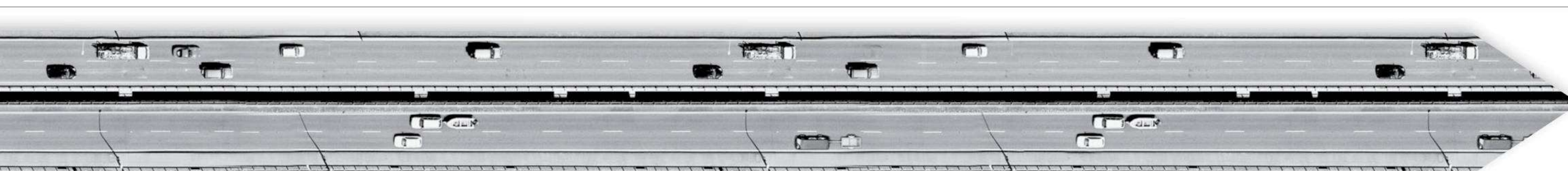


Revenue Monitoring Snapshot – 1 July 2015 to 30 June 2016



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Petrol excise duty	
Heavy RUC	
Light RUC	
MVR	

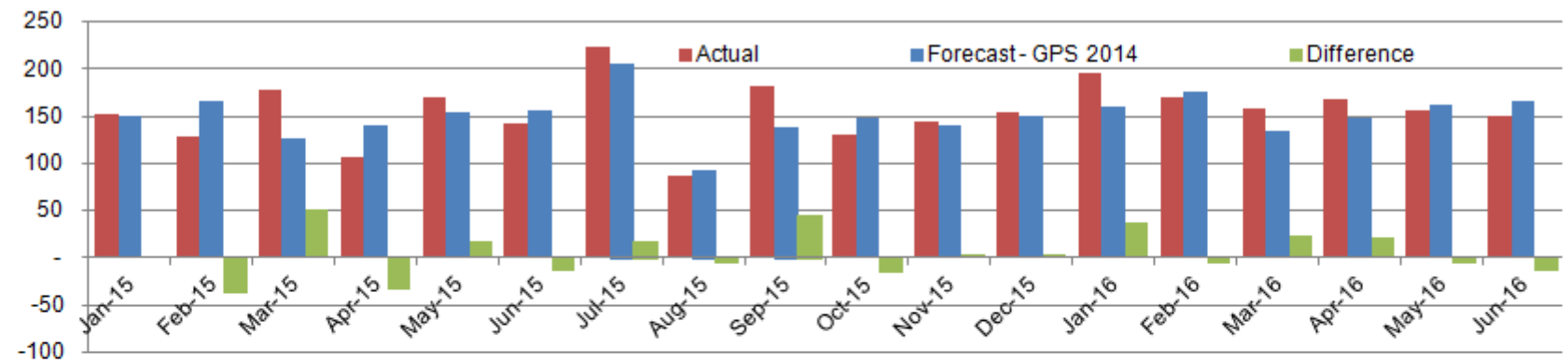
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Petrol Excise Duty (PED) (around \$1,900 million p.a. – 55% of total National Land Transport Fund revenue)

