Annual Price-setting Compliance Statement

Assessment Period: 1 April 2026 – 31 March 2027

POWERCO

Contents

Summary

Powerco is required to report on how price-setting complies with its price path

This is Powerco's annual price-setting compliance statement (Statement), which demonstrates that forecast revenue from prices is less than forecast allowable revenue for the year beginning 1 April 2026.

The Statement is part of many disclosure requirements Powerco Limited (Powerco) undertakes as an electricity distributor regulated by the Commerce Commission (Commission). Powerco's electricity distribution business is subject to regulation under the Commerce Act 1986, which is managed by the Commission. For the year beginning April 2026, Powerco is subject to the default price-quality path (DPP), the requirements of the DPP apply for the five years (1 April 2025 to 31 March 2030) as set out in the DPP Determination[1].

One of the Determination's disclosure requirements involves publishing this statement to demonstrate that forecast revenue from prices is less than forecast allowable revenue. This statement relates to the year beginning 1 April 2026, which is the second assessment of price-setting compliance covered by the Determination.

Powerco, in respect of the second assessment period of the DPP regulatory period, complies with the price path in clause 8.3 for the assessment period 1 April 2026 – 31 March 2027

The remainder of this Statement demonstrates how Powerco's price-setting is compliant with the requirements in the Determination. It shows Powerco's calculations of forecast revenue from prices and forecast allowable revenue along with supporting information for all components of these calculations. Appendix A provides the Determination's compliance requirements and references the relevant information included in this Statement.

Powerco prepared and approved this statement on the 19 March 2026. This Statement was published on 31 March 2026 on Powerco's website, www.Powerco.co.nz.

A copy is available on request or at Powerco's principal office: 35 Junction Street, New Plymouth 4312.

Any comments or suggestions regarding the Annual Price-Setting Compliance Statement can be made via https://www.powerco.co.nz/contact

or to

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Powerco Limited
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[1] Electricity Distribution Services Default Price-Quality Path Determination 2025

Compliance assessment

This section demonstrates compliance with clauses 8.3-8.6 and11.1-11.3 of the Determination, which outline the requirements for this annual price-setting compliance statement. For presentation purposes, the tables set out in this report are aggregates of the price and quantity information for each price group. While the dollar balances are rounded to the nearest thousand dollars, the underlying compliance calculations assess the whole number.

2.1 Price path compliance

Compliance with the forecast price path is demonstrated when **forecast revenue from prices (FRt**) does not exceed **forecast allowable revenue (FARt)** for the assessment period.

Table 1: Price path results for this assessment period

Requirement	**FR_{2027}**	**≤**	**FAR_{2027}**
Powerco's result ($000)	614,198	≤	614,199

For the second to fifth assessment period compliance with the price path is also demonstrated when **forecast revenue from prices (FRt**) for the assessment period, less forecast **pass-through costs** and less revenue forecast to be received under any **large connection contract**, must not exceed the **revenue smoothing limit**. These values are calculated per Schedule 1.5 of the DPP Determination.

Table 2: Revenue smoothing limit compliance

Revenue smoothing limit	**2027 Amount ($000)**
Forecast revenue from prices (FR_{2027})	614,198
less: forecast pass-through costs	(137,330)
less: forecast large connection contract revenue	0
Net distribution revenue	**476,868**
	≤
Revenue smoothing limit	**521,362**

Powerco complies with the forecast price path requirement

2.2 Forecast revenue from prices

Forecast revenue from prices is calculated in accordance with Clause 3.1.1 (2) of the Input Methodologies Determination (IM)[2] meaning forecast revenue used to set **prices**, where forecast revenue is the total of each **price** multiplied by each forecast **quantity**, plus any other revenue forecast to be received under a **large connection contract**, plus any forecast of other regulated income.

A summary of Powerco's forecast revenue from prices is provided in Table 3. Appendix B includes the full table of prices and forecast quantities for the 2026 pricing year.

Table 3: Calculating Powerco's forecast revenue from prices (FR_t)

$FR_{2027} = \sum(P_{2027} \times Q_{\text{forecast } 2027}) + LLC_{2027} + ORI_{2027}$

Forecast revenue from prices	Total ($000)
Forecast revenue (PxQ)	628,850
Forecast large connection contract revenue[3]	0
Forecast other regulated income	(14,652)
FR_{2027}	**614,198**

The Determination requires forecast revenue from prices to be demonstrably reasonable.

Table 4 illustrates that forecast growth in the factors that determine quantity continue to approximately align with historical growth data at a regional level. The methodology and outputs are provided in more detail at Appendix C.

Table 4: 2027 regional forecasts align with historical growth

Region	Connections		Volume (GWh)	
	2027 forecast % Change from 2026	2022 - 2026 % Growth range	2027 forecast % Change from 2026	2022 – 2026 % Growth range
Western	0.42%	0.39% - 1.09%	1.93%	(0.36%) - 2.07%
Eastern	0.60%	0.66% - 1.54%	1.80%	0.21% - 3.23%

The Determination requires all costs and revenues used to be demonstrably reasonable.

The forecast for other regulated income has been calculated based on a five-year historical average[4] for income associated with the supply of electricity distribution services, and gains and losses on disposed assets. Table 5 summarises these amounts.

[2] Electricity Distribution Services Input Methodologies (IM Review 2023) Amendment Determination 2023

[3] There is no forecast large connection contract revenue for this pricing year

[4] Average of information disclosure amounts from 2021 to 2025

Table 5: Calculating Powerco's forecast other regulated income

Forecast other regulated income	Total ($000)
Income associated with supply of electricity distribution services	2,523
Gains and losses on disposed assets	(17,175)
Forecast other regulated income	**(14,652)**

2.3 Forecast allowable revenue

Forecast allowable revenue is calculated in accordance with Schedule 1.4 of the Determination, as the sum of **forecast net allowable revenue,** forecast **pass-through costs,** forecast **recoverable costs,** and forecast **large connection contract** revenue.

The calculation of Powerco's forecast allowable revenue for this 2027 assessment period is provided in Table 6.

Table 6: Calculating Powerco's forecast allowable revenue (FAR)

FAR_{2027} = forecast net allowable revenue + forecast pass-through costs + forecast recoverable costs + forecast large connection contract revenue

Calculation Components	Total ($000)
Forecast net allowable revenue is specified in Schedule 1.3 of the Determination	473,712
Forecast **pass-through costs**	137,330
Forecast **recoverable costs**	3,156
Forecast **large connection contract** revenue	0
FAR_{2027}	**614,199**

2.4 Forecasts of pass-through and recoverable costs

The Determination allows for the inclusion of pass-through and recoverable costs in pricing if they are known at the time prices are set and have not been previously recovered or will not be able to be recovered other than through prices. Pass-through and recoverable costs are defined in clauses 3.1.2 and 3.1.3 of the Electricity IM.

Pass-through costs include:

- Rates on system fixed assets paid to a local authority;
- Levies payable to the Electricity Authority, Commerce Commission and Utilities Disputes;
- Charge payable to Transpower for transmission electricity line services;
- Amount payable to Transpower in respect of an investment agreement; and
- Charge payable for system operator services

Recoverable costs include:

- An IRIS incentive adjustment;
- Avoided liability from purchase of Transpower assets
- Claw-back applied by the Commission;
- Costs relating to a CPP proposal;
- Reopener event allowance;
- Extended reserves allowance;
- Quality incentive adjustment;
- Engineer fee – quality standard variation;
- Urgent project allowance;
- Wash-up drawdown amount;
- Fire and Emergency NZ levy; and
- Innovation and non-traditional solutions allowance.

