

Gas Asset Management Plan

Update 2026



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Introduction



1. Introduction

From homes and businesses in towns and cities, to rural communities and large-scale industrial operations, keeping our customers connected now and in the future drives everything we do. As New Zealand's largest dual-energy distributor by length, we connect about one million people across the North Island to safe, reliable and resilient gas and electricity through our network of gas pipes and electricity lines and cables.

We connect 111,461 homes and businesses to gas through our network of underground pipes across Taranaki, Horowhenua, Porirua, Wellington, Hutt Valley, Manawatū and Hawke's Bay. We're one of New Zealand's largest gas distributors by length, representing 36% of piped gas connections in the country and providing energy for hot water, heating and cooking. We're committed to ensuring our gas network is safe, reliable, resilient, and cost-effective, so our customers can continue to use gas now and into the future.

Although much of our pipe network is below ground and out of view, it's continuously monitored and maintained. We use a combination of live data, asset performance insights, and forecasting tools to make informed investment decisions to ensure the system operates safely and efficiently. Advanced real-time monitoring technology allows us to identify potential issues early. This is supported by our Network Operations Centre, which works closely with field teams to respond quickly to any faults, leaks, or interruptions.

We have continued to see a decline in residential and commercial gas connections and a decline in consumption volumes¹. These trends are driven by broader socio-economic conditions, declining indigenous gas supply, decarbonisation pressures, and rising gas prices. Gas consumption from our industrial gas customers has remained relatively stable. Some industrial customers use high-temperature processes that require levels of heat not currently feasible or economically viable to achieve through electrification. As a result, gas or renewable gas alternatives remain necessary for certain industrial applications.

New Zealand's Second Emissions Reduction Plan 2026-30 confirms that gas will continue to play a role in electricity generation out to 2050. Gas is still needed in New Zealand's energy mix, to firm renewable electricity generation, and reduce the overall cost and scale of electrification. However, declining indigenous gas supply and emissions reduction requirements are creating an energy shortfall that needs to be managed carefully to maintain security of supply. Balancing investment in our network while navigating the energy transition is a priority, and we are investing carefully to manage transition uncertainty for our customers and our business.

We closely monitor the economic viability of our gas network to manage asset stranding risk. Most of our networks have been assessed as economically healthy. We prioritise investment by using our Volume-to-Value Investment Framework. We intend to maintain existing residential and small commercial customers and work more closely with our industrial customers to assess the most appropriate decarbonisation pathways for their operations, such as electrification and biomethane.

We're 100% behind a net-zero carbon future, while ensuring our network continues to provide reliable natural gas for customers during the energy transition. Exploring the potential to produce biomethane is part of our commitment to offering low-carbon gas alternatives as part of Aotearoa's journey to be net-zero by 2050.

We're progressing three biomethane projects in Manawatū, Hawke's Bay and Taranaki; each at different stages of development. The Manawatū Resource Recovery Park project with Manawatū District Council (MDC), located at the Feilding Wastewater Treatment Plant, is the most advanced. Should it progress to become operational, this renewable gas is expected to make up more than one-third of the total gas content within the Feilding gas

¹ Powerco [Gas Asset Management Plan 2025](#), Section 2.2.2, Customer numbers and volume, page 17

distribution network. The Hawke's Bay and Taranaki projects, which are larger, more complex greenfield developments, are in the pre-feasibility stage. As early stage, multi-year projects, they are further from potential investment decisions and commercial operation. Policy settings for renewable gases are still being developed, and clearer signals for the energy transition will be important to support investment in renewable gas alternatives, such as biomethane.

Purpose of this document

The purpose of this 2026 Gas Asset Management Plan Update (AMP Update) is to inform our stakeholders and customers about the material changes to our most recent full AMP, published in September 2025. This AMP Update covers the 10-year planning period from 1 October 2026 to 30 September 2036.

The material changes described in this AMP Update are where a project has been, relative to the 2025 Gas AMP:

- Identified because of condition or some other reason that was not identified in the 2025 Gas AMP.
- Accelerated, i.e. scheduled capital expenditure (Capex) and reactive Capex.
- Deferred (rolled over).
- Cancelled, as the need is no longer required or because of a significant change in scope, i.e. slower than anticipated growth has removed the need for some projects.
- Reprioritised because of reduction in capital renewal expenditure, requiring reprioritisation of specific programmes of work, or in line with our Volume-to-Value Investment Framework.
- Identified as being specifically related to adaptation and resilience improvement opportunities.
- Identified as having a cost change >\$50k.

Schedule 13 Report on Asset Management Maturity remains unchanged since our 2025 Gas AMP.

For more detailed information on how we manage our gas assets over the long term, please refer to the 2025 Gas AMP [here](#).

This AMP Update was certified and approved by Powerco's Board of Directors on 24 September 2026.

Compliance with information disclosure requirements

This AMP Update complies with the Gas Distribution Information Disclosure (ID) Determination 2012. We have structured this document to enable the reader to easily match the contents with the disclosure requirements.

The specific requirements and the contents of the AMP Update are included in clauses 2.6.5 and 2.6.6 of the ID Determination. The AMP Update must:

- Relate to the gas distribution services supplied by the gas distribution business (GDB).
- Identify any material changes to the network development plans disclosed in the last full AMP or in the last AMP Update.
- Identify any material changes to the lifecycle asset management (maintenance and renewal) plans disclosed in the last full AMP or in the last AMP Update.
- Provide the reasons for any material changes to the previous disclosures in the Report on Forecast Capital Expenditure, set out in Schedule 11a, and Report on Forecast Operational Expenditure, set out in Schedule 11b.
- Identify any changes to the asset management practices of the GDB that would affect a Schedule 13 Report on Asset Management Maturity disclosure.
- Include the reports set out in Schedule 11a, 11b, 12a, 12b, 12c and 14a, respectively related to:
 - Forecast capital expenditure
 - Forecast operational expenditure

- Asset condition
- Forecast utilisation
- Forecast demand
- Nominal and constant price difference on capital and operational expenditure

This AMP Update is designed to meet disclosure requirements. In the interests of brevity, we have not attempted to duplicate the more explanatory style of the full 2025 Gas AMP.

Structure of this AMP Update

This AMP Update has four sections:

- Section 1 introduces the document.
- Section 2 discusses the material changes in the asset lifecycle and network development plans published in Sections 5 and 6 of the 2025 Gas AMP.
- Section 3 provides the justification for the changes in the expenditure forecasts.
- Section 4 provides schedules 11a, 11b, 12a, 12b, 12c and 14a.

Material changes, asset lifecycle and development plans



2. Material changes, asset lifecycle and development plans

2.1 Introduction

Any significant differences described in this section are where a project has been (relative to the 2025 Gas AMP):

- Identified because of condition or some other reason that was not identified in the 2025 Gas AMP.
- Accelerated, i.e. scheduled capital expenditure (Capex) and reactive Capex.
- Deferred (rolled over).
- Cancelled, as the need is no longer required or because of a significant change in scope, i.e. slower than anticipated growth has removed the need for some projects.
- Reprioritised because of reduction in capital renewal expenditure, requiring reprioritisation of specific programmes of work, or in line with our Volume-to-Value Investment Framework.
- Identified as being specifically related to adaptation and resilience improvement opportunities.
- Identified as having a cost change >\$50k.

This section provides an overview of the material changes since September 2025 related to the following expenditure type:

- System growth (GRO)
- Asset replacement and renewal (ARR)
- Quality of supply (QOS)
- Other reliability, safety, and environment (ORS)

Planned works have been separated by special work programmes and region. The year in the tables below refers to the financial year, unless stated otherwise. The year is the forecast completion date for future projects, or the actual for completed ones.

2.2 Material changes

The material changes presented in this AMP Update are driven by:

- The default price-quality path (DPP4) final decision.
- Declining indigenous gas supply.
- The energy trilemma has become the energy quadrilemma.
- Our Gas Works Plan (GWP) FY27 representing any significant changes to our delivery programme relative to the 2025 Gas AMP.

Each of these are described in the sections below.

2.3 DPP4 final decision

On 27 May 2026, the Commerce Commission released its final decision on the gas DPP4 reset process for gas distribution businesses (GDBs), of which we are one, for the period 1 October 2026 to 30 September 2031.

The DPP4 final decision comes at a time of uncertainty for gas supply, demand and price, so the Commission's approach sets an important signal for our gas business. The Commission stated its view that there will be an

ongoing need for gas as part of New Zealand's energy mix for at least the next 20 years, and acknowledged GDBs are operating in a period of considerable uncertainty.

The Commission set our total capital expenditure (Capex) at \$61.6 million (constant 2025\$) over the DPP4 period. This represents 86% of our 2025 Gas AMP forecast of \$71.9m. Our total operating expenditure (Opex) was set at \$99.4m (constant 2025\$) over the DPP4 period. This represents 95% of the 2025 Gas AMP forecast of \$104.9m.

The outcome of the gas DPP4 process will enable us to fund and deliver our strategy, to support:

- Addressing priority resilience work on our network.
- Maintaining network capability to continue supplying existing customers.
- Providing growth expenditure to connect key residential development areas.
- The biogas renewable pathway as part of our mitigation plan for our regulated gas business.

The reduction of Capex and Opex allowances for DPP4 compared with our 2025 Gas AMP forecast, will have an impact from October, and requires adjustment of investment categories, scale and cost allocations. Our 2026 AMP Update planning was underway at the time the DPP4 final decision was released. Therefore, within this AMP Update, there are no material changes made to the current FY2027 Gas Works Plan relating to the DPP4 final decision. Our 2027 full Gas AMP will set out our revised Capex and Opex programmes aligned to the DPP4 final decision allowances.

2.4 Declining indigenous gas supply

New Zealand's natural gas supply has declined more quickly than anticipated, with gas fields approaching end-of-life and producers exiting the market.

New Zealand's gas market is facing a significant, accelerated decline in supply because of Taranaki's maturing gas fields. In the past decade, New Zealand's gas production has more than halved, returning to levels last seen in 1983. Māui is expected to cease production by the end of 2026, and Pohokura is expected to end production by 2033, 10 years earlier than originally expected with production already falling significantly. Production at Kupe, Kāpuni, and Mangahewa is also declining.

There is limited new supply coming onstream to replace the maturing gas fields. Upstream activity has slowed through market and policy uncertainty. Exploration and production potential remain, but reduced investment activity and increasing failure rates indicate more challenging economic and technical conditions².

New Zealand's natural gas reserves have fallen to their lowest levels since records began 20 years ago. As of January 2026, reserves declined 217 petajoules (PJ), or 23%, in the previous year, to 731PJ, with the biggest decline at Pohokura, which dropped by 129PJ³.

The coalition Government strongly supports establishing a liquefied natural gas (LNG) import facility to improve energy security and manage the energy shortage and dry-year risk. It views LNG as a necessary medium-term bridge to "keep the lights on" and stabilise wholesale power prices as the country transitions towards more renewable generation. We support policy settings that encourage natural gas exploration and alternative supply options, such as imported LNG, to provide dry-year energy security and help stabilise energy costs for New Zealand households.