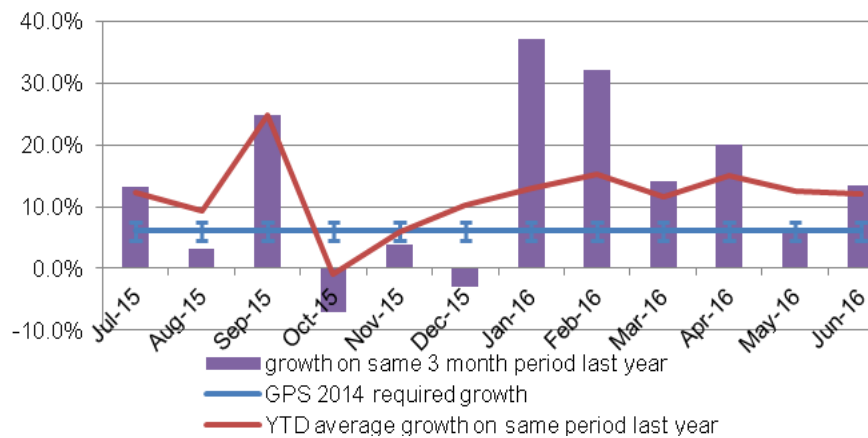
PED revenue shows strong growth

- PED revenue growth was stronger than expected in 2015/16. Revenue was \$102 million above GPS forecast (5.6%).
- The gross revenue from PED passed \$1.9 billion for the first time in the history of the National Land Transport Fund.

Monthly PED revenue (cash receipts) vs forecast (gross \$ million)



Petrol Excise Duty growth on last year and forecast

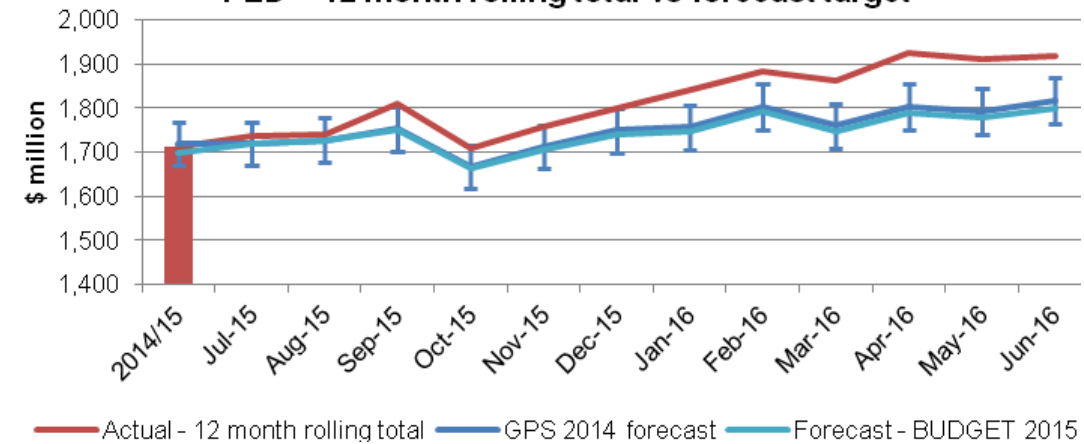


	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD
\$ million Actual	153	128	178	106	170	143	223	86	183	131	143	154	196	169	158	168	156	151	1918
Forecast - GPS 2014	150	167	127	140	153	157	205	93	137	148	139	150	159	176	134	148	162	166	1816
Difference \$	2.2	-38.3	50.8	-33.7	17.1	-14.3	18.4	-6.2	45.4	-17.1	3.9	4.1	37.3	-7.1	23.9	20.5	-5.8	-15.0	102.3
Difference %	1.4%	-23.0%	40.0%	-24.1%	11.2%	-9.1%	9.0%	-6.7%	33.0%	-11.6%	2.8%	2.8%	23.4%	-4.0%	17.8%	13.9%	-3.6%	-9.0%	5.6%
GPS 2014 Low	146	162	123	136	149	153	199	90	134	144	135	146	155	171	131	144	157	161	1766
GPS 2014 High	155	171	131	144	158	162	211	95	141	152	143	154	164	181	138	152	167	171	1869
Forecast - BUDGET 2013	149	165	125	138	151	155	204	92	137	147	139	149	158	175	134	147	161	165	1809
Forecast - OBU 2014	150	167	127	140	153	157	205	92	137	148	139	150	159	176	134	148	162	166	1814
Forecast - BUDGET 2015							203	92	136	146	138	148	157	174	133	147	160	164	1799

Higher than expected growth for 2015/16

- The GPS 2014 forecasts represent forecast growth of 6% on 2014/15 actuals:
 - 5.3% coming from PED rate increase (the 3 cents per litre increase on 1 July 2015)
 - 0.7% forecast growth in petrol volumes.
- The actual result for 2015/16 was growth of 12% on 2014/15 actuals. This represents the predicted 5.3% growth forecast for the increase in the PED rate and the predicted 0.7% growth in petrol volumes plus an additional 6% growth from increased petrol volumes.