Table 7: Pass-through and recoverable costs included in the 2027 forecast

Pass-through and recoverable costs	**Total ($000)**
Council rates	4,419
Electricity Authority levies	1,475
Commerce Commission levies	1,073
Utilities Disputes levies	259
Transpower - Connection charges	22,839
Transpower - Benefit-based charge	21,139
Transpower - Residual charge	80,884
Transpower - New investment charges	5,242
Capex IRIS incentive adjustment	3,626
Opex IRIS incentive adjustment	(21,683)
Quality incentive adjustment	1,756
Wash-up drawdown amount[5]	19,292
Fire and Emergency NZ levy	166
Pass-through and recoverable costs$_{2026}$	**140,487**

The Determination requires forecast pass-through and recoverable costs to be demonstrably reasonable. Table 8 summarises the methodology Powerco has applied to determine its forecasts of pass-through and recoverable costs. It is Powerco's opinion that all these methods deliver acceptable forecasts in the context they are used.

[5] See Table 9 for calculation of this value

Table 8: Methodology to forecast pass-through and recoverable costs

Pass-through and recoverable costs	Forecasting methodology
Council rates	Forecast is a combination of current and proposed rate amounts
Electricity Authority levies	Forecast is a combination of current and projected levy amounts
Commerce Commission levies	Forecast is a combination of current and projected levy amounts
Utilities Dispute levies	Forecast is a combination of current and projected levy amounts
Transpower - Connection charges	As notified by Transpower
Transpower - Benefit-based Charge	As notified by Transpower
Transpower - Residual charge	As notified by Transpower
Transpower - New investment charges	As notified by Transpower
IRIS incentive adjustments	Actual amounts using Input Methodologies formula
Quality incentive adjustment	Based on quality outcomes and calculated in 2025 Annual Compliance Statement adjusted for the time value of money
Wash-up drawdown amount	Actual amounts using Input Methodologies formula (Table 9)
Fire and Emergency NZ levy	Forecast is a combination of current and projected amounts

The **wash-up drawdown amount** has been determined to be equal to the maximum amount per subclause (ii) of clause 3.1.4 (5) of the Electricity IM[6], which defines the "**wash-up drawdown amount**" for a disclosure year as an amount that equals one of, or is between, the following amounts:

(i) zero; and

(ii) the **wash-up account balance** for the **disclosure year** two years prior × (1 + the cost of capital estimate specified in subclause (12) for the **disclosure year** one year prior) × (1 + the cost of capital estimate specified in subclause (12) for DY_n) minus the **wash-up drawdown amount** for the **disclosure year** one year prior × (1 + the cost of capital estimate specified in subclause (12) for DY_n) (whether that amount is negative or positive)

Table 9: Wash-up drawdown amount for 2027

Wash-up drawdown amount	Total ($000)
Wash-up account balance for **disclosure year** two years prior (2025)	35,046
× (1 + the cost of capital for the **disclosure year** one year prior (2026))[7]	*1.0529*
× (1 + the cost of capital for the **disclosure year** for DY_{2027})[8]	*1.0602*
Minus the **wash-up drawdown amount** for the **disclosure year** one year prior (2026)	18,703
× (1 + the cost of capital for the **disclosure year** for DY_{2027})	*1.0602*
Wash-up drawdown amount 2027	**19,292**

[6] Electricity Distribution Services Input Methodologies (Washup Amounts) Amendment Determination 2024

[7] Cost of capital value for disclosure year one year prior (2026) is 5.29%, (41% of 2025 and 59% of 2026 cost of capital values)

[8] Cost of capital value for the disclosure year 2026 is 6.02%, the midpoint post-tax WACC value

Appendices

The following list of appendices provides further information supporting this Statement.

Appendix reference	Information provided
A – Compliance references	References the compliance requirements of the Determination and where they are evidenced in this Statement.
B – Prices and forecast quantities for pricing year 2027	Detailed schedules specifying prices and forecast quantities.
C – Quantity forecasting	Calculating forecast revenue from prices requires a forecast of quantities.

Appendix A – Compliance statement references

Determination clause	Determination requirement	Compliance statement reference
Price Path		
8.3	Forecast revenue from prices must not exceed the forecast allowable revenue for the assessment period	Section 2.1
8.4	A non-exempt EDB's forecast revenue from prices for that assessment period of the DPP regulatory period, less forecast pass-through costs and less revenue forecast to be received under any large connection contract, must not exceed the revenue smoothing limit	Section 2.1
Annual price-setting compliance statement		
11.2 (a)(i)	State whether Powerco has complied with the price path in clause 8.3 for the first assessment period	Summary
11.2 (b)	State the date on which the Statement was prepared	Summary
11.2 (c)	Include a certificate in the form set out in Schedule 6, signed by at least one director of Powerco	Section 4
11.3 (a)	Include Powerco's calculation of its forecast revenue from prices together with supporting information for all components of the calculation	Section 2.2, Appendix B & C
11.3 (b)	Include Powerco's calculation of its forecast allowable revenue together with supporting information for all components of the calculation	Sections 2.3-2.4
11.3 (c)	Include any reasons for non-compliance with the price path	N/a
11.3 (d)	Include actions taken to mitigate any non-compliance and to prevent similar non-compliance in future assessment periods	N/a

Appendix B – Prices and forecast quantities for pricing year 2027

The tables in this attachment contain our prices and forecast quantities.