In addition, the Government has set aside a contingency of \$200 million over four years for gas field exploration. Budget 2026 also introduced the Gas Transition Loan Guarantee Scheme, which came into effect on 31 July. The

² [PwC March 2026 Gas Supply & Demand Study](#)

³ [Gas reserves decline to lowest level on record](#), Ministry of Business, Innovation & Employment

scheme provides Government-backed loans to eligible businesses using about 1,000 gigajoules or more a year, to support electrification and energy efficiency investments over the next three years. By assisting larger gas users to transition where feasible, the scheme is intended to help preserve gas supply for households, small businesses, and industries that continue to require gas, particularly for high-temperature process heat.

The decline in gas reserves as field production slows has resulted in higher electricity and gas prices, and supply constraints for industrial gas customers. This highlights the importance of rebalancing the energy trilemma to ensure energy security and affordability is considered equally with environmental considerations to manage the energy transition well.

2.5 The energy trilemma has become the energy quadrilemma

Traditionally, energy sector decisions have been shaped by the energy trilemma, defined by three core dimensions:

- Sustainability – reducing the environmental impact of energy.
- Security – ensuring you have enough energy when and where you need it.
- Affordability/equity – providing affordable and accessible energy to all segments of the population.

These three factors have traditionally been the primary lens for planning and investment decisions. However, the energy environment has shifted significantly. While sustainability was previously the dominant driver, supported by government policy and the pathway to net-zero by 2050, outlined in the First Emissions Reduction Plan (May 2022),

Figure 2.1 shows how the focus of the energy trilemma has now shifted. Security of supply and affordability/equity have become the more immediate priorities, reshaping investment and transition decisions.

Figure 2.1: How the energy trilemma has changed

2025 to 2026



The catalyst for change has been the reduction in supply security. This is driving the need for alternative fuels, including domestic natural gas, biomethane, and LNG imports, to support the overall energy system, shore up peak electricity demand, and provide back-up generation for our intermittent renewable resources. With geopolitical disruptions in the Middle East creating significant uncertainty for the sector, external factors could dramatically change our operating context.

Our gas business is now operating in a period of increasing uncertainty, shaped by:

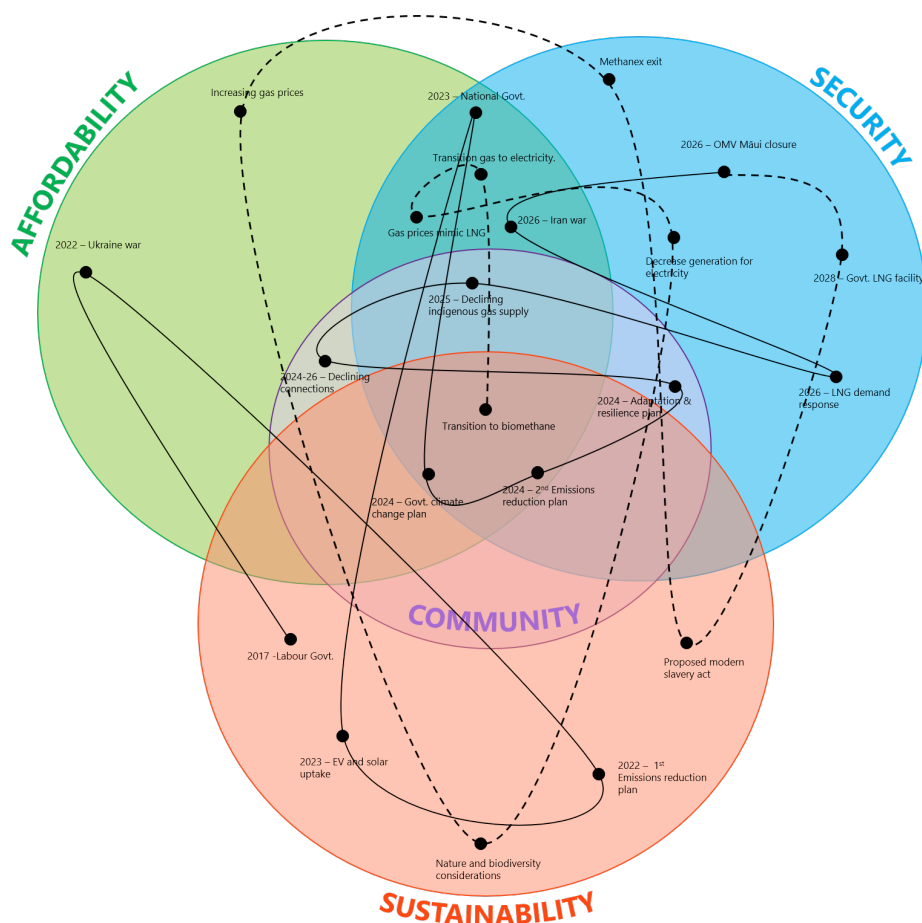
- Declining and uncertain domestic gas supply.
- Changing customer demand.
- Ongoing regulatory and policy development.
- Renewable gas opportunities and investor support.

This has expanded the traditional trilemma into an energy quadrilemma, introducing a fourth critical dimension: Community trust and confidence – maintaining social licence, customer choice, and public confidence in the energy system and the organisations that operate it. This fourth element recognises that customers, communities, and New Zealand must have confidence that the energy system will continue to provide the energy people need to live, work, and play, safely, reliably, and fairly through the energy transition.

For Powerco, community is not an afterthought or secondary consideration. It sits alongside affordability, security, and decarbonisation as a core strategic consideration, influencing how the gas network is maintained today and how the transition to renewable gas is planned for the future.

Figure 2.2 illustrates how these four priorities interact and how external forces, including policy settings, market dynamics, supply constraints, and geopolitical events, continue to influence strategic asset management and investment decisions.

Figure 2.2: The energy quadrilemma



While the energy quadrilemma helps us understand the competing priorities of affordability, security, decarbonisation, and community, the external environment continues to evolve.

To reflect this, Figure 2.2 extends the energy quadrilemma by including forecast future events (shown by the dotted lines) that illustrate how the external environment may continue to change over time. These expected future events help visualise the ongoing volatility and uncertainty affecting the energy sector, including potential shifts in supply, demand, policy, market conditions, technology, and broader geopolitical influences.

While we cannot control many of these external forces, we can control how we respond to them. This means remaining resilient and flexible, continuing to safely and reliably deliver our core business, while actively monitoring emerging trends and adapting as circumstances evolve. Understanding the potential impacts of change allows us to make informed decisions today while maintaining options for the future.

2.6 Keeping the gas flowing

New connection growth on our gas network has continued to slow. We connected 447 new customers in FY26, down on 736 in FY25. While we welcome new connections, our focus is on continuing to serve our 111,365 existing residential and small business customers by prioritising the maintenance of our existing network. We also support growth in priority areas classified as 'healthy' networks through our vulnerable networks assessment. We're also supporting industrial customers (we have 96 on our network) to assess the most appropriate decarbonisation pathway for their operations, whether that be electrification, biomethane, or other options. As a result, we balance our Capex and Opex spend to support the cost-effective maintenance and renewal of our gas network assets, including climate resilience and adaptation projects, and development renewable gas

opportunities. This approach is designed to ensure affordability for customers while retaining the gas infrastructure needed to support the future delivery of biomethane.

We are committed to prudent investment in our network – prioritising the right investment, on the right asset, at the right time, and at the right cost, with investment priorities focused on maintaining a safe, reliable, and efficient gas service for our customers. As we are operating our network in a period of considerable uncertainty, it's even more important to ensure value for our existing customers and shareholders. This means we need to continually improve and monitor our understanding of our network's financial viability.

As we progress towards biomethane injection into our gas network, analysis of our network's viability and assets exposed to gas transitional risks indicates that our gas network is largely resilient. Biomethane is expected to play a key role in supporting the energy transition, helping to preserve network value while reducing the risk of asset stranding over time. This is supported by our target for biomethane injection into our gas network to represent 20% of the residential and small commercial gas volume by 2030.

Figure 2.3 shows that most of our gas network gates remain healthy (21 networks), with only a small proportion (eight) assessed as vulnerable to asset stranding, including six industrial vulnerable networks.

Figure 2.3: Network classification criteria and number of networks in each category

 High-risk (0) Networks: Do not make a profit (Opex > Revenue)	 Industrial vulnerable (6) Networks: Dependent on an industrial connection to meet return on assets (ROA) threshold
 Vulnerable (8) Networks: Don't meet the ROA threshold; or Have a low number of ICPs (<=5); or Have high disconnection risk	 Healthy (21) Networks: Meet the ROA threshold; Do not have a low ICP count; Not industrial dependent; and Have low disconnection risk

This represents a slight change since the publication of our 2025 Gas AMP, where we had three high risk networks, three industrial vulnerable networks, and 22 healthy networks. Of the high-risk networks, Mangatainoka network gate has since been decommissioned, and the remaining two have been reclassified. Healthy networks represent most of our gas network and ICP connections. These networks will continue to receive prioritised investment consistent with our Volume-to-Value Investment Framework to maintain safe, reliable, and efficient service.

Our eight vulnerable networks are profitable but require ongoing monitoring and may be candidates for targeted interventions to mitigate stranding risk during the next planning period. Within our industrial vulnerable networks, we intend to engage individually with our key industrial customers to understand their future gas requirements and decarbonisation pathways.

2.7 Gas Works Plan delivery programme

2.7.1 Wellington

The material changes in the Wellington region are summarised in Table 2.1. The reasons for the material changes are described in more detail below.

Table 2.1: Wellington 2025 Gas AMP v 2026 summary of AMP adjustments

TPK number	Work type	Driver	Project	2025 target	2025 budget	2026 update	2026 budget
520	GRO	Delivery	Churton Park network reinforcement	2027	\$110,000	Deferred indefinitely	TBC
564	ORS	Reliability	Old Tory St DRS leaky building	2026	\$120,000	Construction rollover	\$150,000
667	ARR	Reliability	Middleton Rd drainage bond and solar panel replacement	2026	\$60,000	Construction rollover	\$22,000
701	ORS	Reliability	Tawa Gate corroded auxiliary line replacement	2026	\$200,000	Rollover, completed	\$15,000
716	QOS	Safety	Wellington East DRS resiliency and rationalisation	2027	\$198,000	Construction rollover	\$158,000

Churton Park network reinforcement: Expected growth is yet to be observed. This will only become a project if we see growth. Our data logger monitoring will indicate when this project needs to start.

Old Tory St DRS leaky building: Construction works deferred because of reprioritisation of work streams. Initial cost estimations were lower than required for construction.

Middleton Rd drainage bond and solar panel replacement: Delays in construction because of complexity saw some works rolled over.

Tawa Gate corroded auxiliary line replacement: Scope of defect was more significant than first known and construction works rolled over.

Wellington East DRS resiliency and rationalisation: Initial budget was underestimated for the completion of the project. Because of the complexity of the work, construction has rolled over.

2.7.2 Hutt Valley Porirua

The material changes in the Hutt Valley Porirua region are summarised in Table 2.2. The reasons for the material changes are described in more detail below.

