

balance day and apportionment day, in respect of the item, pursuant to paragraph (a) of clause 6 hereof, bears to the total of the amounts debited by balance day, and estimated to be debited between balance day and apportionment day, to Capital Account No. 2, pursuant to the said paragraph (a)."

4. Clause 8 of the Schedule shall be varied by:

(a) renumbering it "10";

(b) inserting after the words "Capital Account No. 2" wherever therein appearing the words "or Capital Account No. 3 or Capital Account No. 4";

(c) inserting after the word "item" where secondly appearing in paragraph (a) the words "or part of an item".

5. The Schedule shall be varied by omitting clauses 9, 10, 11, and 12 thereof, and substituting:

"11. (a) The price payable by the company for all electrical power under the agreement shall be based on a yearly amount per kilowatt, calculated as provided in clause 12 hereof (hereinafter called 'the yearly kilowatt price'). The company shall pay for the said electrical power on a quarterly basis.

"(b) The company shall pay in respect of a quarter—

"(i) for all electrical power under the agreement (other than electrical power made available in pursuance of notices given by the company under paragraph (g) of clause 5 of the agreement), an amount equal to the sum of the notified kilowatt quarterly amounts (a 'notified kilowatt quarterly amount' for the purpose of this subparagraph being, in respect of each of the notified kilowatts during a quarter, the proportion of the yearly kilowatt price equal to the proportion which the number of days in that quarter in respect of which the company is obliged to pay under the agreement for the notified kilowatt bears to the total number of days in the calendar year in which that quarter occurs); and

"(ii) for electrical power made available in pursuance of notices given by the company under the said paragraph (g), an amount equal to the product of the yearly kilowatt price multiplied by the number of kilowatts which bears the same proportion to 200,000 as the quantity of energy available during that quarter (on the basis of the load factor of the electrical power required under the said notices) from the electrical power so made available, and for which the company is obliged to pay under the terms of the agreement during that quarter, bears to the quantity of energy available from two Crown blocks during the calendar year in which that quarter occurs.

"(c) The Crown shall render an account to the company for the amount payable for electrical power under the agreement at the beginning of each calendar quarter in respect of the preceding quarter, and each account shall be payable within one month after it is received by the company at its office at Bluff, or elsewhere as may be agreed, at the New Zealand Electricity Department's office at Dunedin, or by lodgment to the Public Account at any branch in New Zealand of the Bank of New Zealand, followed by mailing of the bank's receipt for the amount so lodged to the said Department's office.

"(d) In any case where immediately after the end of a particular quarter it is not possible to calculate accurately the yearly kilowatt price or the number of notified kilowatts because some or all of the components of either or both of them are not then known, a *pro forma* account shall be rendered in respect of that quarter with either or both (as the case may be) the yearly kilowatt price and number of notified kilowatts estimated as accurately as is then possible, and the amount of the *pro forma* account shall be adjusted in the quarterly account next after all components are known. In the event of it being necessary to estimate the number of notified kilowatts because the exact number in any block of electrical power required by the company under a notice given pursuant to clause 5 of the agreement has not at the time been determined under clause 8 of the agreement, then the number of notified kilowatts in that block shall, for the purpose of the *pro forma* account, be estimated as the number of kilowatts required by that notice.

"12 (a) In this clause—

A is the sum of

|  |             |
|--|-------------|
| The net debit balance in Capital Account No. 1 |             |
| _____  | × .00102962 |
| Total installed capacity                       |             |

and

|  |             |
|--|-------------|
| The net debit balance in Capital Account No. 2 |             |
| _____  | × .00827816 |
| Total installed capacity                       |             |

B equals

|                                      |                      |
|--------------------------------------|----------------------|
| Total progressive capital investment | Agreed interest rate |
| _____                                | × _____              |
| Total installed capacity             | 100                  |

C equals (subject to the provisions of clause 13 hereof)  
Operating and maintenance costs

\_\_\_\_\_

D is the licence fee

E is a fixed contingency fee of two shillings and six pence

F is the sum of

|                          |             |
|--------------------------|-------------|
| Part I determined amount |             |
| _____                    | × .00102962 |
| Total installed capacity |             |

and

|                           |             |
|---------------------------|-------------|
| Part II determined amount |             |
| _____                     | × .00827816 |
| Total installed capacity  |             |

G equals

|   |                      |
|---|----------------------|
| Part I determined amount plus Part II determined amount | Agreed interest rate |
| _____   | × _____              |
| Total installed capacity                                | 100                  |

H is the sum of

|  |             |
|--|-------------|
| The total of the net debit balances in Capital Account No. 1 and Capital Account No. 3 |             |
| _____  | × .00102962 |
| Total installed capacity   |             |

and

|  |             |
|--|-------------|
| The total of the net debit balances in Capital Account No. 2 and Capital Account No. 4 |             |
| _____  | × .00827816 |
| Total installed capacity   |             |

and

|   |                      |
|---|----------------------|
| I equals                                      |                      |
| Total progressive capital investment Stage II | Agreed interest rate |
| _____   | × _____              |
| Total installed capacity                      | 100                  |

"(b) The yearly kilowatt price at the commencement of each quarter during Stage I when the total of the net debit balances in Capital Account No. 1 and Capital Account No. 2 does not exceed the sum of £56,550,000, and the tail race excess shall be the sum of A + B + C + D + E.

"(c) The yearly kilowatt price at the commencement of each quarter during Stage I when the total of the net debit balances in Capital Account No. 1 and Capital Account No. 2 exceeds the sum of £56,550,000, and the tail race excess shall be the sum of C + D + E + F + G.

"(d) The yearly kilowatt price at the commencement of each quarter during Stage II shall be the sum of C + D + E + H + I.

"(e) The yearly kilowatt price determined at the commencement of each quarter shall apply in respect of that quarter."

6. Clause 13 of the Schedule shall be varied by:

(a) omitting the expression "clause 10" where it occurs in paragraph (a) and paragraph (c), and substituting in each case the expression "clause 12";

(b) omitting from paragraph (c) the word "annual" and the expression "per notified kilowatt".

7. This agreement shall be governed by New Zealand law.

8. This agreement shall take effect on and from the date on which the agreement bearing the same date as these presents, and referred to in the recitals to this agreement, is approved by the Governor-General by Order in Council.

In witness whereof this agreement has been executed the day and year first hereinbefore written.

Signed for and on behalf of Her Majesty the Queen in respect of the Government of New Zealand by THOMAS PHILIP SHAND, the Minister of Electricity, in the presence of:

E. B. MACKENZIE, General Manager,  
New Zealand Electricity Department,  
Wellington, New Zealand.

The Common Seal of CONSOLIDATED ZINC PROPRIETARY LTD. was hereto affixed in the presence of:

[L.S.] D. J. HIBBERD,  
Director of Conzinc Riotinto of Australia Ltd.

A person approved by the Board of Consolidated Zinc Proprietary Ltd.

Dated at Wellington this 20th day of March 1967.

T. P. SHAND, Minister of Electricity.

(N.Z.E.D. 2/0/21/3/3)