PED - 12 month rolling total vs forecast target

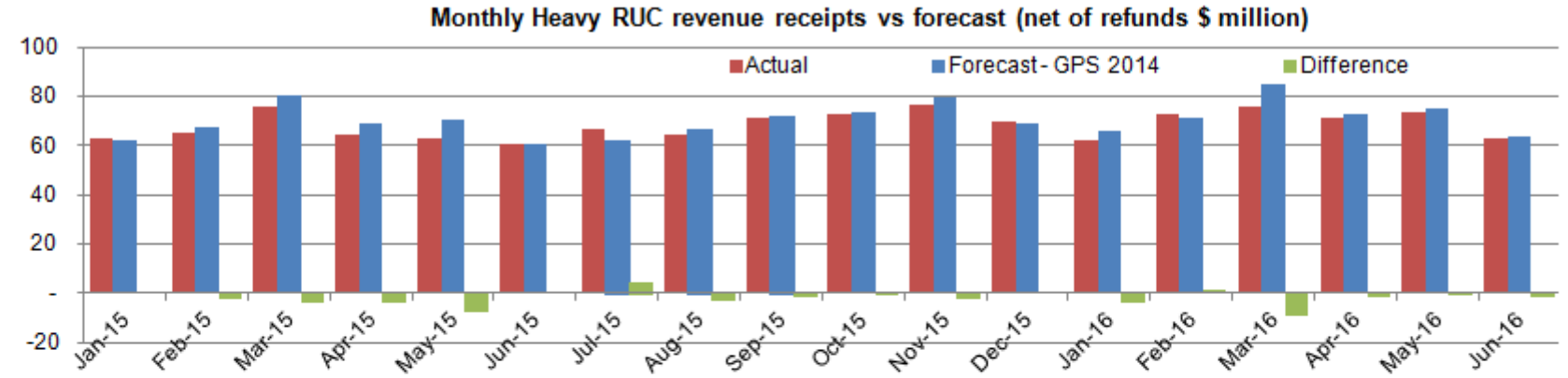


Note about petrol excise duty revenue and travel demand: Revenue receipts for petrol excise duty are based on wholesale supply (when petrol is refined at the Marsden point, and when refined petrol is imported) and are very volatile depending on the timing of shipments. This volatility can even affect annual totals, depending on which 12 months are included. Changes in the quantity of stock held by petrol suppliers and the 1-2 month lag between shipment and payment of duties can also distort the relationship between supply and demand as well as estimates of average fuel efficiency.

Heavy Road User Charges (RUC) (around \$840 million p.a. – 24% of total National Land Transport Fund revenue)

