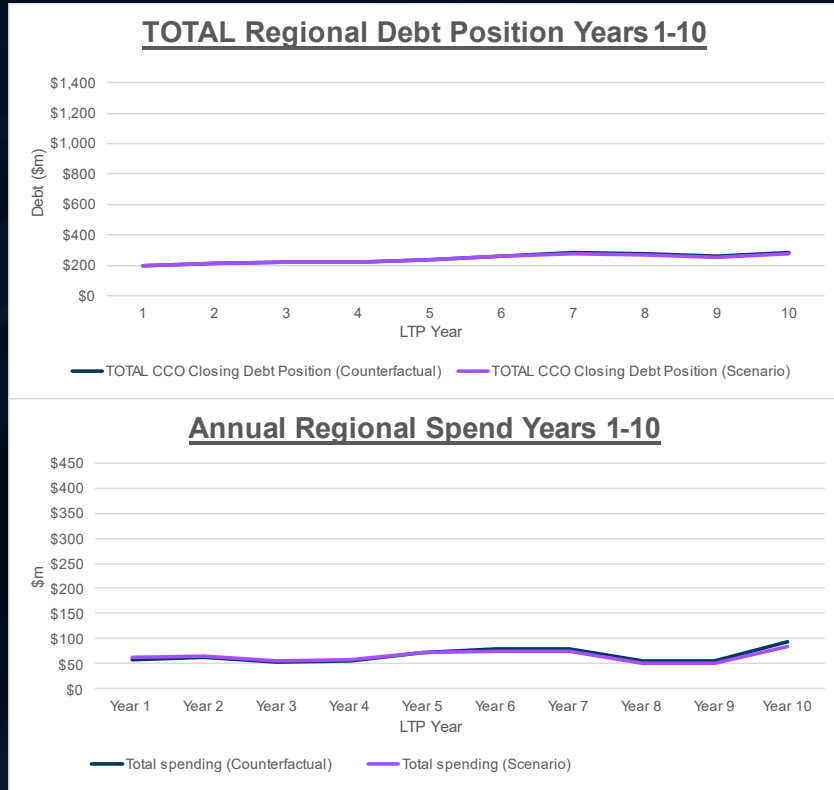
# Scenario 5 – HDC + RuDC + TDC + WDC Out



Horowhenua	OUT
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	OUT
Tararua	OUT
Whanganui	OUT
WWTP in CCO?	IN
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

