



# 2026 Annual Price-Setting Compliance Statement

For the assessment period  
1 April 2025 - 31 March 2026

27 February 2025

Pursuant to:

Electricity Distribution Services Default Price-Quality Path  
Determination 2025 (20 November 2024)

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# 1. INTRODUCTION

## 1.1 Background

The 2026 assessment period is the first assessment period of the Electricity Distribution Services Default Price-Quality Path Determination 2025 (“the Determination”)<sup>1</sup> and covers the 12 months to 31 March 2026.

This annual price-setting compliance statement (“the Statement”) is submitted to the Commerce Commission (the Commission) by Vector Limited (“Vector”) before the start of the 2026 assessment period pursuant to clauses 11.1 to 11.3 of the Determination.

Under clauses 8.3 and 8.5 of the Determination, Vector’s forecast revenue from prices must not exceed the forecast allowable revenue for the 2026 assessment period. All forecast quantities used to calculate Vector’s forecast revenue from prices must be demonstrably reasonable.

The Statement includes the calculations of Vector’s forecast revenue from prices, forecast allowable revenue and supporting information for all components of their calculations.

The Statement was approved for issue on 25 February 2025 and published on 27 February 2025. In the Statement, references to Vector relate only to Vector’s electricity distribution business.

## 1.2 Statement of compliance

As required by clause 11.2(a) of the Determination, the Statement confirms Vector’s compliance with the price path in clause 8.3 set for Vector in respect of the 2026 assessment period.

## 1.3 Disclaimer

The information contained in the Statement has been prepared for the express purpose of complying with the requirements of clauses 11.1 to 11.3 of the Determination. The Statement has not been prepared for any other purpose. Vector expressly disclaims any liability to any other party who may rely on the Statement for any other purpose.

For presentation purposes, some numbers in the Statement have been rounded. In most cases calculations are based on more detailed numbers. This may cause small discrepancies or rounding inconsistencies when aggregating some of the information presented in the Statement. These discrepancies do not affect the overall compliance calculations which are based on the more detailed information.

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<sup>1</sup> Available at [https://comcom.govt.nz/data/assets/pdf\\_file/0027/363276/5BFINAL5D-Electricity-Distribution-Services-Default-Price-Quality-Path-Determination-2025-5B20245D-20-November-2024.pdf](https://comcom.govt.nz/data/assets/pdf_file/0027/363276/5BFINAL5D-Electricity-Distribution-Services-Default-Price-Quality-Path-Determination-2025-5B20245D-20-November-2024.pdf).

## 2. PRICE PATH

### 2.1 Price path compliance

As required by clause 8.3 of the Determination, in order to demonstrate compliance with the price path, Vector must demonstrate that its forecast revenue from prices does not exceed the forecast allowable revenue for the 2026 assessment period.

As outlined in Table 1 below, Vector complies with the price path, in accordance with clause 8.3 of the Determination.

Table 1: Vector price path compliance 2026		
<b>Formula:</b> $FRFP_{2026} \leq FAR_{2026}$		
Component	Description	Value (\$000)
$FAR_{2026}$	Forecast allowable revenue 2026	858,761
$FRFP_{2026}$	Forecast revenue from prices 2026	841,322
<b>Result: \$841,322 ≤ \$858,761</b>		

The method for calculating forecast revenue from prices for the 2026 assessment period is specified by clause 3.1.1 (3) of the Electricity Distribution Services Input Methodologies (IM Review 2023) Amendment Determination 2023 [2023] NZCC 35 (“Input Methodologies”)<sup>2</sup> and presented with Vector values in Table 2 below.

Table 2: Forecast revenue from prices 2026		
<b>Formula:</b> $FRFP_{2026} = \sum P_{i,2026} Q_{i,2026} + FLCCR_{2026} + FORI_{2026}$		
Component	Description	Value (\$000)
$\sum P_{i,2026} Q_{i,2026}$	Prices 2026 x forecast quantities 2026 <sup>3</sup>	858,681
$FLCCR_{2026}$	Forecast large connection contract (LCC) revenue 2026 <sup>4</sup>	-
$FORI_{2026}$	Forecast other regulated income <sup>5</sup>	(17,359)
<b><math>FRFP_{2026}</math>:</b>	<b>Forecast revenue from prices 2026</b>	<b>841,322</b>

<sup>2</sup> Available at [https://comcom.govt.nz/\\_data/assets/pdf\\_file/0030/337683/Electricity-Distribution-Services-Input-Methodologies-IM-Review-2023-Amendment-Determination-2023.pdf](https://comcom.govt.nz/_data/assets/pdf_file/0030/337683/Electricity-Distribution-Services-Input-Methodologies-IM-Review-2023-Amendment-Determination-2023.pdf).

<sup>3</sup> An outline of how quantities are forecast is included in Appendix 1. Details of  $\sum P_{i,2026} Q_{i,2026}$  are included in Appendix 2.

<sup>4</sup> Vector currently has no large connection contracts and does not expect to enter into any large connection contracts during the 2026 assessment period.

<sup>5</sup> Other regulated income has the meaning given in the Input Methodologies, in essence, income associated with the supply of electricity distribution services, including gains and losses on disposed assets but excluding income through prices, investment-related income, capital contributions, vested assets, or income associated with assets that are funded under large connection contracts. We consider it is reasonable to use the same forecast amount in the Commission’s financial model as it is consistent to the historical average ratio of disposal to regulated asset base value in 2026 dollars. This value is sourced from the value of disposed assets for PY26, input tab of the Financial model-EDB DPP4 final determination -20 November 2024, available at <https://comcom.govt.nz/regulated-industries/electricity-lines/projects/2025-reset-of-the-electricity-default-price-quality-path?target=documents&root=363275>.

The method for calculating forecast allowable revenue for the 2026 assessment period is set out in Schedule 1.4 of the Determination and presented with Vector values in Table 3 below.

<b>Table 3: Forecast allowable revenue 2026</b>		
<b>Formula:</b> $FAR_{2026} = FNAR_{2026} + FPTC_{2026} + FRC_{2026} + FLCCR_{2026}$		
<b>Component</b>	<b>Description</b>	<b>Value (\$000)</b>
FNAR <sub>2026</sub>	Forecast net allowable revenue 2026	579,389
FPTC <sub>2026</sub>	Forecast pass-through costs 2026 <sup>6</sup>	247,993
FRC <sub>2026</sub>	Forecast recoverable costs 2026 <sup>7</sup>	31,379
FLCCR <sub>2026</sub>	Forecast large connection contracts revenue 2026	-
<b>FAR<sub>2026</sub>:</b>	<b>Forecast allowable revenue 2026</b>	<b>858,761</b>

The forecast net allowable revenue for the first assessment period is specified by the Commission and is set out in per table 1.1.1, Schedule 1.1 of the Determination. The Vector value is presented in Table 4 below.

<b>Table 4: Forecast net allowable revenue</b>		
	<b>Description</b>	<b>Value (\$000)</b>
FNAR <sub>2026</sub>	Forecast net allowable revenue 2026	579,389

## 2.2 Forecast pass-through costs and recoverable costs

Forecast allowable revenue includes forecasts of pass-through and recoverable costs, determined in accordance with Clauses 3.1.2-3 of the Input Methodologies.<sup>8</sup> Schedule 1.5 (3) of the Determination requires that all forecasts used to calculate 'forecast allowable revenue' must be demonstrably reasonable. Table 5 summarises the forecast methods and the pass-through and recoverable costs used to set prices for the 2026 assessment period. All other pass-through and recoverable costs not included in Table 5 are not applicable to Vector for the 2026 assessment period, and are listed in appendix 4.

<sup>6</sup> Details of forecast pass-through are included in section 2.2.

<sup>7</sup> Details of forecast recoverable costs are included in section 2.2.

<sup>8</sup> Available at [https://comcom.govt.nz/data/assets/pdf\\_file/0030/337683/Electricity-Distribution-Services-Input-Methodologies-IM-Review-2023-Amendment-Determination-2023.pdf](https://comcom.govt.nz/data/assets/pdf_file/0030/337683/Electricity-Distribution-Services-Input-Methodologies-IM-Review-2023-Amendment-Determination-2023.pdf).

**Table 5: Forecast pass-through and recoverable costs 2026**

Cost type	Description	Forecast method	Value (\$000)
Pass-through costs	Local authority rates	Using pricing year (“PY”) 25 as the base, adjusted by 5.9% <sup>9</sup> for property rates and inflation adjusted targeted rate	20,475
	Commerce act levy	Based on letter provided to Vector regarding the final review of Commission’s Part 4 energy funding consultation paper <sup>10</sup> and forecasted by applying the historic trend of Vector’s share of the total industry levy	1,928
	Electricity authority (EA) levy	From current trend and proposed EA appropriation	2,416
	Utility disputes levy	Historical trend	458
	Transpower electricity lines service charges	Based on notification from Transpower including the forecasted Transpower adjustment events estimated with the best available information at the time of pricing	213,644
	Transpower new investment charges	As notified by Transpower	9,072
	<b>Total pass-through costs</b>		
Recoverable costs	Incremental rolling incentive scheme (“IRIS”) incentive adjustment	As per the Commission’s financial model, with updated OPEX and lease payments <sup>11</sup>	(31,052)
	Quality incentive allowance	Determined from the 2024 assessment period and adjusted for the time value of money <sup>12</sup>	(1,603)
	Wash-up drawdown amount	As per section 2.3 below	63,271
	Fire and Emergency New Zealand levy	PY25 as the base, adjusted by the 2026 forecasted CPI change (2.3%)	763
	<b>Total recoverable costs</b>		
<b>Total forecast pass-through and recoverable costs</b>			<b>279,372</b>

### 2.3 Wash-up drawdown amount 2026

Wash-up drawdown amount is included in the recoverable costs as defined in Clauses 3.1.3 (1) (n) and 3.1.4(5) of Input Methodologies. For the first two assessment periods (2026 and 2027), the relevant wash-up account balance and wash-up drawdown amount are further defined in Schedule 1.6 of the

<sup>9</sup> Expected increase for average business properties indicated from the council long-term plan <https://www.aucklandcouncil.govt.nz/property-rates-valuations/pages/changes-rates-bills-this-year.aspx>

<sup>10</sup> Consultation paper available at [https://comcom.govt.nz/\\_data/assets/pdf\\_file/0024/229830/Part-4-energy-levy-funding-consultation-paper-10-Dec-2020.pdf](https://comcom.govt.nz/_data/assets/pdf_file/0024/229830/Part-4-energy-levy-funding-consultation-paper-10-Dec-2020.pdf).