Heavy RUC revenue slightly down on forecast

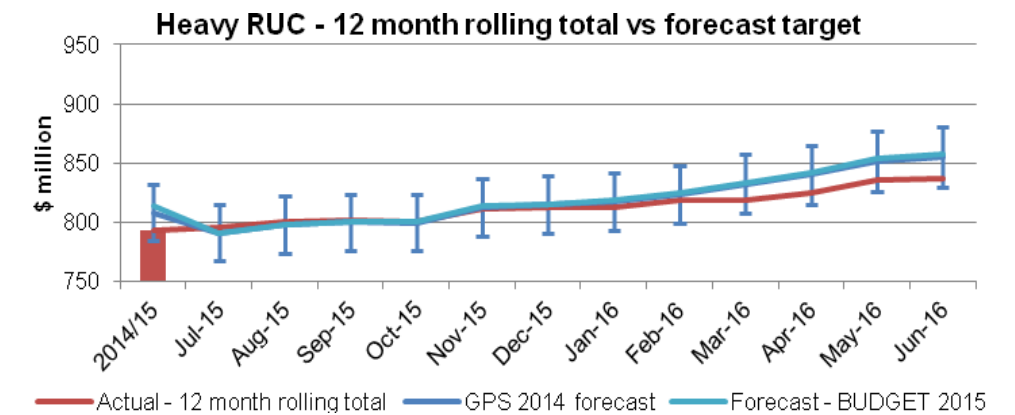
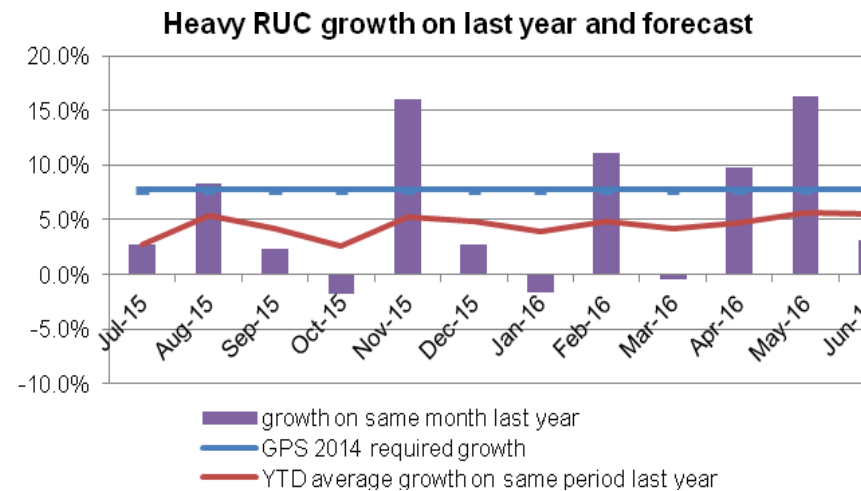
- Revenue was slightly below the growth predicted in the GPS 2014 forecast. Revenue was \$17.5 million under forecast (-2.0%).
- This is a result of a slight dip in actual revenue compared to forecast for the second, third and fourth quarters of the year, following on from an steady first quarter.
- This is the second straight year that Heavy RUC actuals have come in under the revenue predicted in the GPS forecast.



	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD
\$ million Actual	63	65	76	65	63	61	67	64	71	72	77	69	62	72	76	71	73	63	837
Forecast - GPS 2014	62	67	80	69	71	60	62	66	72	73	79	69	66	71	85	73	75	64	855
Difference \$	0.9	-2.2	-4.0	-4.1	-7.5	0.3	4.4	-2.2	-0.2	-1.1	-2.6	0.2	-3.8	1.1	-9.0	-1.8	-1.2	-1.3	-17.5
Difference %	1.4%	-3.3%	-5.1%	-6.0%	-10.6%	0.4%	7.1%	-3.4%	-0.3%	-1.4%	-3.3%	0.3%	-5.8%	1.6%	-10.6%	-2.5%	-1.7%	-2.1%	-2.0%
GPS 2014 Low	60	65	77	66	68	58	60	64	69	71	77	67	63	69	82	70	72	62	825
GPS 2014 High	63	69	82	70	72	62	63	68	73	75	81	71	67	73	86	74	76	65	872
Forecast - BUDGET 2013	66	71	85	73	75	64	67	71	77	79	85	74	71	77	91	78	80	69	920
Forecast - OBU 2014	62	68	80	69	71	61	62	66	71	73	79	69	65	71	84	72	74	63	849
Forecast - BUDGET 2015							62	66	72	74	79	69	66	72	85	73	75	64	857