Western Network - Distribution Prices

Western Network					Distribution Prices FY27 (1 April 2026 to 31 March 2027)																	
					Fixed Charges						Variable Charges											
Tariff Group	Network Group	Tariff Description			ICP $/day	Installed Capacity $/kVA/Day	CT/VT Charge ($/day)	ABP ($/AMD)	ABP ($/CMD)	ABP ($/AMD)	Uncontrolled $/kWh	Controlled $/kWh	24UC Summer $/kWh	On Peak Winter $/kWh	Off Peak Uncontrolled $/kWh	On Peak - Summer $/kWh	Unmetered $/kWh	Peak DG Winter $/kWh	Off Peak DG $/kWh	Peak DG Summer $/kWh	Distributed Generation	$/kVAr
					FDC	KVA*	CT/VT	*DIST*	CMD	*TRAN*	24UC	CTRL	24UC	PEAK	OFPK	PEAK	UNML	PKDG	OPDG	PKDG	24DG	PFC
Residential+Small Commercial																						
W05A	A	Low User	Small	DIST	0.760						0.1079	0.0631	0.1079	0.1906	0.0781	0.1683	0.1201	(0.0600)				
W06A	A	Standard User	Small	DIST	1.340						0.0815	0.0367	0.0815	0.1642	0.0517	0.1419	0.0937	(0.0600)				
W05B	B	Low User	Small	DIST	0.650						0.1489	0.0957	0.1489	0.2558	0.1107	0.2330	0.1654	(0.0600)				
W06B	B	Standard User	Small	DIST	1.500						0.1102	0.0570	0.1102	0.2171	0.0720	0.1943	0.1267	(0.0600)				
Medium Commercial																						
W01A	A	Unmetered	Small	DIST	0.360												0.1405					
W02A	A	Streetlighting	Small	DIST		0.0750																
W01B	B	Unmetered	Small	DIST	0.280												0.1902					
W02B	B	Streetlighting	Small	DIST		0.0850																
W22A	A	3ph63A >199kVA	Medium	DIST	6.9800	0.0600					0.0768	0.0441	0.0768	0.1560	0.0491	0.1302						
W28A	A	200kVA >299kVA	Medium	DIST																		
W22B	B	3ph63A >199kVA	Medium	DIST	7.3600	0.0600					0.1050	0.0634		0.2062	0.0684	0.1866						
W28B	B	200kVA >299kVA	Medium	DIST																		
Large Commercial																						
W29	A	200kVA < 300kVA	Medium	DIST	11.60		4.8800	0.3160			0.0349											8.400
W29	B	200kVA < 300kVA	Medium	DIST	11.60		4.8800	0.4340			0.0349											8.400
W29	C	200kVA < 300kVA	Medium	DIST	11.60		4.8800	0.5780			0.0349											8.400
W29	D	200kVA < 300kVA	Medium	DIST	11.60		4.8800	0.4470			0.0349											8.400
W29	E	200kVA < 300kVA	Medium	DIST	11.60		4.8800	0.3130			0.0349											8.400
W29	F	200kVA < 300kVA	Medium	DIST	11.60		4.8800	0.3700			0.0349											8.400
W29	G	200kVA < 300kVA	Medium	DIST	11.60		4.8800	0.8650			0.0349											8.400
W29	H	200kVA < 300kVA	Medium	DIST	11.60		4.8800	0.4230			0.0349											8.400
W29	I	200kVA < 300kVA	Medium	DIST	11.60		4.8800	0.2730			0.0349											8.400
W29	J	200kVA < 300kVA	Medium	DIST	11.60		4.8800	0.4840			0.0349											8.400
Large Industrial																						
W50	*	Individual ICP prices	Large	DIST	192.40																	8.400
W60	*	Individual ICP prices	Large	DIST	514.61																	8.400
OTHER	*	Individual ICP prices	Large	DIST																		8.400

Western Network - Transmission Prices

Western Network					Transmission Prices FY27 (Prices 1 April 2026 to 31 March 2027)																
					Fixed Charges						Variable Charges										
Tariff Group	Network Group	Tariff Description			ICP $/day	Installed Capacity $/kVA/Day	CT/VT Charge ($/day)	ABP ($/AMD)	ABP ($/CMD)	ABP ($/AMD)	Uncontrolled $/kWh	Controlled $/kWh	24UC Summer $/kWh	On Peak Winter $/kWh	Off Peak Uncontrolled $/kWh	On Peak Summer $/kWh	Unmetered $/kWh	Peak DG Winter $/kWh	Off Peak DG $/kWh	Peak DG Summer $/kWh	Distributed Generation	$/kVAr
					FDC	KVA*	CT/VT	*DIST*	CMD	*TRAN*	24UC	CTRL	24UC	PEAK	OFPK	PEAK	UNML	PKDG	OPDG	PKDG	24DG	PFC
Residential+Small Commercial																					
W05A	A	Low User	Small	TRAN	0.1400						0.0224	0.0224	0.0224	0.0224	0.0224	0.0224	0.0224					
W06A	A	Standard User	Small	TRAN	0.1400						0.0224	0.0224	0.0224	0.0224	0.0224	0.0224	0.0224					
W05B	B	Low User	Small	TRAN	0.2500						0.0225	0.0225	0.0225	0.0225	0.0225	0.0225	0.0225					
W06B	B	Standard User	Small	TRAN	0.2500						0.0225	0.0225	0.0225	0.0225	0.0225	0.0225	0.0225					
Medium Commercial																					
W01A	A	Unmetered	Small	TRAN	0.0900												0.0224					
W02A	A	Streetlighting	Small	TRAN		0.0250																
W01B	B	Unmetered	Small	TRAN	0.1700												0.0225					
W02B	B	Streetlighting	Small	TRAN		0.0250																
W22A	A	3ph63A >199kVA	Medium	TRAN	2.000						0.0224	0.0224	0.0224	0.0224	0.0224	0.0224						
W28A	A	200kVA >299kVA	Medium	TRAN																		
W22B	B	3ph63A >199kVA	Medium	TRAN	1.800						0.0225	0.0225	0.0225	0.0225	0.0225	0.0225						
W28B	B	200kVA >299kVA	Medium	TRAN																		
Large Commercial																					
W29	A	200kVA < 300kVA	Medium	TRAN						0.0370	0.0210											
W29	B	200kVA < 300kVA	Medium	TRAN						0.0370	0.0210											
W29	C	200kVA < 300kVA	Medium	TRAN						0.1180	0.0210											
W29	D	200kVA < 300kVA	Medium	TRAN						0.2810	0.0210											
W29	E	200kVA < 300kVA	Medium	TRAN						0.0300	0.0210											
W29	F	200kVA < 300kVA	Medium	TRAN						0.0400	0.0210											
W29	G	200kVA < 300kVA	Medium	TRAN						0.0850	0.0210											
W29	H	200kVA < 300kVA	Medium	TRAN						0.0400	0.0210											
W29	I	200kVA < 300kVA	Medium	TRAN						0.0260	0.0210											
W29	J	200kVA < 300kVA	Medium	TRAN						0.0900	0.0210											
Large Industrial																					
W50	*	Individual ICP prices	Large	TRAN	74.85																	
W60	*	Individual ICP prices	Large	TRAN	424.51																	
OTHER	*	Individual ICP prices	Large	TRAN																		