<sup>11</sup> Using the IRIS Recoverable costs indicative amounts model-EDB DPP4 final determination-20 November 2024, available at <https://comcom.govt.nz/regulated-industries/electricity-lines/projects/2025-reset-of-the-electricity-default-price-quality-path?target=documents&root=363275>, with the adjusted OPEX and operating lease payment. There is no capex incentive in the 2026 assessment period.

<sup>12</sup> As per appendix 2 of the 2024 annual compliance statement, available at <https://blob-static.vector.co.nz/blob/vector/media/vector-2024/vector-annual-compliance-statement-2024.pdf>.

Electricity Distribution Services Default Price-Quality Path Determination 2020 (20 May 2020) (“DPP3 Determination”).

The wash-up drawdown amount used to set prices for the 2026 assessment period is presented in Table 6 below.

<b>Table 6: Wash-up drawdown amount 2026<sup>13</sup></b>			
<b>Formula:</b> $WUDA_{2026} = (WAB_{2024}) \times (1 + COCE_{2025}) \times (1 + COCE_{2026}) - WUDA_{2025} \times (1 + COCE_{2026}) + WAB \text{ return} + s53N \text{ amount}$			
<b>Component</b>	<b>Description</b>	<b>Value (\$000)</b>	<b>Value (\$000)</b>
WAB <sub>2024</sub>	Wash-up account balance 2024 from table 7	123,229	
COCE <sub>2025</sub>	Cost of capital estimate 2025 (4.23%)	5,213	
COCE <sub>2026</sub>	Cost of capital estimate 2026 (5.29%)	6,795	
$(WAB_{2024}) \times (1 + COCE_{2025}) \times (1 + COCE_{2026})$			135,237
WUDA <sub>2025</sub>	Wash-up drawdown amount 2025 from table 8	(68,349)	
COCE <sub>2026</sub>	Cost of capital estimate 2026 (5.29%)	(3,617)	
- $WUDA_{2025} \times (1 + COCE_{2026})$			(71,966)
WAB return <sup>14</sup>	Wash-up account balance return determined by Commission		-
s53N amount <sup>15</sup>	Amount nominated in s53N notice		-
<b>WUDA<sub>2026</sub>:</b>	<b>Wash-up drawdown amount 2026</b>		<b>63,271</b>

<sup>13</sup> Per clause 3.1.4 (2), Electricity Distribution Services Input Methodologies (Wash-up Amounts) Amendment Determination 2024 (“IM wash-up determination”)

<sup>14</sup> The Commission has not determined any wash-up balance return for Vector for the 2026 assessment period.

<sup>15</sup> The Commission has not issued any S53N notice for Vector for the 2026 assessment period.

Table 7: Wash-up account balance 2024 <sup>16</sup>			
<b>Formula:</b> $WAB_{2024} = (WUA_{2023}) \times (1 + COCE_{2024}) + WUA_{2024}$			
Component	Description	Value (\$000)	Value (\$000)
WUA <sub>2023</sub>	Wash-up amount 2023 <sup>17</sup>	62,914	
COCE <sub>2024</sub>	Cost of capital estimate 2024 (4.23%)	2,661	
CWAB <sub>2024</sub>	Closing wash-up account balance 2024		65,575
+ WUA <sub>2024</sub>	Wash-up amount 2024 <sup>18</sup>		57,654
WAB <sub>2024</sub>	<b>Wash-up account balance 2024</b>		<b>123,229</b>

Table 8: Wash-up drawdown amount 2025 <sup>19</sup>			
<b>Formula:</b> $WUD_{2025} = (WUA_{2023} - VUAF_{2023}) \times (1 + WACC)^2$			
Component	Description	Value (\$000)	Value (\$000)
WUA <sub>2023</sub>	Wash-up amount 2023	62,914	
-VUAF <sub>2023</sub>	Voluntary undercharging amount foregone 2023	-	
WUA <sub>2023</sub> x (1+ WACC <sub>DPP3</sub> ) <sup>2</sup>	67th percentile estimate of post-tax WACC (4.23%)	5,435	
WUDA <sub>2025</sub>	<b>Wash-up drawdown amount 2025</b>		<b>68,349</b>

Table 9: Cost of capital estimate 2026 <sup>20</sup>				
<b>Formula:</b> $COCE_{2026} = (WACC_{DPP3} \times 0.41) + (WACC_{DPP4} \times 0.59)$				
Component	Description	Rate	Weighting	Weighted
WACC <sub>DPP3</sub> <sup>21</sup>	DPP3: 67 <sup>th</sup> percentile estimate of post-tax WACC	4.23%	0.41	1.74%
WACC <sub>DPP4</sub> <sup>22</sup>	DPP4: mid point post tax WACC	6.02%	0.59	3.55%
COCE <sub>2026</sub>	<b>Cost of capital estimate 2026</b>			<b>5.29%</b>

<sup>16</sup> Per clause 3.1.4 (2A)(i) of the IM wash-up determination

<sup>17</sup> Refer to section 2.5 of 2024 electricity annual compliance statement (<https://blob-static.vector.co.nz/blob/vector/media/vector-2024/vector-annual-compliance-statement-2024.pdf>)

<sup>18</sup> Refer to Appendix 3 of the 2024 wash-up amount recalculation due to revised actual transmission costs paid for PY24.

<sup>19</sup> Per clause 3.1.5 (a)(ii) of the IM wash-up determination

<sup>20</sup> Per clause 3.1.4(12)(b) of IM wash-up determination

<sup>21</sup> DPP3 covers pricing years 2021 to 2025

<sup>22</sup> DPP4 covers pricing years 2026 to 2030



## 2.4 Revenue forgone

As part of the wash-up account balance for the 2026 assessment period, Vector must calculate any revenue foregone amounts. These amounts include (1) voluntary revenue foregone and (2) compulsory revenue foregone in accordance with clause 3.1.4 (6) of the Input Methodologies.

Under clause 3.1.4(7) of the Input Methodologies, the voluntary revenue foregone is calculated as the difference between the undercharging limit and the forecast revenue from prices, provided the forecast revenue from prices is less than the undercharging limit. Otherwise, the voluntary revenue foregone is nil if the forecast revenue from prices is greater than or equal to the undercharging limit. Table 10 below details the voluntary undercharging calculations for the 2026 assessment period.

Under clause 3.1.4(8) of the Input Methodologies, the compulsory revenue foregone is a positive amount returned to consumers through a reduction in forecast revenue from prices and actual revenue, for example, as agreed with the Commission due to a breach of a price-quality requirement or an information disclosure requirement. Vector does not have any compulsory revenue foregone for the 2026 assessment period.

Therefore, Vector does not have any revenue forgone for the 2026 assessment period.

<b>Table 10: Voluntary undercharging calculation</b>		
<b>Formula:</b> $UCL_{2026} = \min\{0.9 \times FAR_{2026}, 0.9 \times (RSL_{2026} + FPTC_{2026} + FLCCR_{2026})\}$		
<b>Component</b>	<b>Description</b>	<b>Value (\$000)</b>
$FAR_{2026}$	Forecast allowable revenue 2026 <sup>23</sup>	858,761
$FAR_{2026} \times VUT$	Forecast allowable revenue 2026 times the voluntary undercharging threshold (90%) <sup>24</sup>	772,885
$RSL_{2026}$	Revenue smoothing limit 2026 <sup>25</sup>	-
$FPTC_{2026}$	Forecast pass-through costs 2026	-
$FLCCR_{2026}$	Forecast of large connection contract revenue 2026	-
$(RSL_{2026} + FPTC_{2026} + FLCCR_{2026}) \times VUT$		-
<b><math>UCL_{2026}</math>:</b>	<b>Undercharging limit 2026</b>	<b>772,885</b>
$FRFP_{2026}$	Forecast revenue from prices 2026 (from Table 2)	841,322
	$\$841,322 \geq 772,885$	
	<b>Voluntary revenue foregone</b>	<b>nil</b>

<sup>23</sup> Forecast allowable revenue 2026 is from Table 3.

<sup>24</sup> Per schedule 1.7 (1)(a) of the determination

<sup>25</sup> RSL is not applicable for the first assessment period as per the schedule 1.5 (1) of the determination. Per schedule 1.7(1)(b), FPTC and FLCCR are used in conjunction with the RSL to work out the UCL. Consequently, they are not required when RSL is not applicable.

## Appendix 1: Forecast quantities

Clause 8.5 of the Determination requires all forecast quantities used to calculate the forecast revenue from prices to be demonstrably reasonable.

### Consumer group quantity forecasts

Vector produces network load forecasts as part of its Asset Management Plan (AMP). The same bottom-up approach is used for price setting to forecast monthly connections (ICPs), energy volumes, capacity, demand, and power factor by consumer groups (residential, general and commercial)<sup>26</sup> and by network (Auckland and Northern). The latest forecast available for pricing setting was prepared in September 2024 and is based on actual billed data to June 2024.

#### ICP forecasts

The forecast monthly connections are based on actual connections plus forecast net connections. Net connections are calculated from forecast gross connections and adjusted by the historical ratio of net connections to gross connections. Gross connections are derived from a number of inputs from local and central government entities. For projecting the number of residential households, Vector uses a combination of historic building consent completion rates as well as the national construction pipeline numbers from MBIE. For all commercial connection projections we primarily use the employment forecasts<sup>27</sup> for the region and apply these to the current mix of commercial connections.