Heavy RUC growth slightly lower than GPS forecast

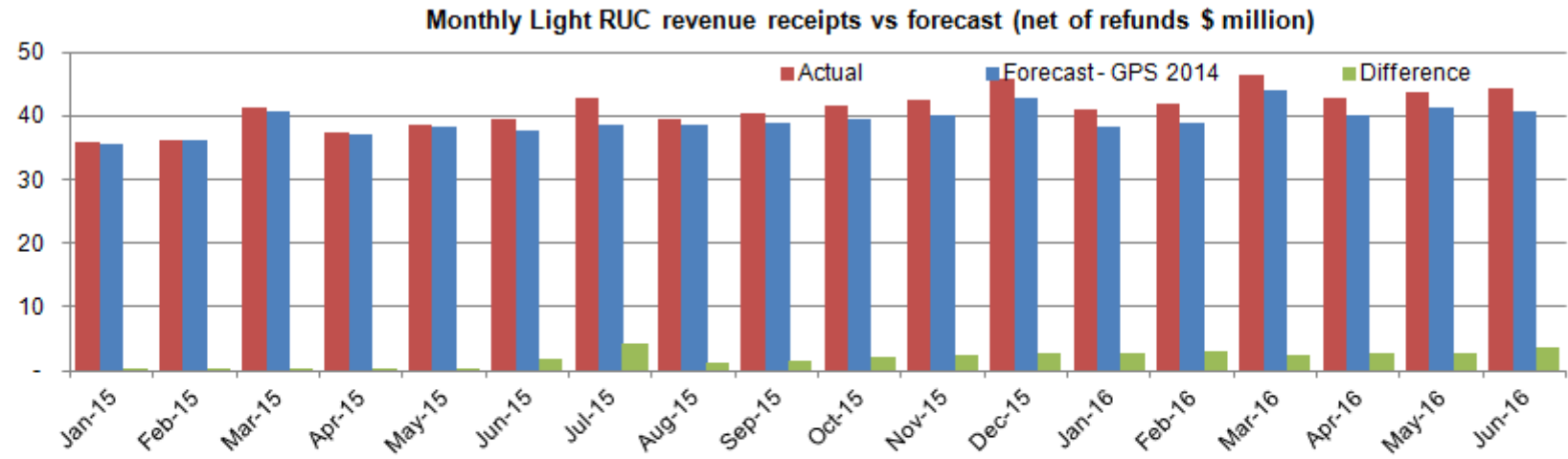
- GPS 2014 forecasts require growth of 7.7% on 2014/15 actuals:
 - 4.0% coming from Heavy RUC rate increase
 - 3.7% forecast growth in Heavy RUC kms purchased.
- The actual result for 2015/16 was growth of 5.4% on 2014/15 actuals. This represents the predicted 4.0% growth forecast for the increase in the Heavy RUC rate. Therefore, the 3.7% growth in Heavy RUC km purchased did not occur.
- Only a 1.4% growth in Heavy RUC km purchased



Light Road User Charges (RUC) (around \$515 million p.a. – 15% of total National Land Transport Fund revenue)

