

Option 5 - Long Term Solution

Year 1	Year 2	Year 3	Year 4	Cumulative Increase
9.75%	9.75%	9.75%	9.75%	45.1%

The proposed SRV is to be retained permanently in the rate base.

In the year following the end of the SRV and future years, the rate peg percentage increase will apply to rate levels with the SRV, and not to the rate level with the rate peg only. This means rates will stay at the increased level and only increase by the rate peg percentage after the end of the SRV period.

Average Residential Rate	Base Year	Year 1	Year 2	Year 3	Year 4	Cumulative Increase
Average residential rate under assumed rate peg of 2.5% pa	\$1,148	\$1,177	\$1,206	\$1,236	\$1,267	\$119
Annual increase rate peg (%)		2.5%	2.5%	2.5%	2.5%	10.4%
Average residential rate with an SV of 9.75% p.a. for 4 years	\$1,148	\$1,260	\$1,383	\$1,518	\$1,666	\$518
Annual increase with SV (%)		9.75%	9.75%	9.75%	9.75%	45.1%
Cumulative impact of SV above base year levels		\$112	\$235	\$370	\$518	
Cumulative difference between SV and rate-peg-only scenarios		\$83	\$177	\$282	\$399	

Average Farmland Rate	Base Year	Year 1	Year 2	Year 3	Year 4	Cumulative Increase
Average farmland rate under assumed rate peg of 2.5% pa	\$1,934	\$1,982	\$2,032	\$2,083	\$2,135	\$201
Annual increase rate peg (%)		2.5%	2.5%	2.5%	2.5%	10.4%
Average farmland rate with an SV of 9.75% p.a. for 4 years	\$1,934	\$2,123	\$2,330	\$2,557	\$2,806	\$872
Annual increase with SV (%)		9.75%	9.75%	9.75%	9.75%	45.1%
Cumulative impact of SV above base year levels		\$189	\$396	\$623	\$872	
Cumulative difference between SV and rate-peg-only scenarios		\$141	\$298	\$474	\$671	

Average Business Rate	Base Year	Year 1	Year 2	Year 3	Year 4	Cumulative Increase
Average business rate under assumed rate peg of 2.5% pa	\$4,889	\$5,011	\$5,136	\$5,264	\$5,396	\$507
Annual increase rate peg (%)		2.5%	2.5%	2.5%	2.5%	10.4%
Average business rate with an SV of 9.75% p.a. for 4 years	\$4,889	\$5,366	\$5,889	\$6,463	\$7,093	\$2,204
Annual increase with SV (%)		9.75%	9.75%	9.75%	9.75%	45.1%
Cumulative impact of SV above base year levels		\$477	\$1,000	\$1,574	\$2,204	
Cumulative difference between SV and rate-peg-only scenarios		\$355	\$753	\$1,199	\$1,697	

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In the year following the end of the SRV and future years, the rate peg percentage increase will apply to rate levels with the SRV, and not to the rate level with the rate peg only. This means rates will stay at the increased level and only increase by the rate peg percentage after the end of the SRV period.

Average Residential Williamstown Primary Rate	Base Year	Year 1	Year 2	Year 3	Year 4	Cumulative Increase
Average residential WP rate under assumed rate peg of 2.5% pa	\$690	\$707	\$725	\$743	\$762	\$72
Annual increase rate peg (%)		2.5%	2.5%	2.5%	2.5%	10.4%
Average residential WP rate with an SV of 9.75% p.a. for 4 years	\$690	\$757	\$831	\$912	\$1,001	\$311
Annual increase with SV (%)		9.75%	9.75%	9.75%	9.75%	45.1%
Cumulative impact of SV above base year levels		\$67	\$141	\$222	\$311	
Cumulative difference between SV and rate-peg-only scenarios		\$50	\$106	\$169	\$239	