Table 2.2: Hutt Valley Porirua 2025 Gas AMP v 2026 summary of AMP adjustments

TPK number	Work type	Driver	Project	Delivery target	Delivery budget	2026 update	2026 budget
217	ARR	Reliability	DRS renewal – Stokes Valley	2027	\$215,000	On schedule	\$165,000
220	ARR	Reliability	DRS renewal – Sunrise Boulevard	2026	\$150,000	Construction rolled over	\$150,000
231	ARR	Reliability	Pre-85 replacement – Roband Cres and Shanly St	TBD	\$510,000	Construction scheduled	\$260,000
475	ORS	Safety	IP isolation valve No 14 – Maungaraki offtake	2030	\$265,000	Cancelled	\$0
578	ARR	Reliability	Pre-85 renewal – Railway Ave, Ewen Bridge	2027	\$436,750	Cancelled	\$0
627.28	ARR	Reliability	Upper and Lower Hutt IP CP renewal	2026	\$980,000	Construction rolled over	\$537,000
634	ARR	Reliability	Station repaint – Hutt Rd DRS	2026	\$100,000	Construction rolled over	\$95,000
679	ARR	Safety	Korokoro TR replacement	2027	\$250,000	Construction rolled over	\$120,000
736	QOS	Safety	Belmont IP to MP domestic customer service transfer	2026	\$100,000	TBC	\$0
CIW	GRO	Partnership	Aotea	TBC	TBC	Completed	\$0
CIW	GRO	Partnership	Mount Welcome	TBC	TBC	Not expected to go ahead	\$0

DRS renewal – Stokes Valley: Budget reduced as initial estimations were over what was required.

DRS renewal – Sunrise Boulevard: Construction has been rolled over and budget increased because of underestimated complexity of the project.

Pre-85 replacement – Roband Cres and Shanly St: This project has been rescoped because of new leakage data information. Leaks are in a more concentrated area, so the length of replacement has been decreased.

IP isolation valve No 14 – Maungaraki offtake: This project is no longer required as a functioning valve exists in alignment with our mains and service design standard.

Pre-85 renewal – Railway Ave, Ewen Bridge: This project was reassessed against our pre-85 PE pipe replacement strategy and no longer meets the criteria.

Upper and Lower Hutt IP CP renewal: This is a large-scale multi-year project. Some construction work was rolled over.

Station repaint – Hutt Rd DRS: The budget for this work was underestimated because of an increased scope and led to construction roll over.

Korokoro TR replacement: This is a large multi-year project, and construction work has been rolled over.

Belmont IP to MP domestic customer service transfer: This project has been deferred and will be reassessed following the Wellington area hazardous voltage assessment to better confirm required scope.

Aotea: This work has now been completed.

Mount Welcome: This is no longer expected to go ahead.

2.7.3 Hawke's Bay

The material changes in the Hawke's Bay region are summarised in Table 2.3. The reasons for the material changes are described in more detail below.

Table 2.3: Hawke's Bay 2025 Gas AMP v 2026 summary of AMP adjustments

TPK number	Work type	Driver	Project	Delivery target	Delivery budget	2026 update	2026 budget
400	ARR	Safety	Ngaruroro Bridge bracket replacement	2026	\$770,000	Construction rolled over	\$390,000
627.3	ARR	Reliability	Hawke's Bay IP CP renewal	2027	\$600,000	Deferred to 2028	\$0
310.2	GRO	Delivery	Havelock North reinforcement stage 2	2028	\$500,000	Deferred	\$0
CIW	GRO	Partnership	Iona	TBC	TBC	Completed	\$0
CIW	GRO	Partnership	Te Awa Estates	TBC	TBC	Completed	\$0
CIW	GRO	Partnership	Parklands phase 4	TBC	TBC	Not expected to go ahead	\$0

Ngaruroro Bridge bracket replacement: A major pipe defect found during construction led to increased budget and schedule delays, causing the construction work to roll over.

Hawke’s Bay IP CP renewal: Because of delays in other CP projects and specialist resourcing constraints, this work has been deferred.

Havelock North reinforcement stage 2: We are not seeing the expected deterioration in this area; the project has been deferred until further deterioration is observed.

Iona: This work has now been completed.

Te Awa Estates: This work has now been completed.

Parklands phase 4: This work is no longer expected to go ahead.

2.7.4 Manawātū

The material changes in the Manawātū region are summarised in Table 2.4. The reasons for the material changes are described in more detail below.

Table 2.4: Manawātū 2025 Gas AMP v 2026 summary of AMP adjustments

TPK number	Work type	Driver	Project	Delivery target	Delivery budget	2026 update	2026 budget
616	ARR	Reliability	Brightwater Terrace and Opawa PI steel replacement	TBD	\$533,437	2028 design 2028 construct	\$0
709	QOS	Reliability	Domestic IP to MP customer service conversion – Walkers Rd	2026	\$200,000	Construction rolled over	\$110,000
CIW	GRO	Partnership	Queen St East			TBC	TBC
CIW	GRO	Partnership	Awa Park			TBC	TBC

Brightwater Terrace and Opawa PI steel replacement: This project had been put on hold until the results of condition assessments and has now been scheduled for design and execution.

Domestic IP to MP customer service conversion – Walkers Rd: The construction works were delayed because of reprioritisation, which resulted in budget roll-over.

Queen St East: Added potential works to be confirmed.

Awa Park: Added potential works to be confirmed.

2.7.5 Taranaki

The material changes in the Taranaki region are summarised in Table 2.5. The reasons for the material changes are described in more detail below.

Table 2.5: Taranaki 2025 Gas AMP v 2026 summary of AMP adjustments

TPK number	Work type	Driver	Project	Delivery target	Delivery budget	2026 update	2026 budget
584	ARR	Reliability	Pre-85 replacement – Tavistock St and Trelawney Cres phase 2	2027	\$610,000	Cancelled	\$0
713	ARR	Reliability	Pre-85 replacement – Carrington St	2027	\$420,000	Cancelled	\$0
628	ARR	Reliability	Special crossing coating remediation – 888 Normanby Rd, Manaia	2026	\$170,000	Construction rolled over	\$213,000
627.29	ARR	Reliability	New Plymouth IP CP renewal	2026	\$300,000	Construction rolled over	\$430,000
CIW	GRO	Partnership	Cowling Ridge			TBC	TBC
CIW	GRO	Partnership	Turuturu Rd			TBC	TBC
CIW	GRO	Partnership	Cunningham Lane			TBC	TBC

Pre-85 replacement – Tavistock St and Trelawney Cres phase 2: This project was reassessed against the pre-85 PE replacement strategy and was identified to no longer meet the criteria.

Pre-85 replacement – Carrington St: This project was reassessed against the pre-85 PE replacement strategy and was identified to no longer meet the criteria.

Special crossing coating remediation – 888 Normanby Rd, Manaia: The project budget increased because of a more complex scope than expected. Construction has been deferred because of resource constraints.

New Plymouth IP CP renewal: This is a large, multi-year project. The budget has been raised as scope has been increased from what was initially allowed for and construction rolled over because of resourcing constraints.

Cowling Ridge: Added potential works to be confirmed.

Turuturu Road: Added potential works to be confirmed.

Cunningham Lane: Added potential works to be confirmed.

2.7.6 All regions

The material changes that cover all regions are summarised in Table 2.6. The reasons for the material changes are described in more detail below.

Table 2.6: All regions 2025 Gas AMP v 2026 summary of AMP adjustments

2026 Gas Asset Management Plan – Update

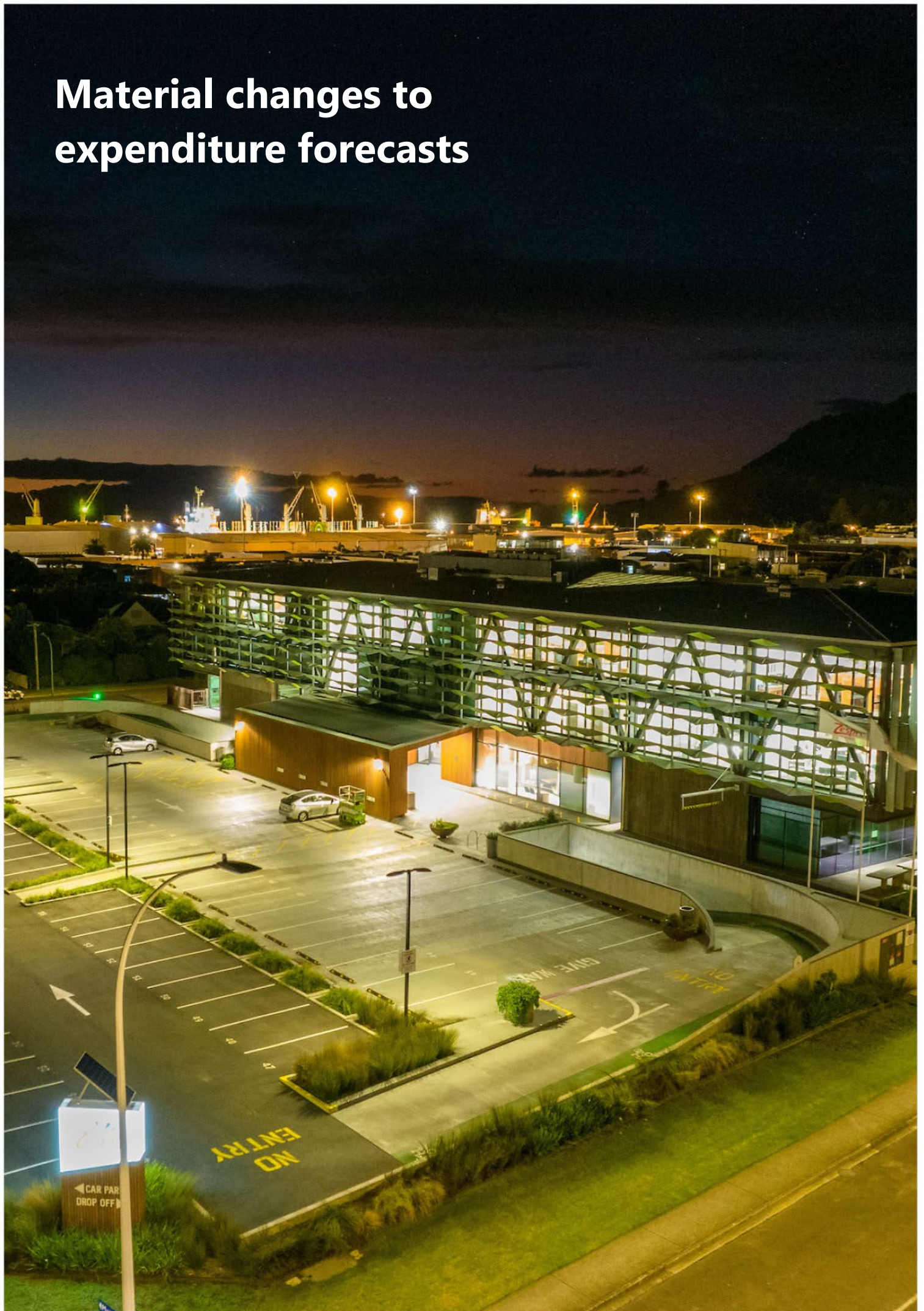


TPK number	Work type	Driver	Project	Delivery target	Delivery budget	2026 update	2026 budget
504	NONNET	Delivery	Data logger replacement	2026	\$510,000	Construction rolled over	\$100,000
654	ARR	Reliability	Abbey Systems (SCADA) shutdown	2027	\$4,000,000	Construction rolled over	\$1,114,000

Data logger replacement: This is a large, multi-year project that saw delays in procurement leading to the construction delivery being partially rolled over.