Figures 1-3 show ICP growth for the consumer groups. These illustrate that the growth in the forecast ICPs is reasonable when compared with the historic trends and fluctuations.<sup>28</sup>

The decrease in PY24 for general ICPs was due to a slowdown in residential building developments which typically use the general price category for temporary building supply. When these buildings are completed, the ICPs transition to the residential price category. The observed decrease in PY24 growth is due to new builds moving to residential pricing and fewer new general price category ICPs.

The reduction in residential building consents has stabilised hence the future growth forecasts for general ICPs are based on historical trends.

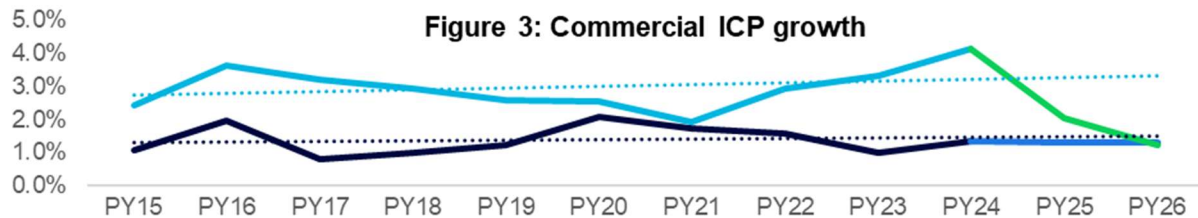
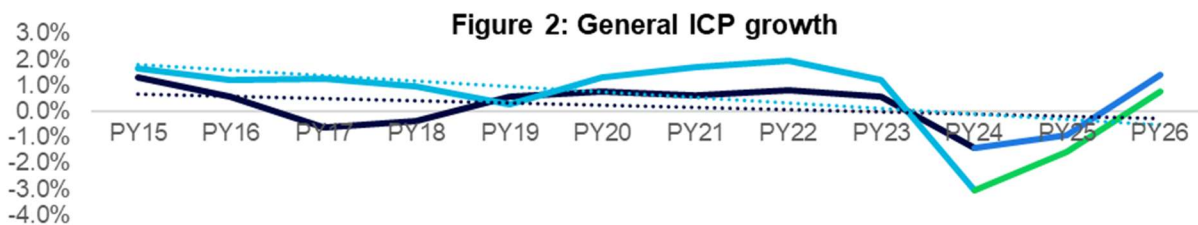
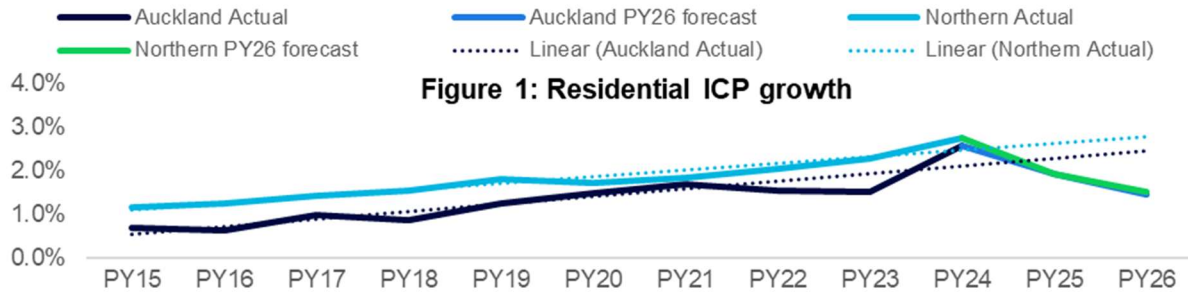
The slowdown in residential building development is expected to result in lower residential and commercial growth in PY26. Stats NZ reports a decrease in building consents and MBIE has forecasted the growth at a lower level.

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<sup>26</sup> For further information on how consumer groups (and price categories) are defined, see our pricing methodology, available at [www.vector.co.nz/about-us/regulatory/disclosures-electricity/pricing-methodology](http://www.vector.co.nz/about-us/regulatory/disclosures-electricity/pricing-methodology).

<sup>27</sup> The Auckland Forecasting Centre's household/employment forecasts consider Statistics NZ forecasts and local knowledge of building developments, council plans and strategy.

<sup>28</sup> PY is pricing year which is also the assessment period.



**Volume forecasts**

Volume forecasts by consumer group are determined by multiplying the forecast monthly average volume per ICP by the forecast number of ICPs. Forecast volumes per ICP are calculated using historic annual trend lines and the annual amounts are allocated to each month based on their historic contributions.

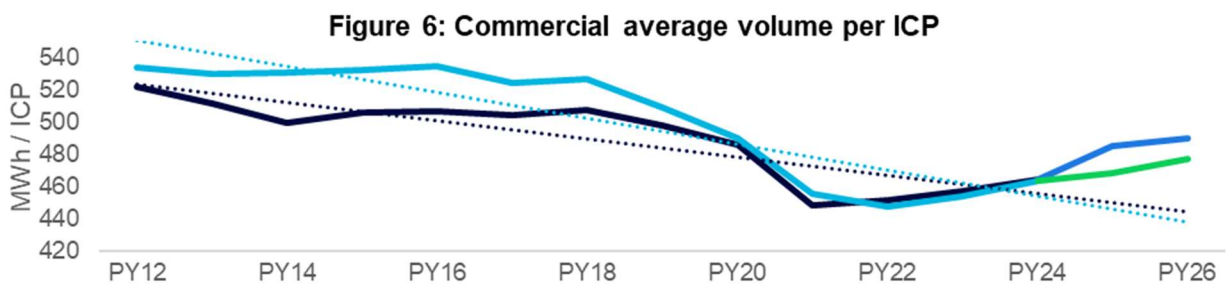
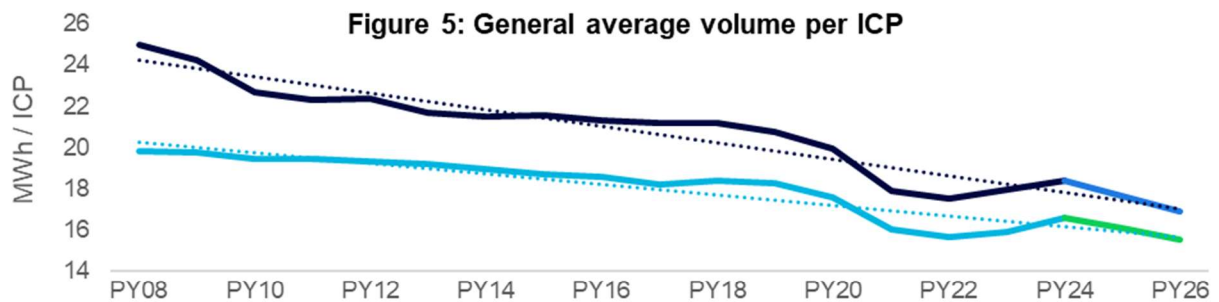
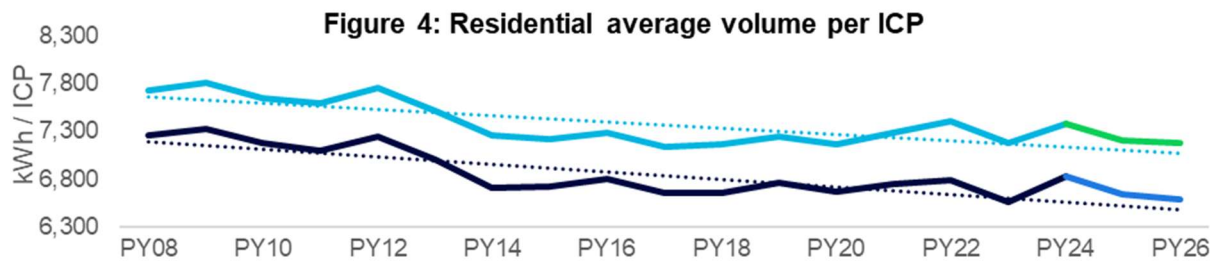
Residential and general volume data are available and used from July 2006 to June 2024, whereas commercial volume data are available and used from July 2011 to June 2024 (as volumes cannot be split between standard and non-standard ICPs prior to July 2011).

Vector has several future large connections in the pipeline, the growth in which are not reflected in the historical trends. These are forecast to connect over the periods PY25, PY26 and PY27. The expected quantities for these future large connections have therefore been added on to the trendline based forecast.

When setting the forecasts for PY25 and PY26, various trends were considered - short term, mid-point, long term trends, both with and without the impact of Covid-19 years. The mid-point trend between short term and long term is deemed to be the most appropriate for the PY26 forecast volumes, as it provides the most reliable forecast compared to actual volumes for PY23 and PY24.

Figures 4-6 show average volumes per ICP for the consumer groups. This illustrates that the use of the mid-point is reasonable to use for the volume forecasts. The use of the mid-point lessens the downward impact of Covid-19's effect in PY21 and PY22.