Light RUC revenue above forecast

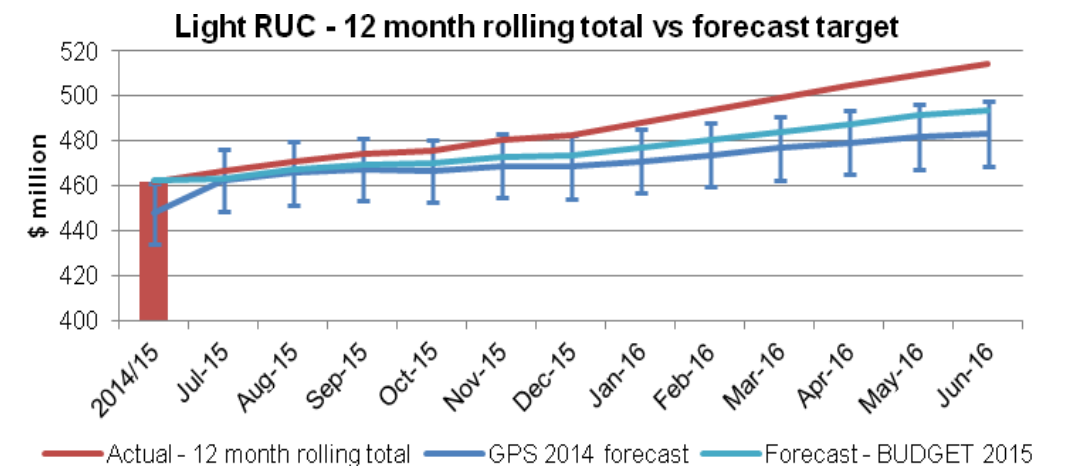
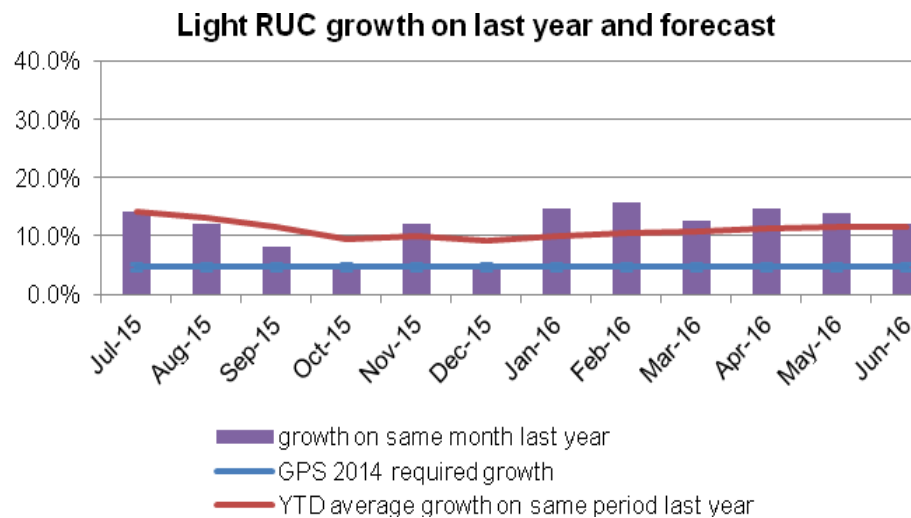
- Revenue was above the growth predicted in the GPS 2014 forecast. Revenue was \$31.2 million above forecast (6.5%).
- Growth in light RUC revenue was expected to weaken following the stronger than expected 2014/15 result but this has not occurred.



	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD
\$ million Actual	36	36	41	38	39	40	43	40	41	42	43	46	41	42	47	43	44	44	514
Forecast - GPS 2014	36	36	41	37	38	38	39	39	39	40	40	43	39	39	44	40	41	41	483
Difference \$	0.2	0.0	0.5	0.3	0.3	1.8	4.4	1.1	1.5	2.2	2.3	2.9	2.6	2.9	2.4	2.9	2.6	3.6	31.2
Difference %	0.5%	0.1%	1.1%	0.9%	0.7%	4.8%	11.3%	2.8%	3.8%	5.5%	5.7%	6.7%	6.8%	7.4%	5.5%	7.1%	6.3%	8.8%	6.5%
GPS 2014 Low	35	35	40	36	37	37	37	37	38	38	39	42	37	38	43	39	40	40	468
GPS 2014 High	37	37	42	38	39	39	40	40	40	41	42	44	40	40	46	41	43	42	498
Forecast - BUDGET 2013	34	34	39	35	36	36	36	36	37	37	38	41	36	37	42	38	39	38	456
Forecast - OBU 2014	38	39	44	40	41	41	38	38	39	39	40	43	38	39	44	40	41	41	480
Forecast - BUDGET 2015							39	39	40	40	41	44	39	40	45	41	42	42	493

