

Appendix 5: Trigger for Economic Price Assessment – example

a. List all post-emergency claims that pass the '*mechanistic*' validation (in descending price order).

	Claimed Quantity kWh	Claimed Price p/kWh	Apply Trigger	Economic Assessment?	Result <i>(example!)</i>
<i>claim 1</i>	2000	0.60	23000	Yes	Fail
<i>claim 2</i>	3000	0.20	21000	Yes	Pass
<i>claim 3</i>	6000	0.19	18000	No	[Pass]
<i>claim 4</i>	3000	0.19	12000	No	[Pass]
<i>claim 5</i>	7000	0.18	9000	No	[Pass]
<i>claim 6</i>	2000	0.17	2000	No	[Pass]

Total claimed quantity: 23000

b. Calculate the economic price assessment trigger as **80%** of the total claimed quantity: **18400 kWh**

c. 'Pass' those post-emergency claims (Claims 6 to 3) that fall within the 80% trigger quantity (lowest priced quantities first) for automatic payment approval.

d. Claim 2 quantity is split by the trigger (400 kWh below, 2600 kWh above) and the whole claim will therefore be subject to an economic assessment.

e. Claim 1 is above the trigger and will be subject to an economic assessment.

f. Economic Price Assessment '*outcome*' Claim 1 fails and Claim 2 passes.

g. In the case of Claim 1 which 'failed' the economic assessment, the claimed price is scaled-back to the next approved claim that is priced immediately below e.g. claim 2 of 0.20 p/kWh (less SAP).