— Auckland Actual      — Auckland PY26 forecast      — Northern Actual  
— Northern PY26 forecast      ⋯ Linear (Auckland Actual)      ⋯ Linear (Northern Actual)



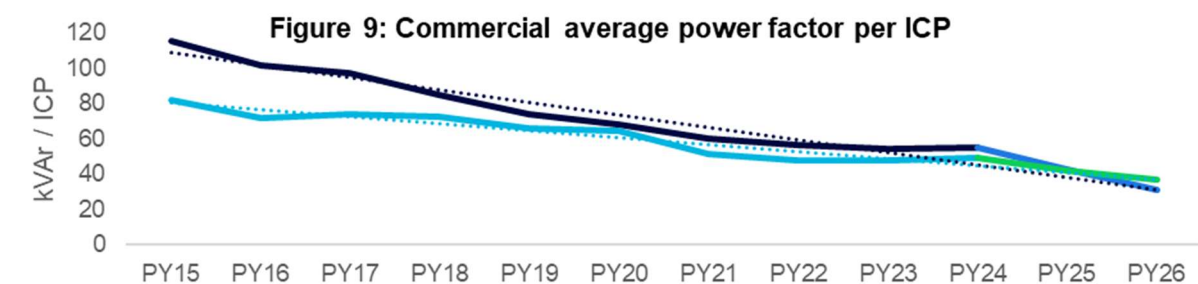
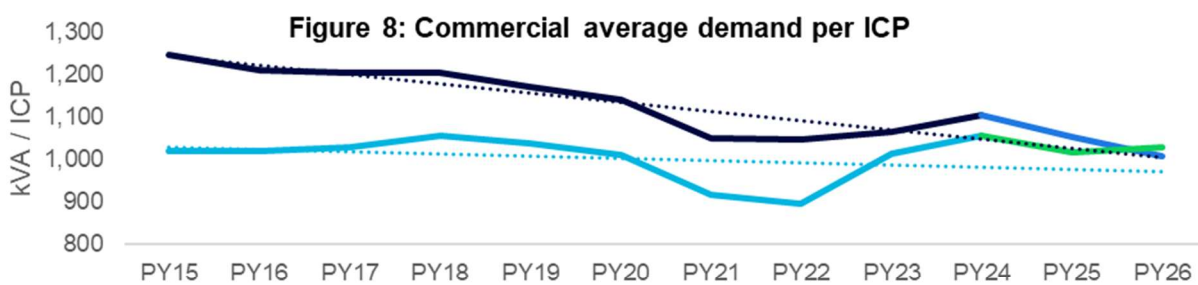
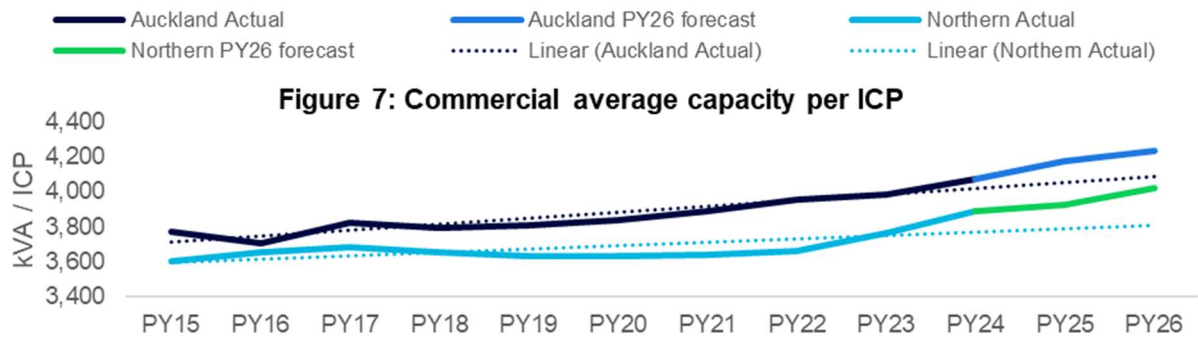
### Capacity, demand and power factor forecasts

Commercial capacity, demand and power factor forecasts are determined by forecasted monthly quantity per ICP times the forecast number of ICPs. Annual values are the summation of monthly values.

Forecasted capacities per ICP are calculated using historic monthly trend lines and large connections forecasted in the asset management plan (AMP). The increase in future large connections would not be reflected in the trends therefore the quantities are added on the impact forecasted by the trendlines. Forecasted demand (or power factor) per ICP are calculated using historic annual trend lines and the annual amounts are allocated to each month based on their historic contributions.

- Capacity data is reliably available and used from October 2014 to June 2024. Demand and power factor data are reliably available and used from PY2015 to PY2024.
- The long-term trend is deemed the most appropriate for PY26 forecast quantities, as it demonstrated to be the most reliable forecast compared to actual quantities for year-to-date PY26.
- The allocation of annual demand (or power factor) per ICP into monthly values is based on the average contribution to annual demand (or power factor) per ICP for each month using historic data from PY2015 to PY2024.

Figures 7-9 show average capacity, demand and power factor per ICP for the commercial consumer group which illustrate that the use of the historic trends is reasonable for these forecasts with Covid-19's impact shown on demand in PY21 and PY22.



## Price category quantity forecasts

### Consumer group to price category forecasts

For the 2026 assessment period, price category level quantities are required for all pricing components except injection volumes as these have a zero price so are not forecast.

The annual forecasts of connections, energy volumes, capacity, demand and power factor by consumer group are converted into the relevant billed quantities and apportioned into price category level quantities using the actual historic splits within the consumer groups.

- Fixed quantities (number of days) are estimated using the average of year beginning and year end forecast ICPs for the 2026 assessment period multiplied by the number of days in the year.
- Annual volumetric quantities (kWh) are the same as the annual energy volume forecast.
- Annual capacity (kVA.days), demand (kVA.days) and power factor (kVAr.days) quantities are estimated by using their annual forecasts (sum of monthly quantities) multiplied by the average days per month (365/12). This is because it is required to account the number of days in a year (multiplied by 365) and to normalise the monthly summation (divided by 12).

- Actual price category level quantities for the 2024 assessment period<sup>29</sup> were used as the basis to apportion the relevant 2026 assessment period consumer group forecast quantities into price categories.

### Price category quantity modifications

For residential and general ICPs, modifications to ICP and volumes quantities were required to shift quantities between price categories, however there is no overall change in quantities. These modifications are required due to changes in the eligibility criteria for price categories (distributed energy resources), and changes to price components (time of use).

For commercial ICPs, modifications to ICP and volumes quantities were required to shift quantities between price categories (zone substations and sub-transmission) and price components (solar). Additionally, we have introduced commercial DER price categories where low voltage, transformer and high voltage ICPs can nominate a capacity level they agree to be controlled to when Vector requires such control. We modified the capacity quantities to reflect the forecast update as under these price categories, capacity is charged at the minimum guaranteed capacity nominated by the ICPs.

These changes are shown in Table 11 below.

Price categories and Consumer group	Assumptions
Time of use (TOU) for Residential and general	Estimated 94% of residential ICPs will be on TOU
	Estimated 85% of general ICPs will be on TOU
	Estimated 57% of residential peak volume in winter period
	Estimated 50% of general peak volume in winter period
All DER	Estimated quantities based on forecasted uptake
Solar for low voltage, transformer and high voltage	Estimated based on historical requirements of power factor exemptions due to solar panels installation. Reclassified from the relevant commercial price categories
Zone substation	Estimated quantities based on the ICPs historic consumption data and forecasted consumption
Sub-transmission	Estimated quantities based on the forecasted connection

The 2026 forecast price categories level quantities can be found in Appendix 2.

<sup>29</sup> Billed quantities for the 2024 assessment period are from the 2024 Annual Compliance Statement available at <https://www.vector.co.nz/about-us/regulatory/disclosures-electricity/price-quality-path>).

## Appendix 2: 2026 Line charges and forecast quantities

	Pi, 2026	Qi, 2026
Northern charges between 1 April 2025 to 31 March 2026	\$230,539,453	
Auckland charges between 1 April 2025 to 31 March 2026	\$398,255,842	
Non-standard charges between 1 April 2025 to 31 March 2026	\$6,752,568	
Revenue forecast to be received under a large connection contract 3.1.1 (2)		-
Forecast other regulated income		(\$17,359,237)
GXP transmission charges between 1 April 2025 to 31 March 2026	\$223,133,400	
<b>Total charges between 1 April 2025 to 31 March 2026</b>	<b>\$841,322,026</b>	

### Northern line charges between 1 April 2025 to 31 March 2026

#### Residential - time of use

Price category and code	Description	Units	Pi, 2026	Qi, 2026	Pi, 2026	Qi, 2026
WRHLC	WRHLC-FIXD	Fixed, low user	\$/day	0.7500	32,485,424	\$ 24,364,068
WRHLC	WRHLC-OFPK	Volumetric, controlled, off peak	\$/kWh	0.0454	321,267,707	\$ 14,585,554
WRHLC	WRHLC-PEAK	Volumetric, controlled, peak (summer)	\$/kWh	0.0454	59,544,430	\$ 2,703,317
WRHLC	WRHLC-PEAK	Volumetric, controlled, peak (winter)	\$/kWh	0.1585	77,474,971	\$ 12,279,783
WRHLD	WRHLD-FIXD	Fixed, low user	\$/day	0.7500	98,483	\$ 73,862
WRHLD	WRHLD-OFPK	Volumetric, DER, off peak	\$/kWh	0.0381	973,955	\$ 37,108
WRHLD	WRHLD-PEAK	Volumetric, DER, peak (summer)	\$/kWh	0.0381	180,515	\$ 6,878
WRHLD	WRHLD-PEAK	Volumetric, DER, peak (winter)	\$/kWh	0.1512	234,873	\$ 35,513
WRHLU	WRHLU-FIXD	Fixed, low user	\$/day	0.7500	14,417,714	\$ 10,813,286
WRHLU	WRHLU-OFPK	Volumetric, uncontrolled, off peak	\$/kWh	0.0454	139,407,288	\$ 6,329,091
WRHLU	WRHLU-PEAK	Volumetric, uncontrolled, peak (summer)	\$/kWh	0.0454	27,126,360	\$ 1,231,537
WRHLU	WRHLU-PEAK	Volumetric, uncontrolled, peak (winter)	\$/kWh	0.1585	33,619,030	\$ 5,328,616
WRHSC	WRHSC-FIXD	Fixed, standard user	\$/day	1.7453	22,737,873	\$ 39,684,410
WRHSC	WRHSC-OFPK	Volumetric, controlled, off peak	\$/kWh	-	450,569,113	\$ -
WRHSC	WRHSC-PEAK	Volumetric, controlled, peak (summer)	\$/kWh	-	83,237,577	\$ -
WRHSC	WRHSC-PEAK	Volumetric, controlled, peak (winter)	\$/kWh	0.1131	104,816,924	\$ 11,854,794
WRHSD	WRHSD-FIXD	Fixed, standard user	\$/day	1.5853	72,865	\$ 115,512
WRHSD	WRHSD-OFPK	Volumetric, DER, off peak	\$/kWh	-	1,443,870	\$ -
WRHSD	WRHSD-PEAK	Volumetric, DER, peak (summer)	\$/kWh	-	266,739	\$ -
WRHSD	WRHSD-PEAK	Volumetric, DER, peak (winter)	\$/kWh	0.1131	335,891	\$ 37,989
WRHSU	WRHSU-FIXD	Fixed, standard user	\$/day	1.7453	11,335,065	\$ 19,783,089
WRHSU	WRHSU-OFPK	Volumetric, uncontrolled, off peak	\$/kWh	-	210,509,229	\$ -
WRHSU	WRHSU-PEAK	Volumetric, uncontrolled, peak (summer)	\$/kWh	-	42,934,771	\$ -
WRHSU	WRHSU-PEAK	Volumetric, uncontrolled, peak (winter)	\$/kWh	0.1131	48,576,231	\$ 5,493,972