Western Network – Quantities

Western Network					Quantities FY27 (1 April 2026 to 31 March 2027)																		
					Fixed Volumes							Variable Volumes											
Tariff Group	Network Group	Tariff Description			ICP Days	ICPs (Average)	kVA Installed	CT/VTs	AMD	CMD	AMD	kWh Uncontrolled	kWh Controlled	kWh 24UC Summer	kWh On Peak Winter	kWh Off Peak	kWh On Peak Summer	kWh Unmetered	kWh DG Peak Winter	kWh DG Off Peak	kWh DG Peak Summer	Distributed Generation	kVAr Demand pa
					FDC	FDC	KVA*	CT/VT	*DIST*	CMD	*TRAN*	24UC	CTRL	24UC	PEAK	OFPK	PEAK	UNML	PKDG	OPDG	PKDG	24DG	PFC
Residential+Small Commercial																							
W05A	A	Low User	Small	DIST	24,282,514	66,527			-	-	-	41,850,174	44,258,041	-	38,152,732	158,649,479	27,215,941	21,145	121,405	2,339,973	373,901	5,998,352	-
W06A	A	Standard User	Small	DIST	21,398,293	58,625	849,483		-	-	-	163,919,655	64,322,861	-	72,645,810	329,020,821	61,336,668	13,099	164,770	3,034,108	508,859	7,469,242	-
W05B	B	Low User	Small	DIST	9,421,033	25,811			-	-	-	14,204,769	16,849,868	-	15,313,619	64,229,944	11,257,974	-	67,289	1,220,013	200,781	3,077,574	-
W06B	B	Standard User	Small	DIST	10,987,056	30,102	436,171		-	-	-	99,373,802	24,867,024	-	34,236,929	173,287,513	33,638,955	-	82,693	1,535,396	252,856	3,991,949	-
Medium Commercial																							
W01A	A	Unmetered	Small	DIST	192,916	529			-	-	-							5,650,170					-
W02A	A	Streetlighting	Small	DIST	-	-	-		-	-	-							-					-
									-	-	-												-
W01B	B	Unmetered	Small	DIST	131,417	360			-	-	-							2,061,480					-
W02B	B	Streetlighting	Small	DIST	-	-	-		-	-	-							-					-
									-	-	-							-	-	-	-	-	-
W22A	A	3ph63A >199kVA	Medium	DIST	64,666	177	16,639		-	-	-	5,923,685	75,977		1,543,867	7,183,843	1,468,477	-	-	-	-	-	-
W28A	A	200kVA >299kVA	Medium	DIST	-	-			-	-	-	-	-		-	-	-	-	-	-	-	-	-
W22B	B	3ph63A >199kVA	Medium	DIST	26,539	73	6,467		-	-	-	1,594,125	-		448,951	2,649,684	577,494	-	-	-	-	-	-
W28B	B	200kVA >299kVA	Medium	DIST	-	-			-	-	-	-	-		-	-	-	-	-	-	-	-	-
Large Commercial																							
W29	A	200kVA < 300kVA	Medium	DIST	26,273	72		-	7,255	101	7,255	23,599,046	-		-	-	-	-	-	-	-	-	29,509
W29	B	200kVA < 300kVA	Medium	DIST	5,181	14			1,381	97	1,381	4,157,248	-		-	-	-	-	-	-	-	-	-
W29	C	200kVA < 300kVA	Medium	DIST	740	2			100	50	100	184,828	-		-	-	-	-	-	-	-	-	-
W29	D	200kVA < 300kVA	Medium	DIST	740	2			86	43	86	438,798	-		-	-	-	-	-	-	-	-	-
W29	E	200kVA < 300kVA	Medium	DIST	8,141	22			2,337	105	2,337	7,671,673	-		-	-	-	-	-	-	-	-	-
W29	F	200kVA < 300kVA	Medium	DIST	4,441	12			1,397	115	1,397	4,230,531	-		-	-	-	-	-	-	-	-	-
W29	G	200kVA < 300kVA	Medium	DIST	1,850	5			870	172	870	2,448,149	-		-	-	-	-	-	-	-	-	-
W29	H	200kVA < 300kVA	Medium	DIST	16,282	45			4,778	107	4,778	12,416,503	-		-	-	-	-	-	-	-	-	-
W29	I	200kVA < 300kVA	Medium	DIST	44,776	123			12,588	103	12,588	37,473,438	-		-	-	-	-	-	-	-	-	-
W29	J	200kVA < 300kVA	Medium	DIST	1,480	4			404	100	404	1,330,890	-		-	-	-	-	-	-	-	-	-
Large Industrial																							
W50	*	Individual ICP prices	Large	DIST	101,161	277.153			-	-	-	291,523,852	-		-	-	-	-	-	-	-	-	59,318
W60	*	Individual ICP prices	Large	DIST	23,548	65			-	-	-	394,534,011	-		-	-	-	-	-	-	-	-	37,752
OTHER	*	Individual ICP prices	Large	DIST	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-
Western Region Total			**ALL**	**DIST**	**66,739,047**	**182,847**	**1,308,760**	-	**31,195**	**991**	**31,195**	**1,106,875,177**	**150,373,770**	-	**162,341,908**	**735,021,285**	**135,495,509**	**7,745,894**	**436,157**	**8,129,490**	**1,336,396**	**20,537,118**	**126,579**

Western network – distribution & transmission revenue

Western Network					Distribution Revenue (FY27 Prices, FY27 Quantities)				
Tariff Group	Network Group	Tariff Description			Fixed	Variable	Demand	Non-standard	Total
Residential+Small Commercial									
W05A	A	Low User	Small	DIST	18,454,711	31,546,449	-		**50,001,160**
W06A	A	Standard User	Small	DIST	28,673,713	53,353,934	-		**82,027,646**
W05B	B	Low User	Small	DIST	6,123,671	17,374,172	-		**23,497,843**
W06B	B	Standard User	Small	DIST	16,480,584	38,809,039	-		**55,289,623**
Medium Commercial									
W01A	A	Unmetered	Small	DIST	69,450	793,849	-		**863,299**
W02A	A	Streetlighting	Small	DIST	-	-	-		**-**
W01B	B	Unmetered	Small	DIST	36,797	392,094	-		**428,890**
W02B	B	Streetlighting	Small	DIST	-	-	-		**-**
W22A	A	3ph63A >199kVA	Medium	DIST	815,766	1,243,055	-		**2,058,821**
W28A	A	200kVA >299kVA	Medium	DIST	-	-	-		**-**
W22B	B	3ph63A >199kVA	Medium	DIST	336,955	548,956	-		**885,911**
W28B	B	200kVA >299kVA	Medium	DIST	-	-	-		**-**
Large Commercial									
W29	A	200kVA < 300kVA	Medium	DIST	1,141,556	823,607	247,877		**2,213,040**
W29	B	200kVA < 300kVA	Medium	DIST	278,833	145,088	-		**423,921**
W29	C	200kVA < 300kVA	Medium	DIST	29,760	6,450	-		**36,210**
W29	D	200kVA < 300kVA	Medium	DIST	22,645	15,314	-		**37,959**
W29	E	200kVA < 300kVA	Medium	DIST	361,412	267,741	-		**629,153**
W29	F	200kVA < 300kVA	Medium	DIST	240,183	147,646	-		**387,828**
W29	G	200kVA < 300kVA	Medium	DIST	296,100	85,440	-		**381,541**
W29	H	200kVA < 300kVA	Medium	DIST	926,597	433,336	-		**1,359,933**
W29	I	200kVA < 300kVA	Medium	DIST	1,773,697	1,307,823	-		**3,081,520**
W29	J	200kVA < 300kVA	Medium	DIST	88,453	46,448	-		**134,901**
Large Industrial									
W50	*	Individual ICP prices	Large	DIST	19,463,810	-	498,274		**19,962,083**
W60	*	Individual ICP prices	Large	DIST	12,117,858	-	317,116		**12,434,974**
OTHER	*	Individual ICP prices	Large	DIST	-	-	-		**-**
Western Region Total			**ALL**	**DIST**	**107,732,549**	**147,340,440**	**1,063,267**	**-**	**256,136,256**