Abbey Systems (SCADA) shutdown: This is a large-scale project running over multiple years. Total cost has been revised down from early estimates.

Material changes to expenditure forecasts



3. Material changes to expenditure forecasts

3.1 Introduction

This chapter sets out the changes to our Capex and Opex expenditure that are required to provide a consistently safe, reliable, resilient, and cost-effective gas network now and into the future. It represents the current view based on:

- Changing expenditure profiles because of the DPP4 final decision for the regulatory period from 1 October 2026 to 30 September 2031. These changes reflect the new Capex and Opex allowances across the five-year period.
- Expenditure profiles that cover in-year forecasts for regulatory year 2026, and our forecasts for the 10-year AMP planning period from 1 October 2026 to 30 September 2036.
- Maintaining our existing customer base and our Volume-to-Value Investment Framework that targets investment on our healthy networks.

The Capex and Opex forecasts reflect our considered view on future network use, customer connections and consumption trends. Forecasting accurately during a period of increasing uncertainty is challenging, including predicting the number of new connections. The forecast includes plans for managing risk associated with climate adaptation, resilience, and renewable gas investment opportunities.

The following sections describe the forecast expenditures through to RY36 and are all in constant dollar terms, which means they exclude the allowance made for expected price inflation. A more detailed summary of forecast expenditure is provided as part of the schedules in Section 4.

3.2 Capital expenditure

Our forecast shows a reduction in capital expenditure compared with our 2025 Gas AMP forecast, primarily driven by the reduction in capital expenditure allowances in the DPP4 final decision. Capital allowances for consumer connection and system growth have decreased significantly, while expenditure across the remaining network Capex categories has also reduced in the DPP4 final decision, compared with the 2025 Gas AMP forecast.

We continue to see a decline in residential and commercial gas connections and consumption volumes, and a steady rate of disconnections. Gas consumption from our industrial gas customers has remained relatively stable.

Capex is evaluated to ensure it supports the energy transition. Towards the end of the AMP period, the forecast continues to decline in line with our connection numbers.

Figure 3.1 shows the 2026 AMP Update Capex forecast in comparison with our DPP4 allowance set in the DPP4 final decision in May 2026 and our 2025 Gas AMP forecast. Figure 3.2 shows the 2026 AMP Update forecast by Capex category.

Figure 3.1: 2026 AMP Update Capex forecast in comparison with DPP4 2026 allowance and 2025 Gas AMP forecast

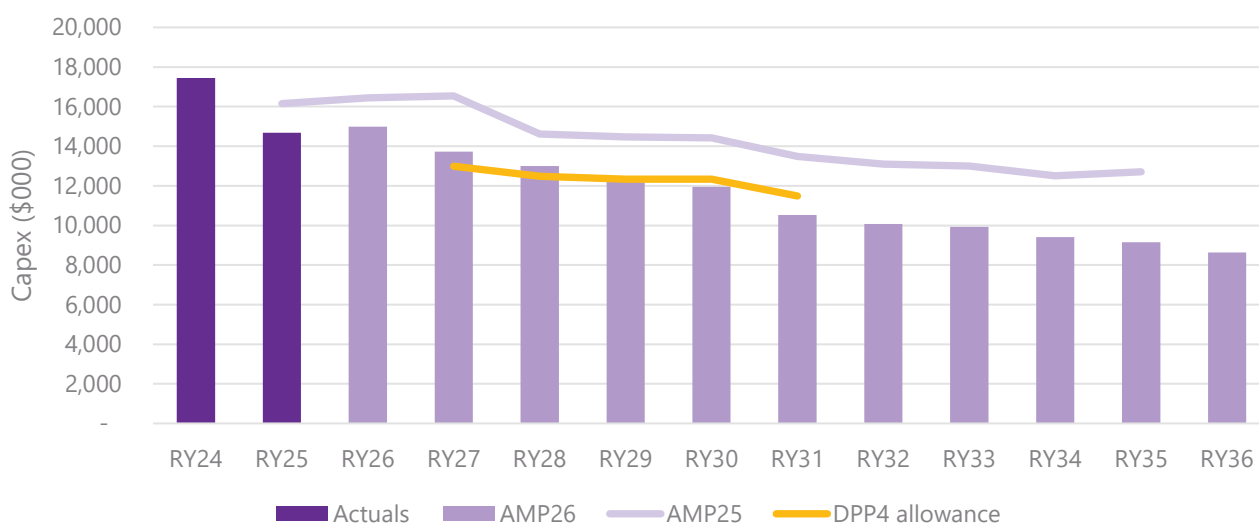
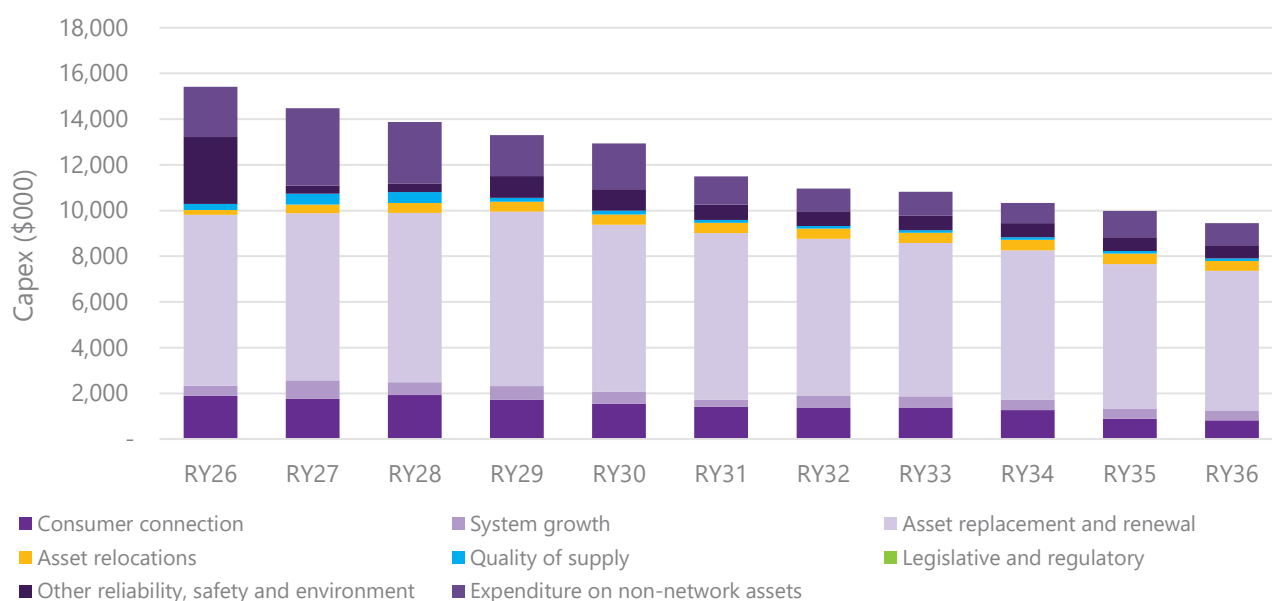


Figure 3.2: 2026 AMP Update forecast by Capex category



The reasons for the Capex changes are shown in Table 3.1.

Table 3.1: Reasons for Capex changes

Expenditure category	Rationale for change since 2026	Cost implication (v our 2025 Gas AMP)
Customer connection	Forecasts have been reduced to align with most recent actual connection numbers and the new allowance under DPP4.	↓

Expenditure category	Rationale for change since 2026	Cost implication (v our 2025 Gas AMP)
System growth	Our forecast for the number of residential subdivision developments we connect has reduced to align with our updated customer connections. There is also an allowance for renewables across the forecast period. This has also decreased in line with DPP4 allowances.	↓
Quality of supply	Our forecast across the remainder of the 10-year AMP period is aligned to our network modelling, which indicates reinforcement projects will be required. This has been reduced in line with the DPP4 final decision allowance.	↓
Asset replacement and renewal	Investment in this category is related to climate mitigation, adaptation, and resilience plans, and condition-based remediation and replacement. This will support any resilience work required for strategic assets, as well as improving our network leakage rates. Our DPP4 forecast has been reduced in line with the DPP4 final decision.	↓

3.3 Operational expenditure

Operational expenditure forecasts have slightly decreased from those disclosed in the 2025 Gas AMP. This reduction is attributed to the DPP4 final decision. RY26 has a higher forecast than the 2025 Gas AMP because of a more proactive asset replacement programme.

Non-network Opex has decreased across the period, while system operations and network support (SONS) has seen a slight increase. Business support costs have increased slightly from RY25 to RY26, but show a reduction over the period. This is the result of:

- Increased gas future energy costs to allow for biomethane projects and people capability, gas marketing and field audit costs.
- Forecast headcount growth, software enhancements and strategy costs (RY26 to RY36). These costs are grounded in the need to support our people, and the data and digital strategies that are required to enable our Future Ready Networks Strategy.
- Declining allocation of Powerco's shared business costs between the gas and electricity businesses⁴. The allocation to the gas business decreases across the forecast horizon.
- The slight reduction in forecast, post the DPP4 period, is because of aligning Opex costs with the declining customer base, meaning we will continue to operate a safe, reliable, resilient and cost-effective network into the future.

⁴ These forecasts are pre the amalgamation of Powerco and Firstlight Network. AMP27 business support costs will reflect changes because of this.

Figure 3.3 shows the 2026 AMP Update Opex forecast in comparison with the DPP4 final decision allowance and our 2025 Gas AMP forecast. Figure 3.4 shows the 2026 AMP Update forecast by Opex category.