#### Residential - exemption

Price category and code	Description	Units	Pi, 2026	Qi, 2026	Pi, 2026	Qi, 2026
WRNLC	WRNLC-FIXD	Fixed, low user	\$/day	0.7500	1,551,662	\$ 1,163,746
WRNLC	WRNLC-AICO	Volumetric, controlled, anytime	\$/kWh	0.0642	24,081,284	\$ 1,546,018
WRNLU	WRNLU-FIXD	Fixed, low user	\$/day	0.7500	688,125	\$ 516,094
WRNLU	WRNLU-24UC	Volumetric, uncontrolled, anytime	\$/kWh	0.0642	9,660,361	\$ 620,195
WRNSC	WRNSC-FIXD	Fixed, standard user	\$/day	1.7453	1,334,329	\$ 2,328,805
WRNSC	WRNSC-AICO	Volumetric, controlled, anytime	\$/kWh	0.0188	34,726,016	\$ 652,849
WRNSU	WRNSU-FIXD	Fixed, standard user	\$/day	1.7453	952,172	\$ 1,661,827
WRNSU	WRNSU-24UC	Volumetric, uncontrolled, anytime	\$/kWh	0.0188	17,129,203	\$ 322,029

#### General

Price category and code	Description	Units	Pi, 2026	Qi, 2026	Pi, 2026	Qi, 2026
WBSU	WBSU-FIXD	Fixed	\$/day/fitting	0.0754	17,285,139	\$ 1,303,300
WBSU	WBSU-24UC	Volumetric, unmetered	\$/kWh	0.0273	9,137,777	\$ 249,461
WBSH	WBSH-FIXD	Fixed	\$/day	2.1443	7,154,186	\$ 15,340,721
WBSH	WBSH-OFPK	Volumetric, off peak	\$/kWh	-	217,715,070	\$ -
WBSH	WBSH-PEAK	Volumetric, peak (summer)	\$/kWh	-	45,073,117	\$ -
WBSH	WBSH-PEAK	Volumetric, peak (winter)	\$/kWh	0.1131	43,164,432	\$ 4,881,897
WBSHD	WBSHD-FIXD	Fixed	\$/day	1.9843	-	\$ -
WBSHD	WBSHD-OFPK	Volumetric, off peak	\$/kWh	-	-	\$ -
WBSHD	WBSHD-PEAK	Volumetric, peak (summer)	\$/kWh	-	-	\$ -
WBSHD	WBSHD-PEAK	Volumetric, peak (winter)	\$/kWh	0.1131	-	\$ -
WBSN	WBSN-FIXD	Fixed	\$/day	2.1443	1,082,989	\$ 2,322,253
WBSN	WBSN-24UC	Volumetric, anytime	\$/kWh	0.0188	46,314,610	\$ 870,715

**Low voltage**

Price category and code	Description	Units	Pi, 2026	Qi, 2026	Pi, 2026 Qi, 2026
WLVN	WLVN-FIXD	Fixed	\$/day	7.1800	311,266 \$ 2,234,889
WLVN	WLVN-24UC	Volumetric	\$/kWh	0.0303	101,207,145 \$ 3,066,577
WLVN	WLVN-CAPY	Capacity	\$/kVA/day	0.0686	46,393,423 \$ 3,182,589
WLVN	WLVN-PWRF	Power Factor	\$/kVA/day	-	- \$ -
WLVH	WLVH-FIXD	Fixed	\$/day	13.5200	157,624 \$ 2,131,071
WLVH	WLVH-24UC	Volumetric	\$/kWh	0.0089	164,923,104 \$ 1,467,816
WLVH	WLVH-CAPY	Capacity	\$/kVA/day	0.0686	38,735,168 \$ 2,657,233
WLVH	WLVH-DAMD	Demand	\$/kVA/day	0.1602	12,739,996 \$ 2,040,947
WLVH	WLVH-PWRF	Power Factor	\$/kVA/day	0.3530	621,566 \$ 219,413
WLVHS	WLVHS-FIXD	Fixed	\$/day	13.5200	2,920 \$ 39,478
WLVHS	WLVHS-24UC	Volumetric	\$/kWh	0.0089	2,443,135 \$ 21,744
WLVHS	WLVHS-CAPY	Capacity	\$/kVA/day	0.0686	694,660 \$ 47,654
WLVHS	WLVHS-DAMD	Demand	\$/kVA/day	0.1602	247,912 \$ 39,716
WLVHS	WLVHS-PWRF	Power Factor	\$/kVA/day	-	84,079 \$ -
WLVHD	WLVHD-FIXD	Fixed	\$/day	13.5200	365 \$ 4,935
WLVHD	WLVHD-24UC	Volumetric	\$/kWh	0.0089	1,578 \$ 14
WLVHD	WLVHD-CAPY	Capacity	\$/kVA/day	0.0686	43,070 \$ 2,955
WLVHD	WLVHD-DAMD	Demand	\$/kVA/day	0.1602	76,796 \$ 12,303
WLVHD	WLVHD-DEXA	Excess demand	\$/kVA/day	-	- \$ -
WLVHD	WLVHD-PWRF	Power Factor	\$/kVA/day	0.3530	- \$ -

**Transformer**

Price category and code	Description	Units	Pi, 2026	Qi, 2026	Pi, 2026 Qi, 2026
WTXN	WTXN-FIXD	Fixed	\$/day	7.1800	29,770 \$ 213,748
WTXN	WTXN-24UC	Volumetric	\$/kWh	0.0303	16,009,602 \$ 485,091
WTXN	WTXN-CAPY	Capacity	\$/kVA/day	0.0639	7,118,248 \$ 454,856
WTXN	WTXN-PWRF	Power Factor	\$/kVA/day	-	- \$ -
WTXH	WTXH-FIXD	Fixed	\$/day	13.5200	152,312 \$ 2,059,264
WTXH	WTXH-24UC	Volumetric	\$/kWh	0.0089	428,938,477 \$ 3,817,552
WTXH	WTXH-CAPY	Capacity	\$/kVA/day	0.0639	105,154,399 \$ 6,719,366
WTXH	WTXH-DAMD	Demand	\$/kVA/day	0.1602	32,207,698 \$ 5,159,673
WTXH	WTXH-PWRF	Power Factor	\$/kVA/day	0.3530	1,086,684 \$ 383,599
WTXHS	WTXHS-FIXD	Fixed	\$/day	13.5200	1,460 \$ 19,739
WTXHS	WTXHS-24UC	Volumetric	\$/kWh	0.0089	4,003,811 \$ 35,634
WTXHS	WTXHS-CAPY	Capacity	\$/kVA/day	0.0639	933,300 \$ 59,638
WTXHS	WTXHS-DAMD	Demand	\$/kVA/day	0.1602	304,584 \$ 48,794
WTXHS	WTXHS-PWRF	Power Factor	\$/kVA/day	-	39,946 \$ -
WTXHD	WTXHD-FIXD	Fixed	\$/day	13.5200	730 \$ 9,870
WTXHD	WTXHD-24UC	Volumetric	\$/kWh	0.0089	29,321 \$ 261
WTXHD	WTXHD-CAPY	Capacity	\$/kVA/day	0.0639	219,000 \$ 13,994
WTXHD	WTXHD-DAMD	Demand	\$/kVA/day	0.1602	219,000 \$ 35,084
WTXHD	WTXHD-DEXA	Excess demand	\$/kVA/day	-	- \$ -
WTXHD	WTXHD-PWRF	Power Factor	\$/kVA/day	0.3530	- \$ -

**High voltage**

Price category and code	Description	Units	Pi, 2026	Qi, 2026	Pi, 2026 Qi, 2026
WHVN	WHVN-FIXD	Fixed	\$/day	7.1800	- \$ -
WHVN	WHVN-24UC	Volumetric	\$/kWh	0.0303	- \$ -
WHVN	WHVN-CAPY	Capacity	\$/kVA/day	0.0621	- \$ -
WHVN	WHVN-PWRF	Power Factor	\$/kVA/day	-	- \$ -
WHVH	WHVH-FIXD	Fixed	\$/day	13.5200	10,952 \$ 148,070
WHVH	WHVH-24UC	Volumetric	\$/kWh	0.0089	153,238,369 \$ 1,363,821
WHVH	WHVH-CAPY	Capacity	\$/kVA/day	0.0621	17,590,170 \$ 1,092,350
WHVH	WHVH-DAMD	Demand	\$/kVA/day	0.1602	6,757,779 \$ 1,082,596
WHVH	WHVH-DEXA	Excess demand	\$/kVA/day	0.8640	768,108 \$ 663,645
WHVH	WHVH-PWRF	Power Factor	\$/kVA/day	0.3530	217,089 \$ 76,632
WHVHS	WHVHS-FIXD	Fixed	\$/day	13.5200	- \$ -
WHVHS	WHVHS-24UC	Volumetric	\$/kWh	0.0089	- \$ -
WHVHS	WHVHS-CAPY	Capacity	\$/kVA/day	0.0621	- \$ -
WHVHS	WHVHS-DAMD	Demand	\$/kVA/day	0.1602	- \$ -
WHVHS	WHVHS-DEXA	Excess demand	\$/kVA/day	0.8640	- \$ -
WHVHS	WHVHS-PWRF	Power Factor	\$/kVA/day	-	- \$ -
WHVHD	WHVHD-FIXD	Fixed	\$/day	13.5200	730 \$ 9,870
WHVHD	WHVHD-24UC	Volumetric	\$/kWh	0.0089	137,321 \$ 1,222
WHVHD	WHVHD-CAPY	Capacity	\$/kVA/day	0.0621	2,409,000 \$ 149,599
WHVHD	WHVHD-DAMD	Demand	\$/kVA/day	0.1602	3,777,750 \$ 605,196
WHVHD	WHVHD-DEXA	Excess demand	\$/kVA/day	-	- \$ -
WHVHD	WHVHD-PWRF	Power Factor	\$/kVA/day	0.3530	- \$ -