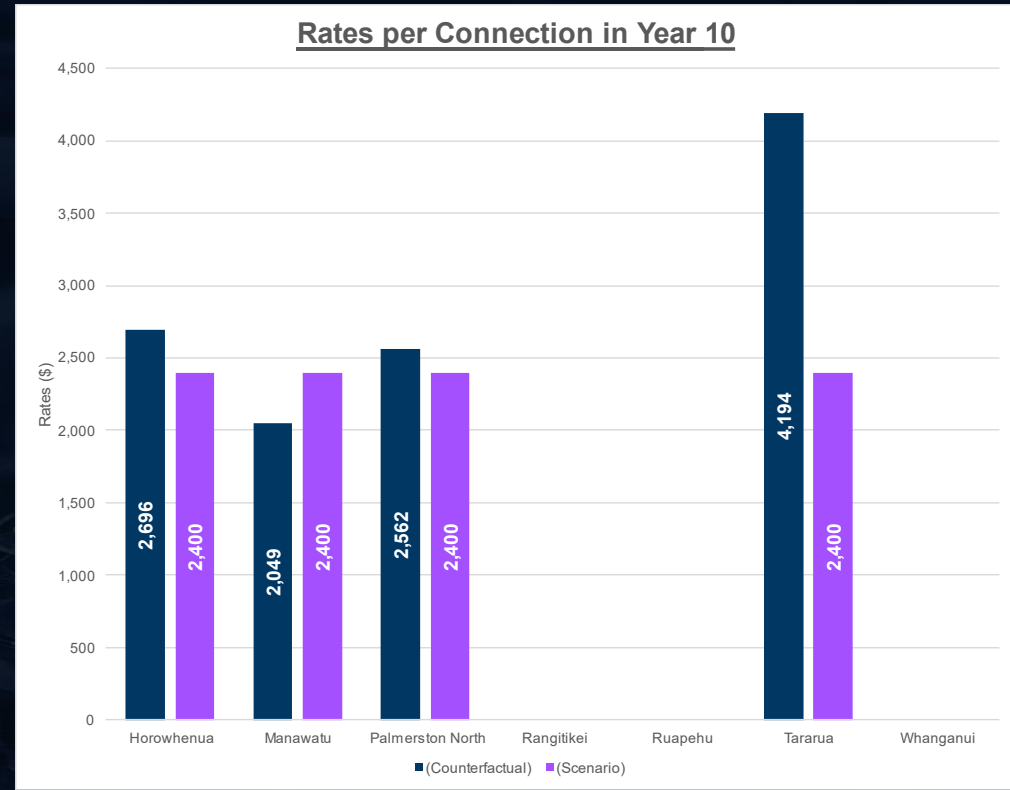
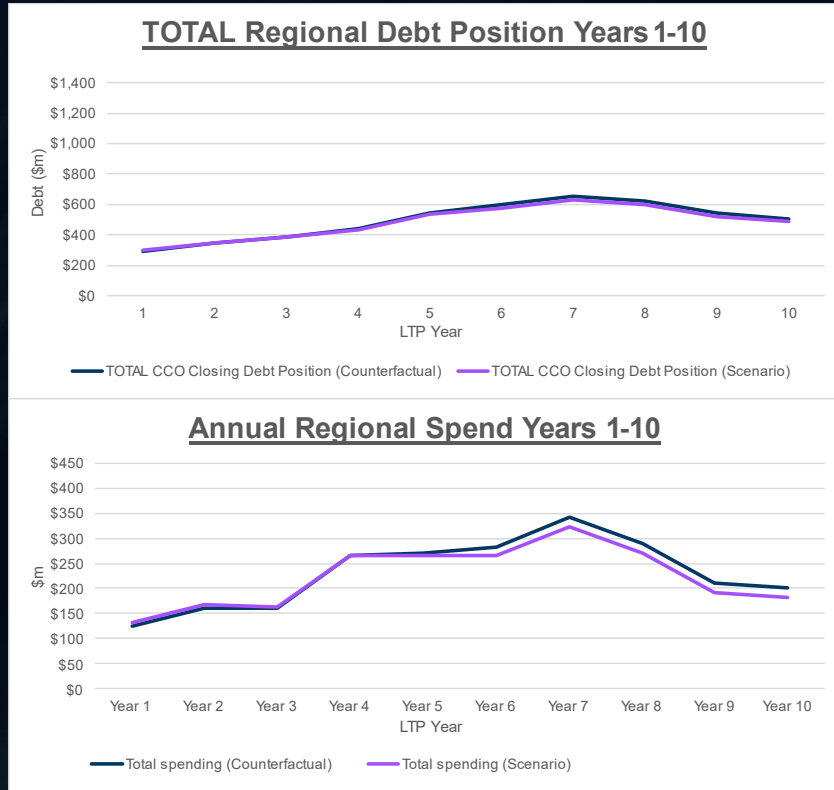
# Scenario 6a – 1st Half: RaDC + RuDC + WDC



Horowhenua	OUT
Manawatu	OUT
Palmerston North	OUT
Rangitikei	IN
Ruapehu	IN
Taranua	OUT
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

# Scenario 6b – 2nd Half: HDC + MDC + PNCC + TDC



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	OUT
Ruapehu	OUT
Tararua	IN
Whanganui	OUT
WWTP in CCO?	IN
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