Western Network					Transmission Revenue (FY27 Prices, FY27 Quantities)				
Tariff Group	Network Group	Tariff Description			Fixed	Variable	Demand	Non-standard	Total
Residential+Small Commercial									
W05A	A	Low User	Small	TRAN	3,399,552	6,947,304	-		**10,346,856**
W06A	A	Standard User	Small	TRAN	2,995,761	15,484,200	-		**18,479,961**
W05B	B	Low User	Small	TRAN	2,355,258	2,741,764	-		**5,097,022**
W06B	B	Standard User	Small	TRAN	2,746,764	8,221,595	-		**10,968,359**
Medium Commercial									
W01A	A	Unmetered	Small	TRAN	17,362	126,564	-		**143,926**
W02A	A	Streetlighting	Small	TRAN	-	-	-		**-**
W01B	B	Unmetered	Small	TRAN	22,341	46,383	-		**68,724**
W02B	B	Streetlighting	Small	TRAN	-	-	-		**-**
W22A	A	3ph63A >199kVA	Medium	TRAN	129,332	362,787	-		**492,119**
W28A	A	200kVA >299kVA	Medium	TRAN	-	-	-		**-**
W22B	B	3ph63A >199kVA	Medium	TRAN	47,771	118,581	-		**166,351**
W28B	B	200kVA >299kVA	Medium	TRAN	-	-	-		**-**
Large Commercial									
W29	A	200kVA < 300kVA	Medium	TRAN	97,978	495,580	-		**593,558**
W29	B	200kVA < 300kVA	Medium	TRAN	18,648	87,302	-		**105,950**
W29	C	200kVA < 300kVA	Medium	TRAN	4,323	3,881	-		**8,204**
W29	D	200kVA < 300kVA	Medium	TRAN	8,839	9,215	-		**18,053**
W29	E	200kVA < 300kVA	Medium	TRAN	25,589	161,105	-		**186,694**
W29	F	200kVA < 300kVA	Medium	TRAN	20,397	88,841	-		**109,238**
W29	G	200kVA < 300kVA	Medium	TRAN	26,988	51,411	-		**78,399**
W29	H	200kVA < 300kVA	Medium	TRAN	69,761	260,747	-		**330,508**
W29	I	200kVA < 300kVA	Medium	TRAN	119,457	786,942	-		**906,399**
W29	J	200kVA < 300kVA	Medium	TRAN	13,255	27,949	-		**41,204**
Large Industrial									
W50	*	Individual ICP prices	Large	TRAN	7,571,938	-	-		**7,571,938**
W60	*	Individual ICP prices	Large	TRAN	9,996,374	-	-		**9,996,374**
OTHER	*	Individual ICP prices	Large	TRAN	-	-	-		**-**
Western Region Total			**ALL**	**DIST**	**29,687,688**	**36,022,151**	**-**	**-**	**65,709,839**

Eastern Network – Distribution Prices

Eastern Network					Distribution Prices FY27 (1 April 2026 to 31 March 2027)																
					Fixed Charges						Variable Charges										
Tariff Group	Network Group	Tariff Description			ICP $/day	Installed Capacity $/kVA/Day	CT/VT Charge ($/day)	ABP ($/AMD)	ABP ($/CMD)	ABP ($/AMD)	Uncontrolled $/kWh	Controlled $/kWh	24UC Summer $/kWh	On Peak Winter $/kWh	Off Peak Uncontrolled $/kWh	On Peak Summer $/kWh	Unmetered $/kWh	Peak DG Winter $/kWh	Off Peak DG $/kWh	Peak DG Summer $/kWh	Distributed Generation	$/kVAr
					FDC	kVA*	CT/VT	*AMD*	CMD	*TRAN*	24UC	CTRL	24UC	PEAK	OFPK	PEAK	UNML	PKDG	OPDG	PKDG	24DG	PFC
Residential+Small Commercial																						
V05S	Valley	Low User	Small	DIST	0.690						0.1188	0.0683	0.1188	0.2269	0.0763	0.2169	0.1392	(0.0700)				
V06S	Valley	Standard User	Small	DIST	1.450						0.0782	0.0277	0.0782	0.1863	0.0357	0.1763	0.0986	(0.0700)				
V05C	Valley	North Coro Low User	Small	DIST	0.660						0.1262	0.0710	0.1262	0.2228	0.0790	0.2228	0.1470	(0.0700)				
V06C	Valley	North Coro Standard	Small	DIST	1.550						0.0797	0.0245	0.0797	0.1763	0.0325	0.1763	0.1005	(0.0700)				
T05S	Tauranga	Low User	Small	DIST	0.790						0.0957	0.0504	0.0957	0.1927	0.0584	0.1766	0.1125	(0.0700)				
T06S	Tauranga	Standard User	Small	DIST	1.490						0.0620	0.0167	0.0620	0.1590	0.0247	0.1429	0.0788	(0.0700)				
Unmetered Supply																						
V01	Valley	Unmetered	Small	DIST	0.330												0.1643					
V02	Valley	Streetlighting	Small	DIST		0.2120																
T01	Tauranga	Unmetered	Small	DIST	0.410												0.1339					
T02	Tauranga	Streetlighting	Small	DIST		0.2260																
Medium Commercial																						
V22	Valley	3ph60A >199kVA	Medium	DIST	7.50	0.0700					0.0754			0.1793	0.0286	0.1793						
V28	Valley	200kVA >299kVA	Medium	DIST	28.60			0.1000			0.0664			0.1404	0.0224	0.1404						8.400
T22	Tauranga	3ph60A >199kVA	Medium	DIST	8.20	0.0700					0.0621	0.0326		0.1561	0.0179	0.1408						
T28	Tauranga	200kVA >299kVA	Medium	DIST	28.20			0.1000			0.0591			0.1337	0.0154	0.1206						8.400
Large Commercial / Industrial																						
V40	Valley	Individual ICP prices	Large	DIST	155.47																	8.400
V60	Valley	Individual ICP prices	Large	DIST	864.22																	8.400
V71	Kinleith	Individual ICP prices	Large	DIST	13,087.80																	8.400
T50	Tauranga	Individual ICP prices	Large	DIST	128.76																	8.400
T60	Tauranga	Individual ICP prices	Large	DIST	639.55																	8.400