**Zone substation**

Price category and code	Description	Units	Pi, 2026	Qi, 2026	Pi, 2026 Qi, 2026
WZSH	WZSH-FIXD	Fixed	\$/day	4.7600	- \$ -
WZSH	WZSH-24UC	Volumetric	\$/kWh	0.0070	- \$ -
WZSH	WZSH-CAPY	Capacity	\$/kVA/day	0.1560	- \$ -
WZSH	WZSH-DAMD	Demand	\$/kVA/day	0.0295	- \$ -
WZSH	WZSH-DEXA	Excess demand	\$/kVA/day	0.8640	- \$ -
WZSH	WZSH-PWRF	Power Factor	\$/kVA/day	0.3530	- \$ -
WZSHS	WZSHS-FIXD	Fixed	\$/day	4.7600	- \$ -
WZSHS	WZSHS-24UC	Volumetric	\$/kWh	0.0070	- \$ -
WZSHS	WZSHS-CAPY	Capacity	\$/kVA/day	0.1560	- \$ -
WZSHS	WZSHS-DAMD	Demand	\$/kVA/day	0.0295	- \$ -
WZSHS	WZSHS-DEXA	Excess demand	\$/kVA/day	0.8640	- \$ -
WZSHS	WZSHS-PWRF	Power Factor	\$/kVA/day	-	- \$ -



### Subtransmission

Price category and code		Description	Units	Pi, 2026	Qi, 2026	Pi, 2026 Qi, 2026
WSTH	WSTH-FIXD	Fixed	\$/day	4.7600	369	\$ 1,756
WSTH	WSTH-24UC	Volumetric	\$/kWh	0.0070	4,005,249	\$ 28,037
WSTH	WSTH-CAPY	Capacity	\$/kVA/day	0.1240	707,466	\$ 87,726
WSTH	WSTH-DAMD	Demand	\$/kVA/day	0.0295	174,625	\$ 5,151
WSTH	WSTH-DEXA	Excess demand	\$/kVA/day	0.8640	-	\$ -
WSTH	WSTH-PWRF	Power Factor	\$/kVAr/day	0.3530	-	\$ -
WSTHS	WSTHS-FIXD	Fixed	\$/day	4.7600	-	\$ -
WSTHS	WSTHS-24UC	Volumetric	\$/kWh	0.0070	-	\$ -
WSTHS	WSTHS-CAPY	Capacity	\$/kVA/day	0.1240	-	\$ -
WSTHS	WSTHS-DAMD	Demand	\$/kVA/day	0.0295	-	\$ -
WSTHS	WSTHS-DEXA	Excess demand	\$/kVA/day	0.8640	-	\$ -
WSTHS	WSTHS-PWRF	Power Factor	\$/kVAr/day	-	-	\$ -

### Auckland line charges between 1 April 2025 to 31 March 2026

#### Residential - time of use

Price category and code		Description	Units	Pi, 2026	Qi, 2026	Pi, 2026 Qi, 2026
ARHLC	ARHLC-FIXD	Fixed, low user	\$/day	0.7500	50,665,768	\$ 37,999,326
ARHLC	ARHLC-OFPK	Volumetric, controlled, off peak	\$/kWh	0.0444	517,253,849	\$ 22,966,071
ARHLC	ARHLC-PEAK	Volumetric, controlled, peak (summer)	\$/kWh	0.0444	103,479,685	\$ 4,594,498
ARHLC	ARHLC-PEAK	Volumetric, controlled, peak (winter)	\$/kWh	0.1575	116,629,205	\$ 18,369,100
ARHLD	ARHLD-FIXD	Fixed, low user	\$/day	0.7500	154,420	\$ 115,815
ARHLD	ARHLD-OFPK	Volumetric, DER, off peak	\$/kWh	0.0381	1,576,500	\$ 60,065
ARHLD	ARHLD-PEAK	Volumetric, DER, peak (summer)	\$/kWh	0.0381	315,388	\$ 12,016
ARHLD	ARHLD-PEAK	Volumetric, DER, peak (winter)	\$/kWh	0.1512	355,465	\$ 53,746
ARHLU	ARHLU-FIXD	Fixed, low user	\$/day	0.7500	22,587,909	\$ 16,940,931
ARHLU	ARHLU-OFPK	Volumetric, uncontrolled, off peak	\$/kWh	0.0454	188,950,019	\$ 8,578,331
ARHLU	ARHLU-PEAK	Volumetric, uncontrolled, peak (summer)	\$/kWh	0.0454	36,375,447	\$ 1,651,445
ARHLU	ARHLU-PEAK	Volumetric, uncontrolled, peak (winter)	\$/kWh	0.1585	47,824,453	\$ 7,580,176
ARHSC	ARHSC-FIXD	Fixed, standard user	\$/day	1.7253	26,714,182	\$ 46,089,979
ARHSC	ARHSC-OFPK	Volumetric, controlled, off peak	\$/kWh	-	490,432,254	\$ -
ARHSC	ARHSC-PEAK	Volumetric, controlled, peak (summer)	\$/kWh	-	70,349,028	\$ -
ARHSC	ARHSC-PEAK	Volumetric, controlled, peak (winter)	\$/kWh	0.1131	135,910,072	\$ 15,371,429
ARHSD	ARHSD-FIXD	Fixed, standard user	\$/day	1.5853	87,538	\$ 138,775
ARHSD	ARHSD-OFPK	Volumetric, DER, off peak	\$/kWh	-	1,607,074	\$ -
ARHSD	ARHSD-PEAK	Volumetric, DER, peak (summer)	\$/kWh	-	230,523	\$ -
ARHSD	ARHSD-PEAK	Volumetric, DER, peak (winter)	\$/kWh	0.1131	445,357	\$ 50,370
ARHSU	ARHSU-FIXD	Fixed, standard user	\$/day	1.7453	13,617,198	\$ 23,766,095
ARHSU	ARHSU-OFPK	Volumetric, uncontrolled, off peak	\$/kWh	-	247,684,651	\$ -
ARHSU	ARHSU-PEAK	Volumetric, uncontrolled, peak (summer)	\$/kWh	-	48,669,698	\$ -
ARHSU	ARHSU-PEAK	Volumetric, uncontrolled, peak (winter)	\$/kWh	0.1131	61,447,357	\$ 6,949,696

#### Residential - exemption

Price category and code		Description	Units	Pi, 2026	Qi, 2026	Pi, 2026 Qi, 2026
ARNLC	ARNLC-FIXD	Fixed, low user	\$/day	0.7500	2,503,335	\$ 1,877,501
ARNLC	ARNLC-AICO	Volumetric, controlled, anytime	\$/kWh	0.0632	36,762,484	\$ 2,323,389
ARNLU	ARNLU-FIXD	Fixed, low user	\$/day	0.7500	1,298,781	\$ 974,086
ARNLU	ARNLU-24UC	Volumetric, uncontrolled, anytime	\$/kWh	0.0642	14,852,543	\$ 953,533
ARNSC	ARNSC-FIXD	Fixed, standard user	\$/day	1.7253	1,901,344	\$ 3,280,389
ARNSC	ARNSC-AICO	Volumetric, controlled, anytime	\$/kWh	0.0188	44,115,089	\$ 829,364
ARNSU	ARNSU-FIXD	Fixed, standard user	\$/day	1.7453	1,448,957	\$ 2,528,864
ARNSU	ARNSU-24UC	Volumetric, uncontrolled, anytime	\$/kWh	0.0188	22,071,062	\$ 414,936

#### General

Price category and code		Description	Units	Pi, 2026	Qi, 2026	Pi, 2026 Qi, 2026
ABSU	ABSU-FIXD	Fixed	\$/day/fitting	0.0754	27,205,812	\$ 2,051,318
ABSU	ABSU-24UC	Volumetric, unmetered	\$/kWh	0.0273	14,495,828	\$ 395,736
ABSH	ABSH-FIXD	Fixed	\$/day	2.1443	11,029,373	\$ 23,650,285
ABSH	ABSH-OFPK	Volumetric, off peak	\$/kWh	-	372,817,867	\$ -
ABSH	ABSH-PEAK	Volumetric, peak (summer)	\$/kWh	-	73,359,410	\$ -
ABSH	ABSH-PEAK	Volumetric, peak (winter)	\$/kWh	0.1131	76,467,518	\$ 8,648,476
ABSHD	ABSHD-FIXD	Fixed	\$/day	1.9843	-	\$ -
ABSHD	ABSHD-OFPK	Volumetric, off peak	\$/kWh	-	-	\$ -
ABSHD	ABSHD-PEAK	Volumetric, peak (summer)	\$/kWh	-	-	\$ -
ABSHD	ABSHD-PEAK	Volumetric, peak (winter)	\$/kWh	0.1131	-	\$ -
ABSN	ABSN-FIXD	Fixed	\$/day	2.1443	2,423,120	\$ 5,195,895
ABSN	ABSN-24UC	Volumetric, anytime	\$/kWh	0.0188	114,823,464	\$ 2,158,681