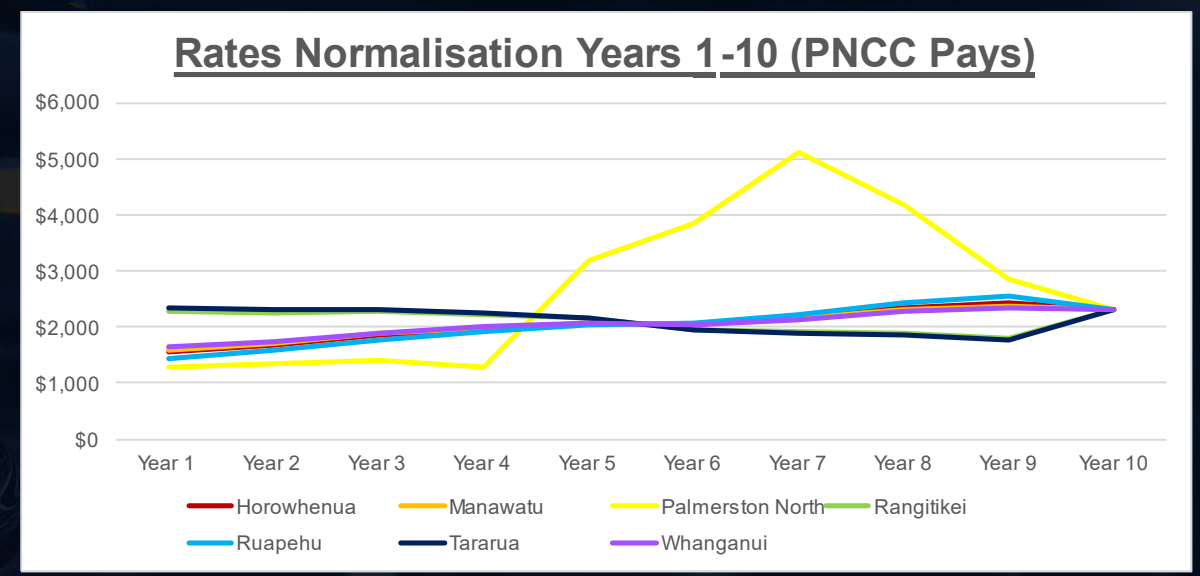
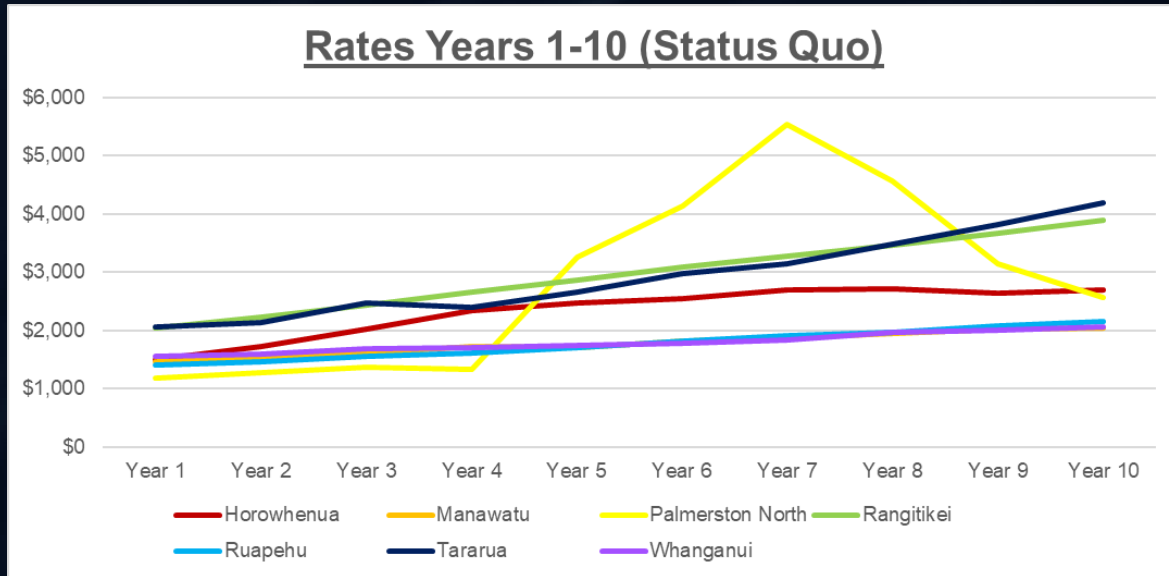
# 10-Year Rates Normalisation