Light RUC growth higher than GPS forecast

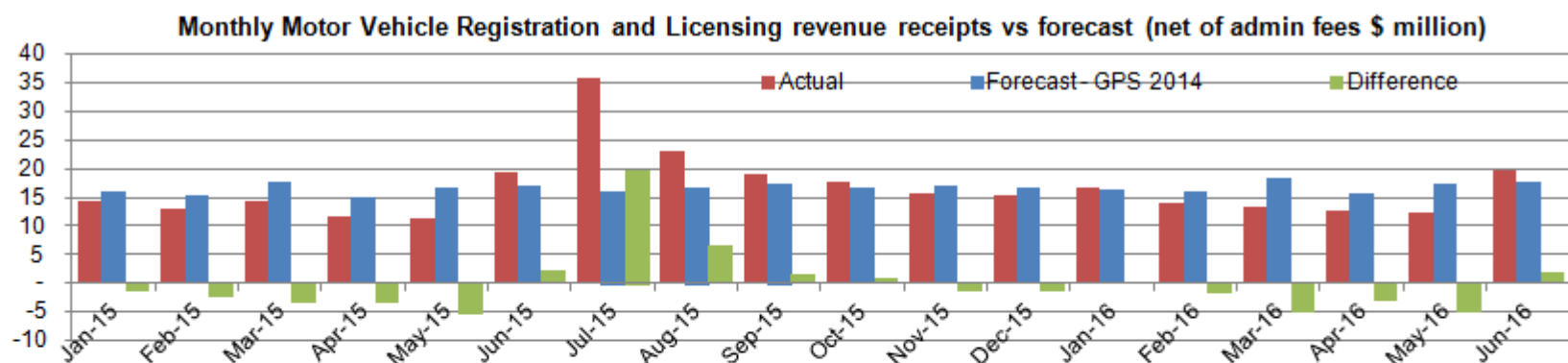
- The GPS forecasts for 2015/16 require revenue growth of just 4.7% following very strong growth from last year.
- The actual result for 2015/16 was growth of 11.5% on 2014/15 actuals. 6.9% of this growth is from the increase in Light RUC rates. The other 4.6% is from an increase in the amount of Light RUC kms purchased.
- The demand for Light RUC remains stronger than forecast. The Ministry believes this demand is being several factors including the Christchurch rebuild and the high demand for light diesel work vehicles (vans, utes and campervans).



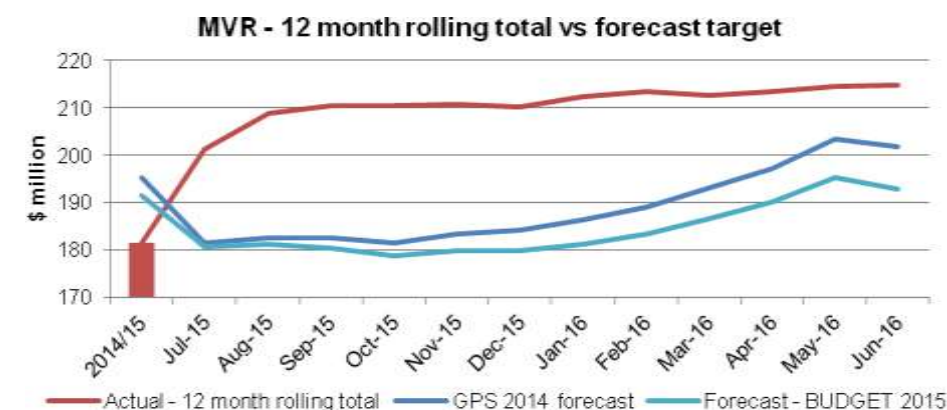
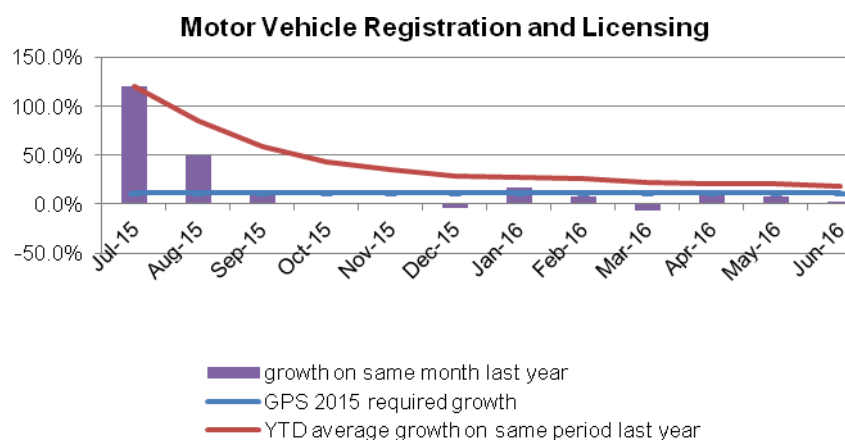
Motor Vehicle Registrations (around \$215 million p.a. – 6% of total National Land Transport Fund revenue)