Figure 3.3: 2026 AMP Update Opex forecast in comparison with DPP4 2026 allowance and 2025 Gas AMP forecast

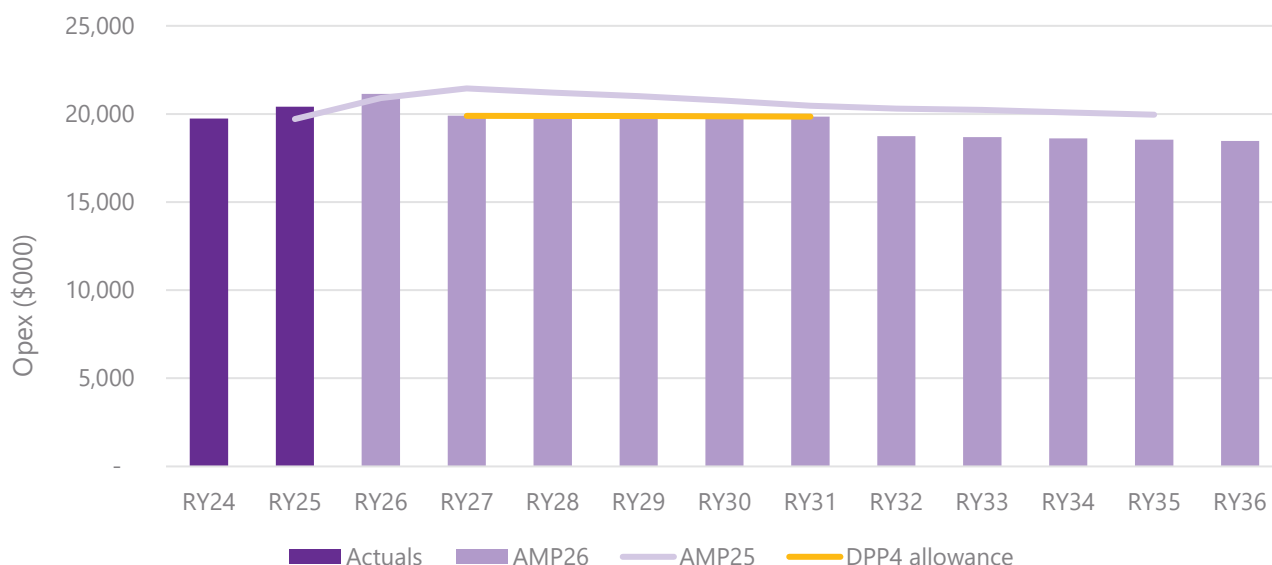
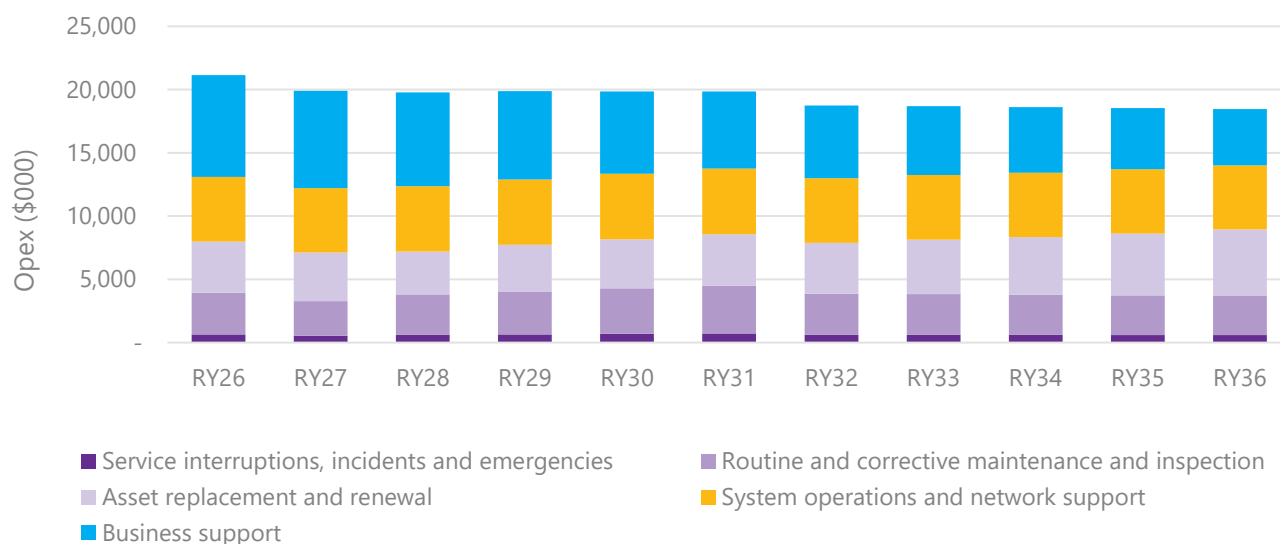


Figure 3.4: 2026 AMP Update forecast by Opex category



The reasons for the Opex changes are shown in Table 3.2.

Table 3.2: Reasons for Opex changes

Expenditure category	Rationale for change since 2025	Cost implication (v our 2025 Gas AMP)
Asset replacement and renewal	Lower expenditure than forecast in RY25 because of a slight decrease in allowances in the DPP4 final decision.	⬇

2026 Gas Asset Management Plan – Update



Expenditure category	Rationale for change since 2025	Cost implication (v our 2025 Gas AMP)
Routine and corrective maintenance and inspection	Relative to the 2025 Gas AMP forecast, we have decreased the allocation to remain aligned to the DPP4 final decision.	⬇️
System operations and network support (SONS), and business support	Overall increase across the period because of increased gas future energy costs to support renewable development and people capability, gas marketing and field audit costs.	⬆️
Research and development – renewable gas	Is in line with 2025 Gas AMP forecasts for research and development spend across the forecast horizon.	➡️

4. Schedules



SCHEDULE 11a: REPORT ON FORECAST CAPITAL EXPENDITURE

11a(i): Expenditure on Assets Forecast (Nominal)

Section	Row	Context	Category1	Category2	Category3	Current Year CY15000 (nominal dollars)	CY+1	CY+2	CY+3	CY+4	CY+5	CY+6	CY+7	CY+8	CY+9	CY+10
11a(i): Expenditure on Assets Forecast	4		Network asset	Consumer connection		1,897	1,801	2,008	1,815	1,672	1,553	1,556	1,585	1,479	1,056	999
11a(i): Expenditure on Assets Forecast	5		Network asset	System growth		433	826	582	643	577	339	567	561	553	542	530
11a(i): Expenditure on Assets Forecast	6		Network asset	Asset replacement and renewal		7,483	7,452	7,706	8,100	7,900	8,061	7,739	7,707	7,644	7,555	7,448
11a(i): Expenditure on Assets Forecast	7		Network asset	Asset relocations		203	382	451	466	482	498	507	517	532	550	520
11a(i): Expenditure on Assets Forecast	8		Network asset	Reliability, safety and environment	Quality of supply	270	487	501	182	186	135	133	133	133	133	133
11a(i): Expenditure on Assets Forecast	9		Network asset	Reliability, safety and environment	Legislative and regulatory	-	-	-	-	-	-	-	-	-	-	-
11a(i): Expenditure on Assets Forecast	10		Network asset	Reliability, safety and environment	Other reliability, safety and environment	2,936	368	385	999	1,021	737	723	722	720	715	709
11a(i): Expenditure on Assets Forecast	11		Total reliability, safety and environment			3,206	855	886	1,181	1,207	872	855	856	853	848	842
11a(i): Expenditure on Assets Forecast	12		Expenditure on network assets			13,223	11,316	11,633	12,205	11,837	11,323	11,225	11,062	10,552	10,339	
11a(i): Expenditure on Assets Forecast	13		Expenditure on non-network assets			2,194	3,448	2,806	1,914	2,158	1,364	1,121	1,203	1,048	1,381	1,175
11a(i): Expenditure on Assets Forecast	14		Expenditure on assets			15,416	14,764	14,439	14,118	13,995	12,687	12,346	12,429	12,110	11,933	11,514
11a(i): Expenditure on Assets Forecast	15	plus	Cost of financing			227	227	227	227	227	227	227	227	227	227	227
11a(i): Expenditure on Assets Forecast	16	less	Value of capital contributions			432	760	918	1,030	1,068	1,063	1,231	1,248	1,306	1,223	1,225
11a(i): Expenditure on Assets Forecast	17	plus	Value of vested assets			-	-	-	-	-	-	-	-	-	-	-
11a(i): Expenditure on Assets Forecast	18		Capital expenditure forecast			15,211	14,231	13,749	13,335	13,154	11,851	11,342	11,408	11,031	10,937	10,517
11a(i): Expenditure on Assets Forecast	19		Assets commissioned			15,131	14,378	13,821	13,397	13,181	12,047	11,419	11,398	11,088	10,951	10,580

11a(ii): Expenditure on Assets Forecast (Constant)

Section	Row	Context	Category1	Category2	Category3	Current Year CY15000 (in constant prices)	CY+1	CY+2	CY+3	CY+4	CY+5	CY+6	CY+7	CY+8	CY+9	CY+10
11a(ii): Expenditure on Assets Forecast	24		Network asset	Consumer connection		1,897	1,765	1,930	1,710	1,544	1,407	1,382	1,380	1,262	884	820
11a(ii): Expenditure on Assets Forecast	25		Network asset	System growth		433	810	559	606	533	307	503	489	472	454	435
11a(ii): Expenditure on Assets Forecast	26		Network asset	Asset replacement and renewal		7,483	7,305	7,407	7,632	7,298	7,301	6,872	6,709	6,524	6,322	6,110
11a(ii): Expenditure on Assets Forecast	27		Network asset	Asset relocations		203	374	434	439	445	451	451	450	454	460	427
11a(ii): Expenditure on Assets Forecast	28		Network asset	Reliability, safety and environment	Quality of supply	270	477	482	172	172	122	118	116	114	111	109
11a(ii): Expenditure on Assets Forecast	29		Network asset	Reliability, safety and environment	Legislative and regulatory	-	-	-	-	-	-	-	-	-	-	-
11a(ii): Expenditure on Assets Forecast	30		Network asset	Reliability, safety and environment	Other reliability, safety and environment	2,936	361	370	941	943	668	642	629	614	598	582
11a(ii): Expenditure on Assets Forecast	31		Total reliability, safety and environment			3,206	838	852	1,113	1,115	790	760	745	728	710	690
11a(ii): Expenditure on Assets Forecast	32		Expenditure on network assets			13,223	11,091	11,181	11,500	10,935	10,255	9,967	9,772	9,441	8,829	8,482
11a(ii): Expenditure on Assets Forecast	33		Expenditure on non-network assets			2,194	3,380	2,697	1,803	1,994	1,236	996	1,047	895	1,155	964
11a(ii): Expenditure on Assets Forecast	34		Expenditure on assets			15,416	14,471	13,878	13,303	12,929	11,491	10,963	10,820	10,335	9,985	9,445
11a(ii): Expenditure on Assets Forecast	35		Subcomponents of expenditure on assets (where known)													
				Research and development		-	-	-	-	-	-	-	-	-	-	-

from row 60

from row 89

from row 117

from row 130

from row 146

from row 160

from row 174

from row 201

11a(ij): Difference Between Nominal and Constant Price Forecasts

Section	Row	Context	Category1	Category2	Category3	Current Year CY15000	CY+1	CY+2	CY+3	CY+4	CY+5	CY+6	CY+7	CY+8	CY+9	CY+10
11a(ij): Difference Between Nominal and Constant Price Forecasts	40		Network asset	Consumer connection		-	36	78	105	127	146	174	205	217	173	180
11a(ij): Difference Between Nominal and Constant Price Forecasts	41		Network asset	System growth		-	16	23	37	44	32	63	73	81	89	95
11a(ij): Difference Between Nominal and Constant Price Forecasts	42		Network asset	Asset replacement and renewal		-	148	300	468	602	760	867	998	1,120	1,234	1,338
11a(ij): Difference Between Nominal and Constant Price Forecasts	43		Network asset	Asset relocations		-	8	18	27	37	47	57	67	78	90	93
11a(ij): Difference Between Nominal and Constant Price Forecasts	44		Network asset	Reliability, safety and environment	Quality of supply	-	10	19	11	14	13	15	17	20	22	24
11a(ij): Difference Between Nominal and Constant Price Forecasts	45		Network asset	Reliability, safety and environment	Legislative and regulatory	-	-	-	-	-	-	-	-	-	-	-
11a(ij): Difference Between Nominal and Constant Price Forecasts	46		Network asset	Reliability, safety and environment	Other reliability, safety and environment	-	7	15	58	78	70	81	94	105	117	127
11a(ij): Difference Between Nominal and Constant Price Forecasts	47		Total reliability, safety and environment			-	17	34	68	92	82	96	111	125	138	151
11a(ij): Difference Between Nominal and Constant Price Forecasts	48		Expenditure on network assets			-	224	452	704	902	1,068	1,258	1,454	1,621	1,723	1,858
11a(ij): Difference Between Nominal and Constant Price Forecasts	49		Expenditure on non-network assets			-	68	109	110	164	129	126	156	154	225	211
11a(ij): Difference Between Nominal and Constant Price Forecasts	50		Expenditure on assets			-	293	561	815	1,066	1,197	1,384	1,609	1,775	1,948	2,069