**Low voltage**

Price category and code	Description	Units	P <sub>i, 2026</sub>	Q <sub>i, 2026</sub>	P <sub>i, 2026</sub> Q <sub>i, 2026</sub>
ALVN ALVN-FIXD	Fixed	\$/day	4.7600	858,787	\$ 4,087,828
ALVN ALVN-24UC	Volumetric	\$/kWh	0.0514	231,024,738	\$ 11,874,672
ALVN ALVN-CAPY	Capacity	\$/kVA/day	0.0686	128,865,976	\$ 8,840,206
ALVN ALVN-PWRF	Power Factor	\$/kVAr/day	-	3,633	\$ -
ALVT ALVT-FIXD	Fixed	\$/day	4.7600	582,372	\$ 2,772,091
ALVT ALVT-24UC	Volumetric	\$/kWh	0.0156	561,694,006	\$ 8,762,426
ALVT ALVT-CAPY	Capacity	\$/kVA/day	0.0686	157,866,320	\$ 10,829,630
ALVT ALVT-DAMD	Demand	\$/kVA/day	0.1602	41,386,093	\$ 6,630,052
ALVT ALVT-PWRF	Power Factor	\$/kVAr/day	0.3530	1,857,203	\$ 655,593
ALVTS ALVTS-FIXD	Fixed	\$/day	4.7600	4,015	\$ 19,111
ALVTS ALVTS-24UC	Volumetric	\$/kWh	0.0156	1,830,641	\$ 28,558
ALVTS ALVTS-CAPY	Capacity	\$/kVA/day	0.0686	1,047,198	\$ 71,838
ALVTS ALVTS-DAMD	Demand	\$/kVA/day	0.1602	228,209	\$ 36,559
ALVTS ALVTS-PWRF	Power Factor	\$/kVAr/day	-	41,726	\$ -
ALVTD ALVTD-FIXD	Fixed	\$/day	4.7600	1,460	\$ 6,950
ALVTD ALVTD-24UC	Volumetric	\$/kWh	0.0156	11,880	\$ 185
ALVTD ALVTD-CAPY	Capacity	\$/kVA/day	0.0686	355,875	\$ 24,413
ALVTD ALVTD-DAMD	Demand	\$/kVA/day	0.1602	603,710	\$ 96,714
ALVTD ALVTD-DEXA	Excess demand	\$/kVA/day	-	-	\$ -
ALVTD ALVTD-PWRF	Power Factor	\$/kVAr/day	0.3530	-	\$ -

**Transformer**

Price category and code	Description	Units	P <sub>i, 2026</sub>	Q <sub>i, 2026</sub>	P <sub>i, 2026</sub> Q <sub>i, 2026</sub>
ATXN ATXN-FIXD	Fixed	\$/day	4.7600	57,925	\$ 275,724
ATXN ATXN-24UC	Volumetric	\$/kWh	0.0514	22,362,162	\$ 1,149,415
ATXN ATXN-CAPY	Capacity	\$/kVA/day	0.0639	13,418,906	\$ 857,468
ATXN ATXN-PWRF	Power Factor	\$/kVAr/day	-	-	\$ -
ATXT ATXT-FIXD	Fixed	\$/day	4.7600	378,691	\$ 1,802,569
ATXT ATXT-24UC	Volumetric	\$/kWh	0.0156	1,161,613,069	\$ 18,121,164
ATXT ATXT-CAPY	Capacity	\$/kVA/day	0.0639	281,459,511	\$ 17,985,263
ATXT ATXT-DAMD	Demand	\$/kVA/day	0.1602	80,580,681	\$ 12,909,025
ATXT ATXT-PWRF	Power Factor	\$/kVAr/day	0.3530	2,044,921	\$ 721,857
ATXTS ATXTS-FIXD	Fixed	\$/day	4.7600	3,650	\$ 17,374
ATXTS ATXTS-24UC	Volumetric	\$/kWh	0.0156	7,344,147	\$ 114,569
ATXTS ATXTS-CAPY	Capacity	\$/kVA/day	0.0639	3,002,658	\$ 191,870
ATXTS ATXTS-DAMD	Demand	\$/kVA/day	0.1602	672,237	\$ 107,692
ATXTS ATXTS-PWRF	Power Factor	\$/kVAr/day	-	62,046	\$ -
ATXTD ATXTD-FIXD	Fixed	\$/day	4.7600	1,460	\$ 6,950
ATXTD ATXTD-24UC	Volumetric	\$/kWh	0.0156	61,042	\$ 952
ATXTD ATXTD-CAPY	Capacity	\$/kVA/day	0.0639	584,000	\$ 37,318
ATXTD ATXTD-DAMD	Demand	\$/kVA/day	0.1602	627,800	\$ 100,574
ATXTD ATXTD-DEXA	Excess demand	\$/kVA/day	-	-	\$ -
ATXTD ATXTD-PWRF	Power Factor	\$/kVAr/day	0.3530	-	\$ -

**High voltage**

Price category and code	Description	Units	P <sub>i, 2026</sub>	Q <sub>i, 2026</sub>	P <sub>i, 2026</sub> Q <sub>i, 2026</sub>
AHVN AHVN-FIXD	Fixed	\$/day	4.7600	2,242	\$ 10,673
AHVN AHVN-24UC	Volumetric	\$/kWh	0.0514	545,569	\$ 28,042
AHVN AHVN-CAPY	Capacity	\$/kVA/day	0.0621	488,060	\$ 30,309
AHVN AHVN-PWRF	Power Factor	\$/kVAr/day	-	1,444	\$ -
AHVTD AHVTD-FIXD	Fixed	\$/day	4.7600	55,718	\$ 265,217
AHVTD AHVTD-24UC	Volumetric	\$/kWh	0.0156	437,041,655	\$ 6,817,850
AHVTD AHVTD-CAPY	Capacity	\$/kVA/day	0.0621	71,055,474	\$ 4,412,545
AHVTD AHVTD-DAMD	Demand	\$/kVA/day	0.1602	28,696,576	\$ 4,597,192
AHVTD AHVTD-DEXA	Excess demand	\$/kVA/day	0.8640	62,640	\$ 54,121
AHVT AHVT-PWRF	Power Factor	\$/kVAr/day	0.3530	577,319	\$ 203,794
AHVTS AHVTS-FIXD	Fixed	\$/day	4.7600	365	\$ 1,737
AHVTS AHVTS-24UC	Volumetric	\$/kWh	0.0156	273,478	\$ 4,266
AHVTS AHVTS-CAPY	Capacity	\$/kVA/day	0.0621	732,000	\$ 45,457
AHVTS AHVTS-DAMD	Demand	\$/kVA/day	0.1602	34,987	\$ 5,605
AHVTS AHVTS-DEXA	Excess demand	\$/kVA/day	0.8640	-	\$ -
AHVTS AHVTS-PWRF	Power Factor	\$/kVAr/day	-	18,947	\$ -
AHVTD AHVTD-FIXD	Fixed	\$/day	4.7600	1,095	\$ 5,212
AHVTD AHVTD-24UC	Volumetric	\$/kWh	0.0156	58,642	\$ 915
AHVTD AHVTD-CAPY	Capacity	\$/kVA/day	0.0621	438,000	\$ 27,200
AHVTD AHVTD-DAMD	Demand	\$/kVA/day	0.1602	438,000	\$ 70,168
AHVTD AHVTD-DEXA	Excess demand	\$/kVA/day	-	-	\$ -
AHVTD AHVTD-PWRF	Power Factor	\$/kVAr/day	0.3530	-	\$ -

**Zone substation**

Price category and code	Description	Units	Pi, 2026	Qi, 2026	Pi, 2026 Qi, 2026
AZST AZST-FIXD	Fixed	\$/day	4.7600	2,962	\$ 14,097
AZST AZST-24UC	Volumetric	\$/kWh	0.0070	198,988,474	\$ 1,392,919
AZST AZST-CAPY	Capacity	\$/kVA/day	0.1560	25,897,699	\$ 4,040,041
AZST AZST-DAMD	Demand	\$/kVA/day	0.0295	10,711,622	\$ 315,993
AZST AZST-DEXA	Excess demand	\$/kVA/day	0.8640	61,695	\$ 53,304
AZST AZST-PWRF	Power Factor	\$/kVAr/day	0.3530	431,319	\$ 152,256
AZSTS AZSTS-FIXD	Fixed	\$/day	4.7600	-	\$ -
AZSTS AZSTS-24UC	Volumetric	\$/kWh	0.0070	-	\$ -
AZSTS AZSTS-CAPY	Capacity	\$/kVA/day	0.1560	-	\$ -
AZSTS AZSTS-DAMD	Demand	\$/kVA/day	0.0295	-	\$ -
AZSTS AZSTS-DEXA	Excess demand	\$/kVA/day	0.8640	-	\$ -
AZSTS AZSTS-PWRF	Power Factor	\$/kVAr/day	-	-	\$ -

**Subtransmission**

Price category and code	Description	Units	Pi, 2026	Qi, 2026	Pi, 2026 Qi, 2026
ASTT ASTT-FIXD	Fixed	\$/day	4.7600	-	\$ -
ASTT ASTT-24UC	Volumetric	\$/kWh	0.0070	-	\$ -
ASTT ASTT-CAPY	Capacity	\$/kVA/day	0.1240	-	\$ -
ASTT ASTT-DAMD	Demand	\$/kVA/day	0.0295	-	\$ -
ASTT ASTT-DEXA	Excess demand	\$/kVA/day	0.8640	-	\$ -
ASTT ASTT-PWRF	Power Factor	\$/kVAr/day	0.3530	-	\$ -
ASTTS ASTTS-FIXD	Fixed	\$/day	4.7600	-	\$ -
ASTTS ASTTS-24UC	Volumetric	\$/kWh	0.0070	-	\$ -
ASTTS ASTTS-CAPY	Capacity	\$/kVA/day	0.1240	-	\$ -
ASTTS ASTTS-DAMD	Demand	\$/kVA/day	0.0295	-	\$ -
ASTTS ASTTS-DEXA	Excess demand	\$/kVA/day	0.8640	-	\$ -
ASTTS ASTTS-PWRF	Power Factor	\$/kVAr/day	-	-	\$ -

**Non-standard line charges between 1 April 2025 to 31 March 2026**

Non-standard ICPs have a quantity of one for price compliance. This is because they are charged an annual line charge, billed monthly.

