

Dr Graham Scott  
Chair, Transmission Pricing Advisory Group  
26 Sefton Street  
Wadestown  
Wellington

Hon Roger Sowry  
Electricity Authority  
ASB Bank Tower  
2 Hunter Street  
PO Box 10041  
Wellington

Dear Mr Sowry

**Transmission Pricing Advisory Group (TPAG) Report to the Authority**

On behalf of TPAG, I attach the group's transmission pricing report to the Authority which gives effect to the key deliverable 2 in TPAG's workplan: Recommendations Paper on a preferred TPM option.

As required by paragraph 3.6 of the Authority's charter about advisory groups (advisory group charter), paragraph 6.1 of the terms of reference TPAG has endeavoured to provide consensus recommendations to the Board on matters considered by TPAG.

However, in respect of the HVDC cost allocation TPAG has been unable to reach a consensus within the agreed timeframe.

Accordingly, as required by paragraph 3.7 of part 2 of the advisory group charter, paragraph 6.2 of the terms of reference, and consistent with the Authority's guidance regarding the Biggar report, TPAG has provided a full exposition of the analysis and evidence considered by TPAG, so that the Authority can make an informed decision.

Yours sincerely,

A handwritten signature in black ink that reads "Graham Scott". The signature is written in a cursive, flowing style.

Dr Graham Scott

(Provided by E-mail)