11a(ii): Consumer Connection

Section	Row	Context	Category1	Category2	Current Year CY15000 (in constant prices)	CY+1	CY+2	CY+3	CY+4	CY+5	
11a(ii): Consumer Connection	55	Consumer types defined by GDB*	Residential		1,523	1,426	1,583	1,359	1,202	1,060	
11a(ii): Consumer Connection	56	Consumer types defined by GDB*	Commercial		374	339	347	351	342	346	
11a(ii): Consumer Connection	57	Consumer types defined by GDB*	[GDB consumer type]								
11a(ii): Consumer Connection	58	Consumer types defined by GDB*	[GDB consumer type]								
11a(ii): Consumer Connection	59	Consumer types defined by GDB*	[GDB consumer type]								
11a(ii): Consumer Connection	60		Consumer connection expenditure			1,897	1,765	1,930	1,710	1,544	1,407
11a(ii): Consumer Connection	61	less	Capital contributions funding consumer connections			169	230	330	363	391	414
11a(ii): Consumer Connection	62		Consumer Connection less capital contributions			1,728	1,535	1,600	1,347	1,153	992

* include additional rows if needed

to row 24

11a(iii): System Growth

	Section	Row	Context	Category1	Category2	Current Year CY1 (\$000 (in constant prices)	CY+1	CY+2	CY+3	CY+4	CY+5
11a(iii): System Growth		68	Intermediate pressure	Intermediate pressure	Main pipe	-	-	-	-	-	-
11a(iii): System Growth		69	Intermediate pressure	Intermediate pressure	Service pipe	-	-	-	-	-	-
11a(iii): System Growth		70	Intermediate pressure	Intermediate pressure	Stations	-	-	-	-	-	-
11a(iii): System Growth		71	Intermediate pressure	Intermediate pressure	Line valve	-	-	-	-	-	-
11a(iii): System Growth		72	Intermediate pressure	Intermediate pressure	Special crossings	-	-	-	-	-	-
11a(iii): System Growth		73	Intermediate Pressure total								
11a(iii): System Growth		74	Medium pressure	Medium pressure	Main pipe	272	509	351	381	335	193
11a(iii): System Growth		75	Medium pressure	Medium pressure	Service pipe	146	274	189	205	180	104
11a(iii): System Growth		76	Medium pressure	Medium pressure	Stations	-	-	-	-	-	-
11a(iii): System Growth		77	Medium pressure	Medium pressure	Line valve	12	23	16	17	15	9
11a(iii): System Growth		78	Medium pressure	Medium pressure	Special crossings	2	4	3	3	3	2
11a(iii): System Growth		79	Medium Pressure total			433	810	559	606	533	307
11a(iii): System Growth		80	Low Pressure	Low Pressure	Main pipe	-	-	-	-	-	-
11a(iii): System Growth		81	Low Pressure	Low Pressure	Service pipe	-	-	-	-	-	-
11a(iii): System Growth		82	Low Pressure	Low Pressure	Line valve	-	-	-	-	-	-

11a(iii): System Growth	83	Low Pressure	Special crossings	-	-	-	-	-	-	-
11a(iii): System Growth	84	Low Pressure total		-	-	-	-	-	-	-
11a(iii): System Growth	85	Other network assets	Monitoring and control systems	-	-	-	-	-	-	-
11a(iii): System Growth	86	Other network assets	Cathodic protection systems	-	-	-	-	-	-	-
11a(iii): System Growth	87	Other network assets	Other assets (other than above)	-	-	-	-	-	-	-
11a(iii): System Growth	88	Other network assets total		-	-	-	-	-	-	-
11a(iii): System Growth	89	System growth expenditure		433	810	559	606	533	307	
11a(iii): System Growth	90 less	Capital contributions funding system growth		60	141	118	151	151	98	
11a(iii): System Growth	91	System growth less capital contributions		373	668	441	456	382	209	

to row 25

11a(iv): Asset Replacement and Renewal

Section	Row	Context	Category1	Category2	Current Year CY\$000 (in constant prices)	CY+1	CY+2	CY+3	CY+4	CY+5
11a(iv): Asset Replacement and Renewal	96	Intermediate pressure	Main pipe		328	244	-	7	7	8
11a(iv): Asset Replacement and Renewal	97	Intermediate pressure	Service pipe		39	20	-	4	4	4
11a(iv): Asset Replacement and Renewal	98	Intermediate pressure	Stations		445	923	1,215	1,215	1,215	1,215
11a(iv): Asset Replacement and Renewal	99	Intermediate pressure	Line valve		3	237	470	470	470	470
11a(iv): Asset Replacement and Renewal	100	Intermediate pressure	Special crossings		248	374	516	516	178	178
11a(iv): Asset Replacement and Renewal	101	Intermediate Pressure total			1,063	1,797	2,201	2,213	1,875	1,875
11a(iv): Asset Replacement and Renewal	102	Medium pressure	Main pipe		3,077	2,166	2,196	2,360	2,363	2,365
11a(iv): Asset Replacement and Renewal	103	Medium pressure	Service pipe		883	1,120	1,327	1,416	1,417	1,418
11a(iv): Asset Replacement and Renewal	104	Medium pressure	Stations		308	174	261	261	261	261
11a(iv): Asset Replacement and Renewal	105	Medium pressure	Line valve		93	135	162	160	169	169
11a(iv): Asset Replacement and Renewal	106	Medium pressure	Special crossings		348	201	14	15	15	16
11a(iv): Asset Replacement and Renewal	107	Medium Pressure total			4,709	3,795	3,961	4,222	4,226	4,229
11a(iv): Asset Replacement and Renewal	108	Low Pressure	Main pipe		48	90	177	177	177	177
11a(iv): Asset Replacement and Renewal	109	Low Pressure	Service pipe		2	114	227	227	227	227
11a(iv): Asset Replacement and Renewal	110	Low Pressure	Line valve		0	14	28	28	28	28
11a(iv): Asset Replacement and Renewal	111	Low Pressure	Special crossings		33	55	110	110	110	110
11a(iv): Asset Replacement and Renewal	112	Low Pressure total			83	274	542	543	543	543
11a(iv): Asset Replacement and Renewal	113	Other network assets	Monitoring and control systems		837	485	10	10	10	10
11a(iv): Asset Replacement and Renewal	114	Other network assets	Cathodic protection systems		791	748	281	233	233	233
11a(iv): Asset Replacement and Renewal	115	Other network assets	Other assets (other than above)		206	412	412	412	412	412
11a(iv): Asset Replacement and Renewal	116	Other network assets total			1,628	1,439	703	654	654	654
11a(iv): Asset Replacement and Renewal	117	Asset replacement and renewal expenditure			7,483	7,305	7,407	7,632	7,298	7,301
11a(iv): Asset Replacement and Renewal	118 less	Capital contributions funding asset replacement and renewal			-	-	-	-	-	-
11a(iv): Asset Replacement and Renewal	119	Asset replacement and renewal less capital contributions			7,483	7,305	7,407	7,632	7,298	7,301

11a(v): Asset Relocations

Section	Row	Context	Category1	Category2	Current Year CY\$000 (in constant prices)	CY+1	CY+2	CY+3	CY+4	CY+5
11a(v): Asset Relocations	124	Project or programme*	Project Name		-	-	-	-	-	-
11a(v): Asset Relocations	125	Project or programme*	Project Name		-	-	-	-	-	-
11a(v): Asset Relocations	126	Project or programme*	Project Name		-	-	-	-	-	-
11a(v): Asset Relocations	127	Project or programme*	Project Name		-	-	-	-	-	-
11a(v): Asset Relocations	128	Project or programme*	Project Name		-	-	-	-	-	-
11a(v): Asset Relocations	129	All other projects or programmes - asset relocations			203	374	434	439	445	451
11a(v): Asset Relocations	130	Asset relocations expenditure			203	374	434	439	445	451
11a(v): Asset Relocations	131 less	Capital contributions funding asset relocations			203	374	434	439	445	451
11a(v): Asset Relocations	132	Asset relocations less capital contributions			-	-	-	-	-	-

* include additional rows if needed

to row 43

11a(vi): Quality of Supply

Section	Row	Context	Category1	Category2	Current Year CY\$000 (in constant prices)	CY+1	CY+2	CY+3	CY+4	CY+5
11a(vi): Quality of Supply	140	Project or programme*	High velocity mains		15	15	-	-	-	-
11a(vi): Quality of Supply	141	Project or programme*	Resilience - inland flooding		133	133	-	-	-	-
11a(vi): Quality of Supply	142	Project or programme*	Project Name		-	-	-	-	-	-
11a(vi): Quality of Supply	143	Project or programme*	Project Name		-	-	-	-	-	-
11a(vi): Quality of Supply	144	Project or programme*	Project Name		-	-	-	-	-	-
11a(vi): Quality of Supply	145	All other projects or programmes - quality of supply			123	329	482	172	172	122
11a(vi): Quality of Supply	146	Quality of supply expenditure			270	477	482	172	172	122
11a(vi): Quality of Supply	147 less	Capital contributions funding quality of supply			-	-	-	-	-	-
11a(vi): Quality of Supply	148	Quality of supply less capital contribution			270	477	482	172	172	122

