

Our Ref: LTR 70

14 April 2011

Mathew Lewer
Regulation Branch
Commerce Commission
P O Box 2351
WELLINGTON

Sent by email – regulation.branch@comcom.govt.nz

Dear Mathew,

Re: Starting Price Adjustments (SPA) – Update Paper

Horizon Energy Distribution Limited (“Horizon Energy”) would like to seek an extension until 30 May 2011 to allow it sufficient time to make any meaningful submission on the SPA paper. Our reasons for seeking an extension are as follows:

The update paper is fundamentally different to what was proposed previously by the Commission in August 2010.

The impact of this sudden methodology departure has a significant impact on Horizon Energy and we will simply not have enough time to fully consider and form any substantive views by 13 May 2011.

We are currently devoting considerable resource to responding to the section 53ZD request for the SPA process and in the preparation of our year end accounts.

In order to assist with our understanding we would appreciate it if the Commission could forward time series data and calculations used in deriving the following model assumptions:

- Revenue Growth Assumption;
- Opex Growth Assumption;
- CPI Assumption; and
- Capex Growth Assumptions.

We trust that our request will meet with your approval and I look forward to hearing from you.

Yours sincerely



Ajay Anand
CHIEF EXECUTIVE