

25 June 2015

Lord Ramsay Dalgety
Chief Executive
Electricity Commission
PO Box 869
Nuku'alofa
Tonga

Written submission filed by Office of the Minister for Finance and National Planning (1 June 2015)

As a part of the consultation process provided for under the Second Electricity Reset, the Government of Tonga has, via the Office of the Minister for Finance and National Planning, made a written submission dated 1 June 2015. We focus our attention on statements made regarding the allowable rate of return on page one of that submission. In brief, our views remain as they were in our report of 22 March and we believe 8.5% is a credible rate of return for TPL to claim. That said, we can see no reason why TPL could not provide the Commission and Minister's office with reforecasts based on the scenarios the Minister's office has requested to demonstrate the economic impact on its business and customer pricing of a "6.7%, 7.5% and 8.0% AROR".

Me te mihi nui



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