* include additional rows if needed

to row 28

11a(vii): Legislative and Regulatory

Section	Row	Context	Category1	Category2	Current Year CY\$000 (in constant prices)	CY+1	CY+2	CY+3	CY+4	CY+5
11a(vii): Legislative and Regulatory	154	Project or programme*	Project Name		-	-	-	-	-	-
11a(vii): Legislative and Regulatory	155	Project or programme*	Project Name		-	-	-	-	-	-
11a(vii): Legislative and Regulatory	156	Project or programme*	Project Name		-	-	-	-	-	-
11a(vii): Legislative and Regulatory	157	Project or programme*	Project Name		-	-	-	-	-	-
11a(vii): Legislative and Regulatory	158	Project or programme*	Project Name		-	-	-	-	-	-
11a(vii): Legislative and Regulatory	159	All other projects or programmes -Legislative and regulatory			-	-	-	-	-	-
11a(vii): Legislative and Regulatory	160	Legislative and regulatory expenditure			-	-	-	-	-	-
11a(vii): Legislative and Regulatory	161 less	Capital contributions funding legislative and regulatory			-	-	-	-	-	-
11a(vii): Legislative and Regulatory	162	Legislative and regulatory less capital contributions			-	-	-	-	-	-

* include additional rows if needed

to row 39

11a(viii): Other Reliability, Safety and Environment

Section	Row	Context	Category1	Category2	Current Year CY\$000 (in constant prices)	CY+1	CY+2	CY+3	CY+4	CY+5
11a(viii): Other Reliability, Safety and Environment	168	Project or programme*	IP electrical hazard assessments		30	57	27	-	-	-
11a(viii): Other Reliability, Safety and Environment	169	Project or programme*	Project Name		-	-	-	-	-	-
11a(viii): Other Reliability, Safety and Environment	170	Project or programme*	Project Name		-	-	-	-	-	-

11a(viii): Other Reliability, Safety and Environment	171	Project or programme*	Project Name		-	-	-	-	-	-	-
11a(viii): Other Reliability, Safety and Environment	172	Project or programme*	Project Name		-	-	-	-	-	-	-
11a(viii): Other Reliability, Safety and Environment	173		All other projects or programmes -other reliability, safety and environment		2,906	304	343	941	943	668	-
11a(viii): Other Reliability, Safety and Environment	174		Other reliability, safety and environment expenditure		2,936	361	370	941	943	668	-
11a(viii): Other Reliability, Safety and Environment	175	less	Capital contributions funding other reliability, safety and environment		-	-	-	-	-	-	-
11a(viii): Other Reliability, Safety and Environment	176		Other reliability, safety and environment less capital contributions		2,936	361	370	941	943	668	-

* include additional rows if needed

to row 29

11a(ix): Non-Network Assets - Routine

Section	Row	Context	Category1 Routine Expenditure	Category2	Current Year CY 5000 (in constant prices)	CY+1	CY+2	CY+3	CY+4	CY+5
11a(ix): Non-Network Assets	182	Project or programme*	ICT Capex		796	1,269	1,306	1,160	916	607
11a(ix): Non-Network Assets	183	Project or programme*	Fleet & facilities		894	1,853	1,095	162	325	214
11a(ix): Non-Network Assets	184	Project or programme*	Business plan		9	159	192	93	160	124
11a(ix): Non-Network Assets	185	Project or programme*	[Description of material project or programme]							
11a(ix): Non-Network Assets	186	Project or programme*	[Description of material project or programme]							
11a(ix): Non-Network Assets	187		All other projects or programmes - routine expenditure							
11a(ix): Non-Network Assets	188		Routine expenditure		1,699	3,281	2,593	1,415	1,401	945

* include additional rows if needed

11a(ix): Non-Network Assets - Atypical

Section	Row	Context	Category1 Atypical Expend	Category2	Current Year CY 5000 (in constant prices)	CY+1	CY+2	CY+3	CY+4	CY+5
11a(ix): Non-Network Assets	194	Project or programme*	ICT Capex		-	-	-	-	-	-
11a(ix): Non-Network Assets	195	Project or programme*	Fleet & facilities		-	-	58	348	581	290
11a(ix): Non-Network Assets	196	Project or programme*	Business plan		388	58	46	40	12	-
11a(ix): Non-Network Assets	197	Project or programme*	Equipment		107	41	-	-	-	-
11a(ix): Non-Network Assets	198	Project or programme*	[Description of material project or programme]							
11a(ix): Non-Network Assets	199		All other projects or programmes - routine expenditure							
11a(ix): Non-Network Assets	200		Atypical expenditure		495	99	104	389	592	290
11a(ix): Non-Network Assets	201		Expenditure on non-network assets		2,194	3,380	2,697	1,803	1,994	1,236

* include additional rows if needed

to row 33

SCHEDULE 11b: REPORT ON FORECAST OPERATIONAL EXPENDITURE

11b: Operational Expenditure Forecast - Nominal

Section	Row	Context	Category1	Category2	Current Year CY \$000 (in nominal dollars)	CY+1	CY+2	CY+3	CY+4	CY+5	CY+6	CY+7	CY+8	CY+9	CY+10
11b: Operational Expenditure Forecast	4	Network opex		Service interruptions, incidents and emergencies	643	545	644	696	751	804	707	714	719	724	728
11b: Operational Expenditure Forecast	5	Network opex		Routine and corrective maintenance and inspection	3,295	2,803	3,333	3,599	3,884	4,161	3,654	3,685	3,711	3,732	3,749
11b: Operational Expenditure Forecast	6	Network opex		Asset replacement and renewal	4,040	3,917	3,508	3,900	4,209	4,509	4,514	4,950	5,345	5,854	6,433
11b: Operational Expenditure Forecast	7	Network opex			7,978	7,265	7,485	8,194	8,844	9,474	8,874	9,349	9,775	10,309	10,910
11b: Operational Expenditure Forecast	8	Non-network opex		System operations and network support	5,117	5,193	5,376	5,491	5,602	5,714	5,776	5,872	5,967	6,062	6,156
11b: Operational Expenditure Forecast	9	Non-network opex		Business support	8,052	7,853	7,726	7,410	7,058	6,729	6,453	6,236	6,065	5,784	5,438
11b: Operational Expenditure Forecast	10	Non-network opex			13,169	13,046	13,102	12,901	12,660	12,443	12,229	12,108	12,032	11,846	11,594
11b: Operational Expenditure Forecast	11	Operational expenditure			21,146	20,311	20,587	21,095	21,504	21,917	21,103	21,457	21,807	22,155	22,504

11b: Operational Expenditure Forecast - Constant

Section	Row	Context	Category1	Category2	Current Year CY \$000 (in constant dollars)	CY+1	CY+2	CY+3	CY+4	CY+5	CY+6	CY+7	CY+8	CY+9	CY+10
11b: Operational Expenditure Forecast	15	Network opex		Service interruptions, incidents and emergencies	643	534	619	655	694	728	628	621	614	605	597
11b: Operational Expenditure Forecast	16	Network opex		Routine and corrective maintenance and inspection	3,295	2,748	3,203	3,391	3,589	3,769	3,244	3,208	3,167	3,122	3,076
11b: Operational Expenditure Forecast	17	Network opex		Asset replacement and renewal	4,040	3,839	3,372	3,674	3,888	4,083	4,008	4,309	4,562	4,898	5,277
11b: Operational Expenditure Forecast	18	Network opex			7,978	7,121	7,194	7,721	8,170	8,581	7,880	8,138	8,343	8,626	8,949
11b: Operational Expenditure Forecast	19	Non-network opex		System operations and network support	5,117	5,090	5,167	5,174	5,175	5,175	5,129	5,112	5,093	5,072	5,050
11b: Operational Expenditure Forecast	20	Non-network opex		Business support	8,052	7,697	7,426	6,982	6,520	6,095	5,730	5,429	5,176	4,839	4,461
11b: Operational Expenditure Forecast	21	Non-network opex			13,169	12,787	12,593	12,156	11,695	11,270	10,859	10,541	10,269	9,912	9,511
11b: Operational Expenditure Forecast	22	Operational expenditure			21,146	19,908	19,787	19,877	19,866	19,850	18,738	18,679	18,611	18,538	18,460
11b: Operational Expenditure Forecast	23	Subcomponents of operational expenditure (where known)		Research and development	-	-	-	-	-	-	-	-	-	-	-
11b: Operational Expenditure Forecast	24	Subcomponents of operational expenditure (where known)		Insurance	45	49	53	57	62	67	72	78	84	90	97

11b: Difference Between Nominal and Real Forecasts

Section	Row	Context	Category1	Category2	Current Year CY \$000	CY+1	CY+2	CY+3	CY+4	CY+5	CY+6	CY+7	CY+8	CY+9	CY+10
11b: Difference Between Nominal and Real Forecasts	28	Network opex		Service interruptions, incidents and emergencies	-	11	25	40	57	76	79	92	105	118	131
11b: Difference Between Nominal and Real Forecasts	29	Network opex		Routine and corrective maintenance and inspection	-	56	130	208	296	392	409	477	544	609	674
11b: Difference Between Nominal and Real Forecasts	30	Network opex		Asset replacement and renewal	-	78	136	225	321	425	506	641	783	956	1,156
11b: Difference Between Nominal and Real Forecasts	31	Network opex			-	144	291	473	674	894	995	1,210	1,433	1,683	1,960
11b: Difference Between Nominal and Real Forecasts	32	Non-network opex		System operations	-	103	209	317	427	539	647	760	875	990	1,106
11b: Difference Between Nominal and Real Forecasts	33	Non-network opex		Network support	-	-	-	-	-	-	-	-	-	-	-
11b: Difference Between Nominal and Real Forecasts	34	Non-network opex		Business support	-	156	300	428	538	635	723	807	889	944	977
11b: Difference Between Nominal and Real Forecasts	35	Non-network opex			-	259	509	745	965	1,174	1,371	1,568	1,763	1,934	2,083
11b: Difference Between Nominal and Real Forecasts	36	Operational expenditure			-	403	800	1,218	1,639	2,067	2,365	2,778	3,196	3,618	4,044