→ **WWTP in CCO**

– paid by all CCO ratepayers



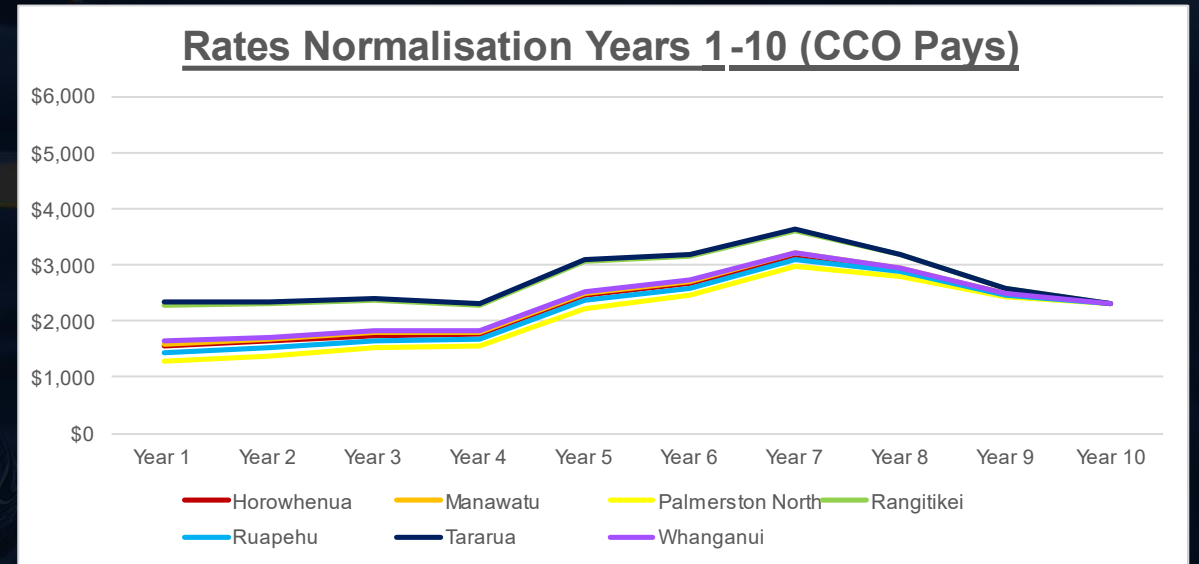
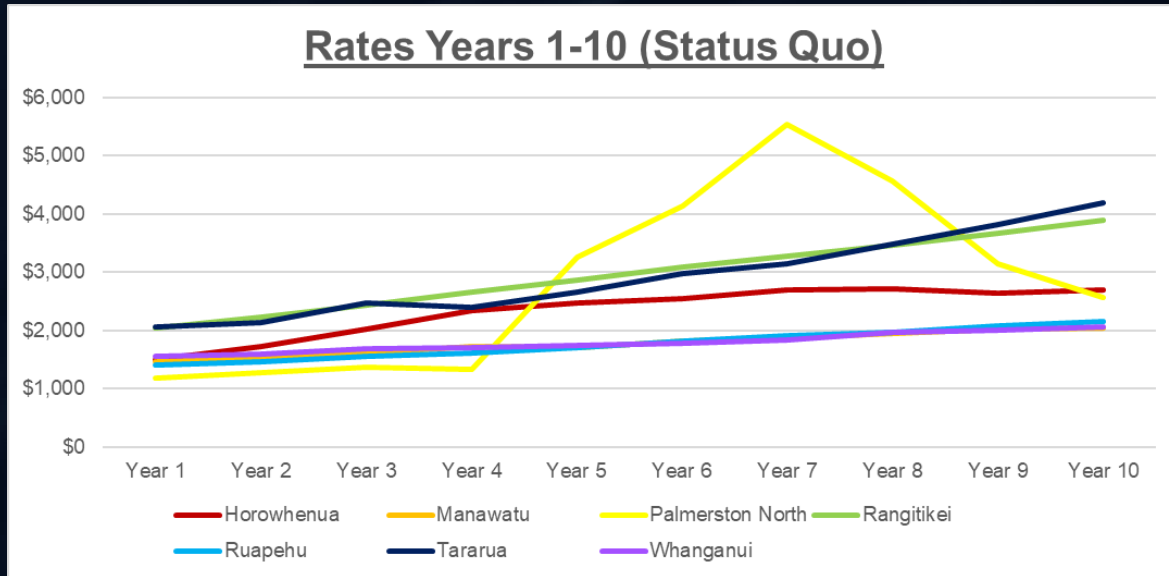
# 10-Year Rates Normalisation (PNCC Pays)



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	OUT
Changes made to:	RATES

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	Weighted Average	-25 basis points

# 10-Year Rates Normalisation (CCO Pays)



Horowhenua	IN
Manawatu	IN
Palmerston North	IN
Rangitikei	IN
Ruapehu	IN
Tararua	IN
Whanganui	IN
WWTP in CCO?	IN
Changes made to:	<b>RATES</b>

	Conservative	Mid Point	Optimistic
Opex Efficiency Savings	11%	13%	16%
Capex Efficiency Savings	6%	8%	10%
Transition Costs	17%	13%	10%
CCO Interest Assumption	+25 basis points	<b>Weighted Average</b>	-25 basis points

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