MVR revenue slightly above forecast

- Revenue was slightly above the growth predicted in the GPS 2014 forecast. Revenue was \$13.2 million above forecast (6.6%).
- The actual result for 2015/16 was an increase of 18.1% on 2014/15 actuals.
- The strong rebound was expected due to the reduction of ACC levies on 1 July 2015. Due to this, individuals delayed their re-licensing until the reduced ACC levies took effect. This interpretation corresponds with the July 2015 revenue spike, and the lower than forecasted actual revenue in 2014/15.
- The actual result for 2014/15 was a decrease of 3.2% on 2013/14 actuals.
- The GPS 2014 forecast did not account for the ACC levy reductions and the corresponding re-licensing behaviours that have been seen since. The Ministry anticipates this behaviour to hold each time ACC announces a reduction in ACC levies for motor vehicles.



	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD
<i>\$ million</i> Actual	14	13	14	12	11	19	36	23	19	18	16	15	17	14	13	13	12	20	215
Forecast - GPS 2014	16	15	18	15	17	17	16	17	17	17	17	17	16	16	18	16	17	18	202
Difference \$	-1.5	-2.3	-3.4	-3.6	-5.5	2.2	19.8	6.5	1.7	1.0	-1.6	-1.6	0.4	-1.8	-5.0	-3.1	-5.1	2.1	13.2
Difference %	-9.4%	-15.1%	-19.5%	-23.9%	-32.7%	12.8%	123.0%	39.1%	10.0%	6.1%	-9.2%	-9.5%	2.2%	-11.3%	-27.4%	-19.8%	-29.7%	11.7%	6.6%
Forecast - BUDGET 2013	16	15	18	15	17	17	16	16	17	16	17	17	16	16	18	15	17	17	198
Forecast - OBU 2014	16	15	17	15	16	17	15	16	17	16	16	16	16	15	17	15	17	17	193
Forecast - BUDGET 2015							15	16	17	16	16	16	16	15	17	15	17	17	193



Total Gross Revenue from PED, Heavy and Light RUC and MVR = \$3.484 billion in 2015/16

- The overall gross revenue from PED, Heavy and Light RUC, and MVR in 2015/16 was \$128 million (3.8%) above the GPS 2014 forecast (\$3.356 billion).
- However, the 2015/16 figure represents total gross revenue and has not had any refunds or administration fees subtracted from it so a true comparison to GPS 2014 figure (that includes estimated refunds and administration fees) cannot be made at this stage.
- The results presented above provide a quick picture of National Land Transport Fund revenue levels in 2015/16 and how they compare to GPS 2014 forecasts but they are not the final definitive figures.