Average Residential Williamstown Secondary Rate	Base Year	Year 1	Year 2	Year 3	Year 4	Cumulative Increase
Average residential WS rate under assumed rate peg of 2.5% pa	\$740	\$759	\$778	\$797	\$817	\$77
Annual increase rate peg (%)		2.5%	2.5%	2.5%	2.5%	10.4%
Average residential WS rate with an SV of 9.75% p.a. for 4 years	\$740	\$812	\$891	\$978	\$1,073	\$333
Annual increase with SV (%)		9.75%	9.75%	9.75%	9.75%	45.1%
Cumulative impact of SV above base year levels		\$72	\$151	\$238	\$333	
Cumulative difference between SV and rate-peg-only scenarios		\$53	\$113	\$181	\$256	

Average Residential Williamstown Broader Rate	Base Year	Year 1	Year 2	Year 3	Year 4	Cumulative Increase
Average residential WB rate under assumed rate peg of 2.5% pa	\$906	\$929	\$952	\$976	\$1,000	\$94
Annual increase rate peg (%)		2.5%	2.5%	2.5%	2.5%	10.4%
Average residential WB rate with an SV of 9.75% p.a. for 4 years	\$906	\$994	\$1,091	\$1,197	\$1,314	\$408
Annual increase with SV (%)		9.75%	9.75%	9.75%	9.75%	45.1%
Cumulative impact of SV above base year levels		\$88	\$185	\$291	\$408	
Cumulative difference between SV and rate-peg-only scenarios		\$65	\$139	\$221	\$314	

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In the year following the end of the SRV and future years, the rate peg percentage increase will apply to rate levels with the SRV, and not to the rate level with the rate peg only. This means rates will stay at the increased level and only increase by the rate peg percentage after the end of the SRV period.

Average Farmland Williamstown Primary Rate	Base Year	Year 1	Year 2	Year 3	Year 4	Cumulative Increase
Average farmland WP rate under assumed rate peg of 2.5% pa	\$897	\$919	\$942	\$966	\$990	\$93
Annual increase rate peg (%)		2.5%	2.5%	2.5%	2.5%	10.4%
Average residential WP rate with an SV of 9.75% p.a. for 4 years	\$897	\$984	\$1,080	\$1,185	\$1,301	\$404
Annual increase with SV (%)		9.75%	9.75%	9.75%	9.75%	45.1%
Cumulative impact of SV above base year levels		\$87	\$183	\$288	\$404	
Cumulative difference between SV and rate-peg-only scenarios		\$65	\$138	\$219	\$311	

Average Farmland Williamstown Secondary Rate	Base Year	Year 1	Year 2	Year 3	Year 4	Cumulative Increase
Average farmland WS rate under assumed rate peg of 2.5% pa	\$1,204	\$1,234	\$1,265	\$1,297	\$1,329	\$125
Annual increase rate peg (%)		2.5%	2.5%	2.5%	2.5%	10.4%
Average farmland WS rate with an SV of 9.75% p.a. for 4 years	\$1,204	\$1,321	\$1,450	\$1,591	\$1,746	\$542
Annual increase with SV (%)		9.75%	9.75%	9.75%	9.75%	45.1%
Cumulative impact of SV above base year levels		\$117	\$246	\$387	\$542	
Cumulative difference between SV and rate-peg-only scenarios		\$87	\$185	\$294	\$417	

Average Farmland Williamstown Broader Rate	Base Year	Year 1	Year 2	Year 3	Year 4	Cumulative Increase
Average farmland WB rate under assumed rate peg of 2.5% pa	\$1,375	\$1,409	\$1,444	\$1,480	\$1,517	\$142
Annual increase rate peg (%)		2.5%	2.5%	2.5%	2.5%	10.4%
Average farmland WB rate with an SV of 9.75% p.a. for 4 years	\$1,375	\$1,509	\$1,656	\$1,817	\$1,994	\$619
Annual increase with SV (%)		9.75%	9.75%	9.75%	9.75%	45.1%
Cumulative impact of SV above base year levels		\$134	\$281	\$442	\$619	
Cumulative difference between SV and rate-peg-only scenarios		\$100	\$212	\$337	\$477	