Eastern Network –Transmission Prices

Eastern Network					Transmission Prices FY27 (Prices 1 April 2026 to 31 March 2027)																
					Fixed Charges						Variable Charges										
Tariff Group	Network Group	Tariff Description			ICP $/day	Installed Capacity $/kVA/Day	CT/VT Charge ($/day)	ABP ($/AMD)	ABP ($/CMD)	ABP ($/AMD)	Uncontrolled $/kWh	Controlled $/kWh	24UC Summer $/kWh	On Peak Winter $/kWh	Off Peak Uncontrolled $/kWh	On Peak Summer $/kWh	Unmetered $/kWh	Peak DG Winter	Off Peak DG	Peak DG Summer $/kWh	Distributed Generation	$/kVAr
					FDC	kVA*	CT/VT	*DIST*	CMD	*TRAN*	24UC	CTRL	24UC	PEAK	OFPK	PEAK	UNML	PKDG	OPDG	PKDG	24DG	PFC
Residential+Small Commercial																						
V05S	Valley	Low User	Small	TRAN	0.2100						0.0209	0.0209	0.0209	0.0209	0.0209	0.0209	0.0201					
V06S	Valley	Standard User	Small	TRAN	0.3400						0.0209	0.0209	0.0209	0.0209	0.0209	0.0209	0.0201					
V05C	Valley	North Coro Low User	Small	TRAN	0.2400						0.0209	0.0209	0.0209	0.0209	0.0209	0.0209	0.0201					
V06C	Valley	North Coro Standard	Small	TRAN	0.3700						0.0209	0.0209	0.0209	0.0209	0.0209	0.0209	0.0201					
T05S	Tauranga	Low User	Small	TRAN	0.1100						0.0168	0.0168	0.0168	0.0168	0.0168	0.0168	0.0168					
T06S	Tauranga	Standard User	Small	TRAN	0.1500						0.0168	0.0168	0.0168	0.0168	0.0168	0.0168	0.0168					
Unmetered Supply																						
V01	Valley	Unmetered	Small	TRAN	0.1300												0.0201					
V02	Valley	Streetlighting	Small	TRAN		0.0300																
T01	Tauranga	Unmetered	Small	TRAN	0.0400												0.0168					
T02	Tauranga	Streetlighting	Small	TRAN		0.0300																
Medium Commercial																						
V22	Valley	3ph60A >199kVA	Medium	TRAN	3.3000						0.0217			0.0216	0.0216	0.0216						
V28	Valley	200kVA >299kVA	Medium	TRAN	6.0000						0.0217			0.0217	0.0217	0.0217						
T22	Tauranga	3ph60A >199kVA	Medium	TRAN	1.3000						0.0173	0.0173		0.0173	0.0173	0.0173						
T28	Tauranga	200kVA >299kVA	Medium	TRAN	3.4000						0.0173			0.0173	0.0173	0.0173						
Large Commercial / Industrial																						
V40	Valley	Individual ICP prices	Large	TRAN	54.09																	
V60	Valley	Individual ICP prices	Large	TRAN	757.49																	
V71	Kinleith	Individual ICP prices	Large	TRAN	24,703.48																	
T50	Tauranga	Individual ICP prices	Large	TRAN	40.39																	
T60	Tauranga	Individual ICP prices	Large	TRAN	317.26																	

Eastern Network - Quantities

Eastern Network					Quantities FY27 (1 April 2026 to 31 March 2027)																	
					Fixed Volumes							Variable Volumes										
Tariff Group	Network Group	Tariff Description			ICP Days	ICPs (Average)	kVA Installed	CT/VTs	AMD	CMD	AMD	kWh Uncontrolled	kWh Controlled	kWh 24UC Summer	kWh On Peak Winter	kWh Off Peak	kWh On Peak Summer	kWh Unmetered	kWh DG Peak Winter	kWh DG Off Peak	kWh DG Peak Summer	Distributed Generation	kVAr Demand pa
					FDC	FDC	kVA*	CT/VT	*AMD*	CMD	*TRAN*	24UC	CTRL	24UC	PEAK	OFPK	PEAK	UNML	PKDG	OPDG	PKDG	24DG	PFC
Residential+Small Commercial																						
V05S	Valley	Low User	Small	DIST	10,010,437	27,426	-	0	-	-	-	18,716,228	25,421,070		15,054,223	64,013,777	11,288,543	737	75,215	1,509,102	249,236	2,002,234	-
V06S	Valley	Standard User	Small	DIST	11,126,613	30,484	441,711	1	-	-	-	82,367,944	31,488,173		38,842,811	184,642,458	36,948,771	1,816	172,661	2,744,255	414,932	2,008,135	-
V05C	Valley	North Coro Low User	Small	DIST	3,490,200	9,562	-	1	-	-	-	2,794,424	5,347,527		4,553,067	18,464,553	4,190,449	188	15,393	275,006	45,235	630,347	-
V06C	Valley	North Coro Standard	Small	DIST	2,915,455	7,988	115,740	0	-	-	-	6,686,474	4,573,135		7,050,686	27,859,501	6,815,330	267	26,079	343,687	68,983	444,280	-
T05S	Tauranga	Low User	Small	DIST	13,747,998	37,666	-	0	-	-	-	21,776,663	40,278,426		21,672,636	90,999,476	16,398,306	410	185,428	3,343,796	577,618	2,873,321	-
T06S	Tauranga	Standard User	Small	DIST	20,066,004	54,975	796,593	1	-	-	-	95,924,767	73,989,613		53,438,547	235,329,092	44,048,318	49,899	230,796	4,221,284	679,255	3,159,355	-
Unmetered Supply																						
V01	Valley	Unmetered	Small	DIST	68,457	188	-	-	-	-	-	-	-		-	-	-	635,854	-	-	-	-	-
V02	Valley	Streetlighting	Small	DIST	4,483,590	16	12,284	-	-	-	-	-	-		-	-	-	2,561,665	-	-	-	-	-
					-	-	-	-				-	-		-	-	-	-	-	-	-	-	-
T01	Tauranga	Unmetered	Small	DIST	141,566	388	-	-	-	-	-	-	-		-	-	-	2,421,743	-	-	-	-	-
T02	Tauranga	Streetlighting	Small	DIST	5,543,654	14	15,188	-	-	-	-	-	-		-	-	-	3,312,374	-	-	-	-	-
Medium Commercial																						
V22	Valley	3ph60A >199kVA	Medium	DIST	224,800	616	63,610	-	-	-	-	22,883,387	-		6,937,871	35,773,021	7,225,772	-	19,179	276,884	60,793	806,357	-
V28	Valley	200kVA >299kVA	Medium	DIST	21,694	59	-	-	6,360	-	-	5,172,595	-		1,224,639	6,159,090	1,181,150	-	-	-	-	4,540	1,816
T22	Tauranga	3ph60A >199kVA	Medium	DIST	305,367	837	86,723	-	-	-	-	26,154,601	126,464		6,338,824	30,606,580	6,336,558	-	21,048	427,621	80,335	358,286	-
T28	Tauranga	200kVA >299kVA	Medium	DIST	56,786	156	-	-	13,535	-	-	7,453,339	-		4,100,916	20,463,463	3,953,380	-	-	48	24	14,442	8,362
Large Commercial / Industrial																						
V40	Valley	Individual ICP prices	Large	DIST	40,230	110	-	-	-	-	-	72,694,014	-		-	-	-	-	-	-	-	-	22,021
V60	Valley	Individual ICP prices	Large	DIST	12,293	34	-	-	-	-	-	348,654,345	-		-	-	-	-	-	-	-	-	35,785
V71	Kinleith	Individual ICP prices	Large	DIST	365	1	-	-	-	-	-	288,774,733	-		-	-	-	-	-	-	-	-	-
T50	Tauranga	Individual ICP prices	Large	DIST	92,201	253	-	-	-	-	-	187,502,604	-		-	-	-	-	-	-	-	-	32,378
T60	Tauranga	Individual ICP prices	Large	DIST	15,859	43	-	-	-	-	-	248,122,681	-		-	-	-	-	-	-	-	-	38,263
Eastern Region Total			**ALL**	**Total**	**72,363,569**	**170,814**	**1,531,848**	**3**	**19,895**	**-**	**-**	**1,435,678,797**	**181,224,408**		**159,214,219**	**714,311,011**	**138,386,577**	**8,984,953**	**745,799**	**13,141,682**	**2,176,409**	**12,301,298**	**138,624**

