

Appendix I

Northern Region Developer Charges Calculation Sheet

Northern Region Sewerage

CALCULATION OF MAXIMUM PRICE

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Note: an input is required in \$F\$21 to incorporate the Headwork costs per ET into the maximum price.

Table 1: Calculation of maximum price (\$, \$2019-20)

| Maximum price | Costs to be recovered via DSP | Headworks costs per ET | Post-1996 | Post-1996 | Reduction for |
|---------------|-------------------------------|------------------------|-----------------|---------------------|-----------------------|
| | | | Pre-1996 assets | commissioned assets | uncommissioned assets |
| | | | 240,627,464 | 86,930,731 | 81,525,162 |
| | | | 75,406 | 69,430 | 29,909 |
| 2,334 | Value per ET | | 3,191 | 1,252 | 617 |

Table 2: Key variables used in maximum price calculation (\$, \$2019-20)

| Sum of new ETs (not discounted) | Sum of PV of new ETs (discounted at pre-1996 asset discount rate) | Sum of PV of new ETs (discounted at post-1996 asset discount rate) | Sum of PV of new ETs (discounted at expected revenue and costs discount rate) | Sum of PV of Pre-1996 commissioned assets (discounted at pre-1996 asset discount rate) | Sum of PV of Post-1996 commissioned assets (discounted at post-1996 asset discount rate) | Sum of PV of Post-1996 uncommissioned assets (discounted at post-1996 asset discount rate) | Sum of PV of revenue for new customers (discounted at expected future revenue and costs discount rate) | Sum of PV of costs for new ETs (discounted at expected future revenue and costs discount rate) |
|---------------------------------|---|--|---|--|--|--|--|--|
| 75,406,000 | 75,406 | 69,430 | 29,909 | 240,627,464 | 86,930,731 | 42,822,157 | 163,577,052 | 82,051,889 |