Price category and code	Description	Units	Pi, 2026	Qi, 2026	Pi, 2026 Qi, 2026
NS WN26- 1	Fixed	\$/year	\$ 302,031	1	\$ 302,031
NS WN26- 2	Fixed	\$/year	\$ 553,496	1	\$ 553,496
NS WN26- 3	Fixed	\$/year	\$ 265,765	1	\$ 265,765
NS AN26- 1	Fixed	\$/year	\$ -	1	\$ -
NS AN26- 2	Fixed	\$/year	\$ 60,000	1	\$ 60,000
NS AN26- 3	Fixed	\$/year	\$ 1,079,138	1	\$ 1,079,138
NS AN26- 4	Fixed	\$/year	\$ -	1	\$ -
NS AN26- 5	Fixed	\$/year	\$ 516,796	1	\$ 516,796
NS AN26- 6	Fixed	\$/year	\$ 623,371	1	\$ 623,371
NS AN26- 7	Fixed	\$/year	\$ -	1	\$ -
NS AN26- 8	Fixed	\$/year	\$ 801,865	1	\$ 801,865
NS AN26- 9	Fixed	\$/year	\$ 602,927	1	\$ 602,927
NS AN26- 10	Fixed	\$/year	\$ 844,882	1	\$ 844,882
NS AN26- 11	Fixed	\$/year	\$ 336,180	1	\$ 336,180
NS AN26- 12	Fixed	\$/year	\$ 74,171	1	\$ 74,171
NS AN26- 13	Fixed	\$/year	\$ 286,764	1	\$ 286,764
NS AN26- 14	Fixed	\$/year	\$ 61,963	1	\$ 61,963
NS AN26- 15	Fixed	\$/year	\$ -	1	\$ -
NS AN26- 16	Fixed	\$/year	\$ -	1	\$ -
NS AN26- 17	Fixed	\$/year	\$ -	1	\$ -
NS AN26- 18	Fixed	\$/year	\$ 343,220	1	\$ 343,220

### Grid Exit Point (GXP) transmission charges between 1 April 2025 and 31 March 2026

Transmission charges are priced at the GXP with percentage share as the unit, rather than priced at the ICP with a nominal unit. The quantities are 1,200,000 representing 12 months times 100,000.

Price category and code		Description	Units	Pi, 2026	Qi, 2026	Pi, 2026 Qi, 2026
GXP	ALB	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 19.5965	1,200,000	\$ 23,515,800
GXP	HEN	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 9.9849	1,200,000	\$ 11,981,880
GXP	HEP	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 13.5523	1,200,000	\$ 16,262,760
GXP	LFD	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 0.9465	1,200,000	\$ 1,135,800
GXP	SVL	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 8.9081	1,200,000	\$ 10,689,720
GXP	WEL	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 3.5847	1,200,000	\$ 4,301,640
GXP	WRD	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 8.1077	1,200,000	\$ 9,729,240
GXP	HOB	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 8.4321	1,200,000	\$ 10,118,520
GXP	MNG	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 12.9382	1,200,000	\$ 15,525,840
GXP	OTA	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 6.1944	1,200,000	\$ 7,433,280
GXP	PAK	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 13.5745	1,200,000	\$ 16,289,400
GXP	PEN	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 43.3979	1,200,000	\$ 52,077,480
GXP	ROS	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 14.4917	1,200,000	\$ 17,390,040
GXP	TAK	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 10.7585	1,200,000	\$ 12,910,200
GXP	WIR	Fixed	\$/month per 1/1000 <sup>0</sup>	\$ 11.4765	1,200,000	\$ 13,771,800

## Appendix 3: 2024 Wash-up amount 2024 recalculation

The wash-up amount for the 2024<sup>30</sup> assessment period has been recalculated to \$57.6 million due to more information available at the time of the 2026 price setting process. Additional transmission charges related to PY24 have been incurred and therefore the actual pass-through costs and recoverable costs are revised in Table 14. This follows a similar approach to the recalculation of the pass-through balance in the past when new information becomes available. The calculation is detailed below in Tables 12 -14.

<b>Table 12: Wash-up amount (WAU) 2024</b>			
<b>Formula:</b> $WUA_{2024} = AAR_{2024} - AR_{2024} - RV_{2024}$			
<b>Component</b>	<b>Description</b>	<b>2024 Value (\$000)</b>	<b>2025 Value (\$000)</b>
AAR <sub>2024</sub>	Actual allowable revenue 2024	703,809	704,190
- AR <sub>2024</sub>	Actual revenue 2024	(646,536)	(646,536)
- RV <sub>2024</sub>	Revenue foregone 2024	-	-
<b>WUA<sub>2024</sub></b>	<b>Wash-up amount 2024</b>	<b>57,273</b>	<b>57,654</b>

<b>Table 13: Actual allowable revenue (AAR) 2024</b>			
<b>Formula:</b> $AAR_{2024} = ANAR_{2024} + APRC_{2024} + RWA_{2024}$			
<b>Component</b>	<b>Description</b>	<b>2024 Value (\$000)</b>	<b>2025 Value (\$000)</b>
ANAR <sub>2024</sub>	Actual net allowable revenue 2024	460,601	460,601
APRC <sub>2024</sub>	Actual pass-through costs and recoverable costs 2024	214,213	214,594
RWA <sub>2024</sub>	Revenue wash-up draw down amount	28,995	28,995
<b>AAR<sub>2024</sub></b>	<b>Actual allowable revenue 2024</b>	<b>703,809</b>	<b>704,190</b>

<sup>30</sup> The previous published 2024 wash-up amount can be found <https://blob-static.vector.co.nz/blob/vector/media/vector-2024/vector-annual-compliance-statement-2024.pdf> .

<b>Table 14: Actual pass-through costs and recoverable costs (APRC) 2024</b>			
<b>Cost type</b>	<b>Description</b>	<b>2024 Value (\$000)</b>	<b>2025 Value (\$000)</b>
<b>Pass-through costs</b>	Local Authority rates	18,099	18,099
	Commerce Act levy	1,881	1,881
	Electricity Authority levy	1,720	1,720
	Utility Disputes levy	419	419
	<b>Total pass-through costs</b>	<b>22,119</b>	<b>22,119</b>
<b>Recoverable costs</b>	Incremental rolling incentive scheme incentive adjustment	2,924	2,924
	Transpower electricity lines service charges	179,991	180,372 <sup>31</sup>
	Transpower new investment charges	7,680	7,680
	Distributed generation allowance	-	-
	Quality incentive adjustment	(355)	(355)
	Capex wash-up adjustment	366	366
	Fire and Emergency New Zealand levy	729	729
	Innovation project allowance	759	759
	<b>Total recoverable costs</b>	<b>192,094</b>	<b>192,475</b>
<b>Actual pass-through costs and recoverable costs excluding revenue wash-up drawn-down amount 2024</b>		<b>214,213</b>	<b>214,594</b>

<sup>31</sup> Updated to reflect the Transpower adjustment events relating to PY24 required under Transmission Pricing Methodology. Under the clause 75 of schedule 12.4 of the Electricity Industry Participation Code, Transpower can adjust relevant transmission charges from the date of an adjustment event.

## Appendix 4: Excluded pass-through and recoverable costs

The pass-through and recoverable costs listed below have not been included in Vector's forecast pass-through and recoverable costs for the 2026 assessment period as they are not applicable to Vector for this period.

<b>Input Methodologies reference</b>	<b>Type of pass-through and recoverable costs</b>
3.1.3 (1) (c)	S54K(3) and 53ZB(3) claw-back
3.1.3 (1) (d)	CPP proposal application fee
3.1.3 (1) (e)	Commission assessment of CPP proposal fee
3.1.3 (1) (f)	Fee payable to verifier (CPP)
3.1.3 (1) (g)	Auditor's cost (CPP)
3.1.3 (1) (h)	Engineer's fees (CPP)
3.1.3 (1) (i)	Reopener event allowance
3.1.3 (1) (j)	Extended reserves allowance
3.1.3 (1) (l)	Engineer's fees (quality standard variation)
3.1.3 (1) (m)	Urgent project allowance
3.1.3 (1) (p)	Innovation and non-traditional solutions allowance
3.1.2 (2) (d)	System operator charges
3.1.2 (2) (e)	Avoided cost of transmission arising from purchases of Transpower assets

## Appendix 5: Directors' certification

### Schedule 6: Form of Director's Certificate for Annual Price-Setting Compliance Statement

#### Clause 11.2(c)

I, Doug McKay, being director of Vector Limited certify that, having made all reasonable enquiry, to the best of my knowledge and belief, the attached annual price-setting compliance statement of Vector Limited, and related information, prepared for the purposes of the Electricity Distribution Services Default Price-Quality Path Determination 2025 has been prepared in accordance with all the relevant requirements, and all forecasts used in the calculations for forecast revenue from prices and forecast allowable revenue are reasonable.

A handwritten signature in black ink, appearing to read 'Doug McKay', written in a cursive style.

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Director

25 February 2025

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Date

Note: Section 103(2) of the Commerce Act 1986 provides that no person shall attempt to deceive or knowingly mislead the Commission in relation to any matter before it. It is an offence to contravene section 103(2) and any person who does so is liable on summary conviction to a fine not exceeding \$100,000 in the case of an individual or \$300,000 in the case of a body corporate.