

# **Response to the ERA's Draft Decision on required amendments to the Access Arrangement for the Mid-West and South-West Gas Distribution System**

**19 December 2014**



## 1. Revised table 6.20 NPV analysis by incentive program

Program	Infill program	HWS infill	Existing customer HWS	Builder appliance	GPAC	Generation
Targeted number	600 (10% of targeted households)	3,417 (15% of targeted households)	1,500 gas hot water systems	2,500 additional gas appliances	80 systems for B1, 80 systems for B2	10 A2 connections, 20 B1 connections
Customer type	B2, B3	B3	B3	B2, B3	A1, A2, B1	A1, A2, B1
Average consumption	13.6 GJ	20.8 GJ (assumes 5 star hot water)	20.8 GJ (assumes 5 star hot water)	Consumption based on number of appliances	303.3 GJ	N/A
Total load	20,113GJ	162,640GJ	78,000GJ	47,988GJ	121,326GJ	504,864GJ
Incentive payment	\$350	\$700	\$300	\$200 to \$400 depending on number of appliances	Up to \$25,000	Up to \$25,000
Assessment period	25 years	25 years	25 years	15 years	10 years	10 years
Allocation of support activity costs	Yes	Yes	Yes	Yes	Yes	Yes
Cost of program (\$000s)	222	2,772	468	705	1,071	1,071
<b>Years until the program delivers a positive NPV</b>	<b>8</b>	<b>11</b>	<b>5</b>	<b>9</b>	<b>8</b>	<b>4</b>