Eastern network - Distribution & Transmission revenue

Eastern Network					Distribution Revenue (FY27 Prices, FY27 Quantities)				
Tariff Group	Network Group	Tariff Description			Fixed	Variable	Demand	Non-standard	Total
Residential+Small Commercial									
V05S	Valley	Low User	Small	DIST	6,907,202	14,703,124	-		**21,610,326**
V06S	Valley	Standard User	Small	DIST	16,133,589	27,643,708	-		**43,777,297**
V05C	Valley	North Coro Low User	Small	DIST	2,303,532	4,138,036	-		**6,441,568**
V06C	Valley	North Coro Standard	Small	DIST	4,518,956	3,993,168	-		**8,512,123**
T05S	Tauranga	Low User	Small	DIST	10,860,919	16,487,753	-		**27,348,671**
T06S	Tauranga	Standard User	Small	DIST	29,898,346	27,774,600	-		**57,672,946**
Unmetered Supply									-
V01	Valley	Unmetered	Small	DIST	22,591	104,471	-		**127,062**
V02	Valley	Streetlighting	Small	DIST	950,521	-	-		**950,521**
T01	Tauranga	Unmetered	Small	DIST	58,042	324,271	-		**382,313**
T02	Tauranga	Streetlighting	Small	DIST	1,252,866	-	-		**1,252,866**
Medium Commercial									
V22	Valley	3ph60A >199kVA	Medium	DIST	3,311,235	5,288,057	-		**8,599,292**
V28	Valley	200kVA >299kVA	Medium	DIST	852,593	781,437	15,257		**1,649,287**
T22	Tauranga	3ph60A >199kVA	Medium	DIST	4,719,779	4,057,859	-		**8,777,638**
T28	Tauranga	200kVA >299kVA	Medium	DIST	2,095,415	1,736,725	70,240		**3,902,381**
Large Commercial / Industrial									
V40	Valley	Individual ICP prices	Large	DIST	6,254,755	-	184,977		**6,439,731**
V60	Valley	Individual ICP prices	Large	DIST	10,623,516	-	300,593		**10,924,108**
V71	Kinleith	Individual ICP prices	Large	DIST	4,777,047	-	-		**4,777,047**
T50	Tauranga	Individual ICP prices	Large	DIST	11,872,196	-	271,971		**12,144,168**
T60	Tauranga	Individual ICP prices	Large	DIST	10,142,383	-	321,406		**10,463,790**
Eastern Region Total			**ALL**	**Total**	**127,555,481**	**107,033,208**	**1,164,445**	-	**235,753,134**

Eastern Network					Transmission Revenue (FY27 Prices, FY27 Quantities)				
Tariff Group	Network Group	Tariff Description			Fixed	Variable	Demand	Non-standard	Total
Residential+Small Commercial									
V05S	Valley	Low User	Small	TRAN	2,102,192	2,810,936	-		**4,913,128**
V06S	Valley	Standard User	Small	TRAN	3,783,048	7,822,701	-		**11,605,749**
V05C	Valley	North Coro Low User	Small	TRAN	837,648	738,819	-		**1,576,467**
V06C	Valley	North Coro Standard	Small	TRAN	1,078,718	1,107,395	-		**2,186,113**
T05S	Tauranga	Low User	Small	TRAN	1,512,280	3,210,915	-		**4,723,195**
T06S	Tauranga	Standard User	Small	TRAN	3,009,901	8,446,708	-		**11,456,609**
Unmetered Supply									-
V01	Valley	Unmetered	Small	TRAN	8,899	12,781	-		**21,680**
V02	Valley	Streetlighting	Small	TRAN	134,508	-	-		**134,508**
					-	-	-		
T01	Tauranga	Unmetered	Small	TRAN	5,663	40,685	-		**46,348**
T02	Tauranga	Streetlighting	Small	TRAN	166,310	-	-		**166,310**
Medium Commercial									
V22	Valley	3ph60A >199kVA	Medium	TRAN	741,839	1,575,201	-		**2,317,040**
V28	Valley	200kVA >299kVA	Medium	TRAN	130,167	298,103	-		**428,270**
					-	-	-		
T22	Tauranga	3ph60A >199kVA	Medium	TRAN	396,978	1,203,440	-		**1,600,418**
T28	Tauranga	200kVA >299kVA	Medium	TRAN	193,073	622,300	-		**815,373**
Large Commercial / Industrial									
V40	Valley	Individual ICP prices	Large	TRAN	2,175,971	-	-		**2,175,971**
V60	Valley	Individual ICP prices	Large	TRAN	9,311,510	-	-		**9,311,510**
V71	Kinleith	Individual ICP prices	Large	TRAN	9,016,770	-	-		**9,016,770**
					-	-	-		
T50	Tauranga	Individual ICP prices	Large	TRAN	3,724,297	-	-		**3,724,297**
T60	Tauranga	Individual ICP prices	Large	TRAN	5,031,223	-	-		**5,031,223**
Eastern Region Total			**ALL**	**Total**	**43,360,995**	**27,889,985**	-	-	**71,250,979**

Appendix C – Quantity forecasting

Quantity forecasting underpins the calculation of forecast revenue from prices. Because prices have fixed and variable components, revenue forecasts require Powerco to forecast the underlying number of connections as well as volumes (kW and kWh).

Forecast connections and volumes for each tariff group largely rely on the levels and trends of historical actual data:

- Forecasts of regional connections are determined using current connections and applying an estimated growth rate for the region using the average growth rates over the previous three years as a guide.
- Powerco's default method for volume and demand forecasts is to determine the average volume (or demand) per connection for each price category and tariff code, over the previous five years, and multiply it by the relevant connection forecast.
- In certain situations, the average volume over the previous five years is not appropriate to use as a forecast (such as in the case of closed price categories or "one-off" events). Powerco then uses an appropriate subset from within the five-year historical data.
- Further adjustments may be made to average volumes for one off effects or emerging trends.

For the 2025 pricing year we transitioned from GXP to ICP billing for 'small' customers in our Western pricing region. This change required the allocation of prices and the forecasting of volumes at an ICP level rather than a GXP level and meant the historical average and total volumes are not comparable.
To address this we have restated the historical volumes on an ICP basis, as well as including the GXP based volumes that applied to prior years.

Tables C.1 to C.6 demonstrate that our connection and volume forecasts are consistent with actual historical growth rates.

Table C.7 outlines our forecasting methodology in instances where the average volume over the previous five years is not appropriate to use as a forecast.

Table C.1: Connection growth – Western region

Customer group	Actual				Projected	Forecast		Comment
	FY22	FY23	FY24	FY25	FY26	FY27	Total ICPs	
Small	1.1%	0.9%	0.7%	0.5%	0.3%	0.4%	182,289	Forecast is consistent with historical growth
Medium	9.3%	8.8%	7.8%	9.8%	66.0%	3.6%	559	Due to price structure changes, historical growth rates are not relevant for this group
Large	0.9%	1.5%	3.9%	4.1%	5.3%	4.1%	346	Based on specific ICPs and assumed growth
Total	**1.1%**	**0.9%**	**0.7%**	**0.5%**	**0.4%**	**0.4%**	**183,193**	

Table C.2: Connection growth – Eastern region

Customer group	Actual				Projected	Forecast		Comment
	FY22	FY23	FY24	FY25	FY26	FY27	Total ICPs	
Small	1.5%	1.3%	0.9%	0.7%	0.6%	0.6%	169,181	Forecast is consistent with historical growth
Medium	3.4%	4.3%	4.3%	3.4%	4.2%	3.6%	1,694	Forecast is consistent with historical growth
Large	2.9%	2.1%	4.3%	3.4%	3.5%	2.6%	445	Based on specific ICPs and assumed growth
Total	**1.5%**	**1.4%**	**0.9%**	**0.7%**	**0.7%**	**0.6%**	**171,320**	

Table C.3: Average volumes (kWh) per connection - Western region

Customer group	Actual				Projected	Forecast		Comment
	FY22	FY23	FY24	FY25	FY26	FY27	Growth	
Small	8,410	8,310	8,393	8,364	8,205	8,224	0.2%	Reflects a trend of flat average household usage
Medium	368,868	344,159	328,808	304,233	215,144	209,467	-2.6%	Reflects a change to the price structure, minimal revenue impact due to high fixed charges
Large	2,318,180	2,288,736	2,177,808	2,053,539	1,989,612	2,007,908	0.9%	No impact to revenue due to fixed charges

Table C.4: Total volumes (GWh) - Western region

Customer group	Actual				Projected	Forecast		Comment
	FY22	FY23	FY24	FY25	FY26	FY27	Growth	
Small	1,488	1,484	1,509	1,512	1,487	1,496	0.6%	Mostly reflects connection growth given flat average usage
Medium	92	93	96	97	114	115	0.9%	Reflects growth in connection numbers, partly due to price structure change
Large	659	660	652	640	653	686	5.1%	No impact to revenue due to fixed charges
Total	**2,238**	**2,237**	**2,257**	**2,249**	**2,254**	**2,298**	**1.9%**	

Table C.5: Average volume (kWh) per connection – Eastern region

Customer group	Actual				Projected	Forecast		Comment
	FY22	FY23	FY24	FY25	FY26	FY27	Growth	
Small	7,952	7,792	7,875	7,744	7,649	7,705	0.7%	Reflects historical trends
Medium	123,554	120,412	116,686	115,122	113,974	115,190	1.1%	Reflects historical trends
Large	2,761,392	2,734,472	2,592,930	2,700,338	2,724,922	2,598,290	-4.6%	No impact to revenue due to fixed charges

Table C.6: Total volume (GWh) – Eastern region

Customer group	Actual				Projected	Forecast		Comment
	FY22	FY23	FY24	FY25	FY26	FY27	Growth	
Small	1,287	1,278	1,304	1,291	1,283	1,300	1.3%	Higher connection growth combined with some average usage growth
Medium	170	172	174	178	183	192	4.7%	Reflects growth in connection numbers and average usage
Large	1,041	1,052	1,041	1,121	1,172	1,146	-2.2%	No impact to revenue due to fixed charges
Total	**2,498**	**2,503**	**2,519**	**2,590**	**2,638**	**2,638**	**0.0%**	

Table C.7: Forecast exceptions

Region	Customer Group	Price Category	Charge Type	Forecast methodology / comment
Western	Small	W01 / W02	Variable Charge	Prior year data used due to volatility and trend
Western	Small	W05 / W06	Variable Charge	Two years of most recent data used, due to data limitations from the GXP-ICP change in FY25
Western	Medium	W22	Variable Charge	Prior year data used, to reflect large increase in ICP number for FY26
Western	Medium	W29	Variable Charge	Prior year data used, to reflect transition between W29 and W22, which will distort averages
Western	Large	W50	Variable Charge	Two years of most recent data used, to reduce COVID impact
Western	Large	W60	Variable Charge	Prior year data used, due to declining average
Western	Medium / Large	W29 / W50	Reactive Power Charge	Three years of most recent data used, to recognise volatility
Western	Large	W60	Reactive Power Charge	Prior year data used due to declining average
Eastern	Small	T05S / T06S	Variable Charge	Four years of most recent data used, due to shifting patterns
Eastern	Medium	T22	Variable Charge	Four years of most recent data used due as drop after FY22
Eastern	Medium	T28	Variable Charge	Two years of most recent data used due to declining average
Eastern	Large	T50	Variable Charge	Three years of most recent data used, to recognise COVID impact
Eastern	Large	T60	Variable Charge	Three years of most recent data used, to recognise COVID impact
Eastern	Small	V01 / V02	Variable Charge	Four years of most recent data used, due to noticeable drop after FY22
Eastern	Small	V05 / V06	Variable Charge	Four years of most recent data used, due to drop after FY22
Eastern	Medium	V22	Variable Charge	Four years of most recent data used, due to drop after FY22
Eastern	Medium	V28	Variable Charge	Three years of most recent data used, to reflect post COVID step-change
Eastern	Large	V40	Variable Charge	Three years of most recent data used, to recognise COVID impact
Eastern	Large	V60 / V71	Variable Charge	Three years average used, to recognise COVID impact
Eastern	Medium	T28	Reactive Power Charge	Two years of most recent data used, to reflect declining average
Eastern	Medium	V28	Reactive Power Charge	Four years of most recent data used, to reflect flat trend
Eastern	Medium	V40	Reactive Power Charge	Three years of most recent data used to recognise volatility
Eastern	Large	T50	Reactive Power Charge	Prior year data used due to declining average usage
Eastern	Large	T60 / V60	Reactive Power Charge	One year of most recent full year data used, due to large drop in average from FY24

Approach to forecasting kWh quantities for small customers

The approach taken to forecasting volumes is summarised below:

Forecast	Comment
Annual volumes	Based on the historical average usage per ICP, split by price category and tariff, being applied to the forecast number of ICPs in each price category across the year.
Within-year peak/off-peak volumes	We have observed peak volumes of 28%-33%, compared to off-peak volumes of 67%-72%. Our forecasts assume no material changes to usage patterns in response to the peak/off-peak rates, which is consistent with observations.

We update our forecasting models to reflect available data. This is because price structures and levels have the potential to affect consumption in aggregate, as well as at points in time when different prices might apply. Consumption is also affected by how retailers bundle distribution prices with other prices, as well as external factors such as temperature and a consumer's individual circumstances.

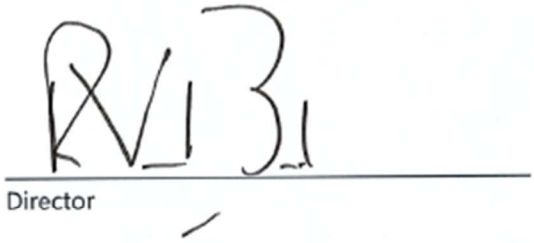
Approach to forecasting revenues for large commercial/industrial customers

Large commercial and industrial customers, of 300 kVA and above capacity, are on asset-based pricing that essentially fixes charges for the full year. Our revenue forecasts for these customer groups allow for changes by applying a growth factor, based on historical ICP growth, to the expected revenue from the existing customers.

Director's Certificate

Directors' Certificate for the Default Price-Quality Path
Annual Price-setting Compliance Statement
For the period 1 April 2026 – 31 March 2027

I, Richard Van Breda being a director of Powerco certify that, having made all reasonable enquiry, to the best of my knowledge and belief, the attached annual price-setting compliance statement of Powerco, 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.



Director

19 March 2026

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.


POWERCO