SCHEDULE 12a: REPORT ON ASSET CONDITION

Section	Row	Context	Category1 Operating Pressure	Category2 Asset category	Category3 Asset class	Category4 Units	Grade 1	Grade 2	Grade 3	Grade 4	Grade unknown	Data accuracy (1-4)	% of asset forecast to be replaced in next 5 years
12a: Report on Asset Condition	3	Asset condition at start of planning period (percentage of units by grade)	Intermediate Pressure	Main pipe	IP PE main pipe	km	0%	0%	0%	100%	0%	3	21%
12a: Report on Asset Condition	4	Asset condition at start of planning period (percentage of units by grade)	Intermediate Pressure	Main pipe	IP steel main pipe	km	0%	1%	5%	93%	0%	3	0%
12a: Report on Asset Condition	5	Asset condition at start of planning period (percentage of units by grade)	Intermediate Pressure	Main pipe	IP other main pipe	km	0%	0%	0%	100%	0%	3	0%
12a: Report on Asset Condition	6	Asset condition at start of planning period (percentage of units by grade)	Intermediate Pressure	Service pipe	IP PE service pipe	km	0%	0%	0%	98%	2%	3	0%
12a: Report on Asset Condition	7	Asset condition at start of planning period (percentage of units by grade)	Intermediate Pressure	Service pipe	IP steel service pipe	km	0%	0%	1%	98%	0%	3	0%
12a: Report on Asset Condition	8	Asset condition at start of planning period (percentage of units by grade)	Intermediate Pressure	Service pipe	IP other service pipe	km	0%	0%	0%	100%	0%	3	0%
12a: Report on Asset Condition	9	Asset condition at start of planning period (percentage of units by grade)	Intermediate Pressure	Stations	Intermediate pressure DRS	No.	2%	20%	2%	75%	0%	3	37%
12a: Report on Asset Condition	10	Asset condition at start of planning period (percentage of units by grade)	Intermediate Pressure	Line valve	IP line valves	No.	0%	6%	13%	36%	44%	3	5%
12a: Report on Asset Condition	11	Asset condition at start of planning period (percentage of units by grade)	Intermediate Pressure	Special crossings	IP crossings	No.	0%	24%	5%	71%	0%	3	20%
12a: Report on Asset Condition	12	Asset condition at start of planning period (percentage of units by grade)	Medium Pressure	Main pipe	MP PE main pipe	km	0%	0%	1%	95%	4%	3	0%
12a: Report on Asset Condition	13	Asset condition at start of planning period (percentage of units by grade)	Medium Pressure	Main pipe	MP steel main pipe	km	0%	0%	0%	40%	59%	3	0%
12a: Report on Asset Condition	14	Asset condition at start of planning period (percentage of units by grade)	Medium Pressure	Main pipe	MP other main pipe	km	0%	0%	0%	12%	88%	3	0%
12a: Report on Asset Condition	15	Asset condition at start of planning period (percentage of units by grade)	Medium Pressure	Service pipe	MP PE service pipe	km	0%	0%	1%	93%	6%	3	0%
12a: Report on Asset Condition	16	Asset condition at start of planning period (percentage of units by grade)	Medium Pressure	Service pipe	MP steel service pipe	km	0%	0%	0%	18%	81%	3	0%
12a: Report on Asset Condition	17	Asset condition at start of planning period (percentage of units by grade)	Medium Pressure	Service pipe	MP other service pipe	km	0%	0%	0%	79%	20%	3	0%
12a: Report on Asset Condition	18	Asset condition at start of planning period (percentage of units by grade)	Medium Pressure	Stations	Medium pressure DRS	No.	2%	9%	2%	87%	0%	3	18%
12a: Report on Asset Condition	19	Asset condition at start of planning period (percentage of units by grade)	Medium Pressure	Line valve	MP line valves	No.	0%	11%	18%	21%	50%	3	20%
12a: Report on Asset Condition	20	Asset condition at start of planning period (percentage of units by grade)	Medium Pressure	Special crossings	MP special crossings	No.	1%	28%	5%	67%	0%	3	16%
12a: Report on Asset Condition	21	Asset condition at start of planning period (percentage of units by grade)	Low Pressure	Main pipe	LP PE main pipe	km	0%	0%	0%	100%	0%	3	0%
12a: Report on Asset Condition	22	Asset condition at start of planning period (percentage of units by grade)	Low Pressure	Main pipe	LP steel main pipe	km	0%	0%	8%	92%	0%	3	0%
12a: Report on Asset Condition	23	Asset condition at start of planning period (percentage of units by grade)	Low Pressure	Main pipe	LP other main pipe	km	0%	0%	29%	71%	0%	3	0%
12a: Report on Asset Condition	24	Asset condition at start of planning period (percentage of units by grade)	Low Pressure	Service pipe	LP PE service pipe	km	0%	0%	1%	93%	6%	3	0%
12a: Report on Asset Condition	25	Asset condition at start of planning period (percentage of units by grade)	Low Pressure	Service pipe	LP steel service pipe	km	0%	0%	0%	18%	81%	3	0%
12a: Report on Asset Condition	26	Asset condition at start of planning period (percentage of units by grade)	Low Pressure	Service pipe	LP other service pipe	km	0%	0%	0%	79%	20%	3	0%
12a: Report on Asset Condition	27	Asset condition at start of planning period (percentage of units by grade)	Low Pressure	Line valve	LP line valves	No.	0%	4%	12%	43%	40%	3	0%
12a: Report on Asset Condition	28	Asset condition at start of planning period (percentage of units by grade)	Low Pressure	Special crossings	LP special crossings	No.	0%	0%	0%	0%	0%	3	0%
12a: Report on Asset Condition	29	Asset condition at start of planning period (percentage of units by grade)	All	Monitoring and control systems	Remote terminal units	No.	86%	0%	0%	0%	14%	3	100%
12a: Report on Asset Condition	30	Asset condition at start of planning period (percentage of units by grade)	All	Cathodic protection systems	Cathodic protection	No.	20%	0%	0%	0%	80%	3	20%

SCHEDULE 12b: REPORT ON FORECAST UTILISATION

12b: Forecast Utilisation of Heavily Utilised Pipelines

Section	Row	Context	Category 1 Region	Category 2 Network	Category 3 Pressure system	Nominal operating pressure (NOP) (kPa)	Minimum operating pressure (MinOP) (kPa)	Total capacity at MinOP (cmh)	Remaining capacity at MinOP (cmh)	Utilisation (cmh /Current Year CY	cmh CY+1	cmh CY+2	cmh CY+3	cmh CY+4	cmh CY+5	Utilisation (kPa /Current Year CY	kPa CY+1	kPa CY+2	kPa CY+3	kPa CY+4	kPa CY+5	Comment
12b: Forecast Utilisation of Heavily Utilised Pipelines	4	Hutt Valley/Porirua		Balroney	Balroney LP	875	437.5	18036.204	121.135	17954.744	18003.939	18018.536	18116.506	18168.709	18219.703	489.42	497.51	504.97	508.58	508.03	501.96	Changes to customer demand in Balroney have shifted the low point to Woburnville. Reinforcements at Tata Drive DRS and Percy Cameron PDS result in downstream improvements to pressures at the Balroney LP extremity. We will continue to monitor this low point.
12b: Forecast Utilisation of Heavily Utilised Pipelines	5	Hutt Valley/Porirua		Balroney	Lower Hutt LMP	130	65	7444.335	32.019	7432.951	7432.951	7432.951	7432.951	7433.951	7432.951	69.99	69.99	69.99	69.99	69.99	69.99	The low pressure constant on this sub-system is linked to the Harbour View sub-stn, which is permanently monitored. A relocation as part of the Riverlink project is providing an opportunity to increase the diameter of the mainline crossing and improve pressures. We don't expect any issues over the planning period.
12b: Forecast Utilisation of Heavily Utilised Pipelines	6	Hawkes Bay		Hawdigs	Hawdigs LMP	150	75	845.67	30.185	806.76	800.76	821.76	849.36	887.161	926.76	107.45	107.45	103.32	98.47	90.94	83.31	In FY23 the first stage of a three-staged upgrade was completed to improve supply into Hawkes North. Reinforcements to enable growth in Hawkes North have been planned, including upgrading the main to Hawkes North to LIP, adding a new supply point into Hawkes North, and extending our mains along Middle Rd to better serve the town development. These reinforcements are expected later in the planning period, but continued monitoring will provide the trigger for implementation.
12b: Forecast Utilisation of Heavily Utilised Pipelines	7	Hawkes Bay		Hawdigs	Hawdigs MP	355	157.5	3553.168	260.696	3020.497	2729.496	2729.496	2729.496	2729.496	2729.496	184.23	213.34	213.34	213.34	213.34	213.34	A recent large customer connection request has required a staged pressure uplift of the Hawdigs MP pressure system to 350kPa in FY28. The first stage to 375kPa has been completed. Further changes to large customer demand in the network may mean that the second stage of pressure uplift is not required. We are continuing to monitor performance of the network and will reassess the second stage of the pressure uplift if it is required.
12b: Forecast Utilisation of Heavily Utilised Pipelines	8	Manawatu		Levin	Levin LMP	100	50	1103.386	6.137	1015.882	1071.882	1107.882	1143.882	1179.882	1215.882	86.4	69.76	90.98	90.94	90.9	90.86	A 500kPa pipe will be installed to supply initial demand at the Queen St East subdivision. This pipework is sufficient until FY28 load comes on, which is when the 1000kPa extension from Queen St DRS is required.
12b: Forecast Utilisation of Heavily Utilised Pipelines	9	Taranaki		New Plymouth	New Plymouth MP	245	122.5	3810.19	67.416	3802.295	3804.936	3907.936	3956.936	3954.736	3954.736	128.35	128.21	128.07	127.94	127.84	127.84	There is a single branch of this network where low pressures have been detected. The localised constraint is due to a relatively long run of a relatively low diameter main supplying industrial customers near Breakwater Road. The remainder of the network has pressures within specifications even considering reasonable residential demand growth.
12b: Forecast Utilisation of Heavily Utilised Pipelines	10	Manawatu		Palmerston North	Sunnyside LMP	100	50	532.17	11.021	425.461	480.461	455.461	470.461	485.461	500.461	80.58	77.96	74.86	71.21	67	62.22	As the biggest identified area for growth in Palmerston North, we will actively monitor demand and pressure levels. Subdivisions identified in the last few AMPs have been deferred, due also deferring the need to reinforce this system. The Sunnyside Reinforcement Project will be initiated when pressures drop to trigger levels, predicted outside of the next 5 years.
12b: Forecast Utilisation of Heavily Utilised Pipelines	11	Hutt Valley/Porirua		Paotahi	Paotahi LIP	1000	500	1004.26	99.008	969.194	1045.334	1107.486	1183.898	1300.776	1335.503	325.51	594.11	1288.5	1157.8	1074.19	978.16	Expected residential growth in Palmerston will be significant and will exceed the IP capacity if upgrades are not undertaken. The Palmerston DRS will be relocated before subdivision construction commences in FY27. Subsequently a gas gate pressure uplift to 1500kPa in FY28 and installation of Mana LMP beyond the planning period to direct flow into the subdivision will prevent subsequent growth in demand.
12b: Forecast Utilisation of Heavily Utilised Pipelines	12	Hutt Valley/Porirua		Waiatarua/Pasitahi	Elidon LMP	104	52	478.746	4.603	469.513	469.513	469.513	469.513	469.513	469.513	55	55	55	55	55	55	The low point on this system is in a localised pocket of commercial customers in Porirua City Centre. We are currently investigating a pressure uplift as part of a PDS renewal project. With no expected customer growth, we will continue to monitor performance on this system.
12b: Forecast Utilisation of Heavily Utilised Pipelines	13	Manawatu		Ashhurst	Ashhurst LMP	120	60	209.633	9.382	209.972	209.972	209.972	209.972	209.972	209.972	95.54	86.14	86.14	86.14	86.14	86.14	The first stage of pressure uplift that was completed in FY23 did not sufficiently raise the pressure at the extremity. A second pressure uplift is planned to address the pressure issue at the extremity of the network.
12b: Forecast Utilisation of Heavily Utilised Pipelines	14	Manawatu		Fallding	Fallding LMP	100	50	746.023	6.703	727.981	754.981	805.981	873.781	935.781	972.781	63.29	60.77	53.46	176.14	177.39	176.81	Reinforcement expected in place for FY 23 for growth in Fallding LMP. Reinforcement includes mains relaying to supply the new subdivision growth as well as DRS ensure uplift to 200kPa at Manchester St and East St DRS.
12b: Forecast Utilisation of Heavily Utilised Pipelines	15	Manawatu		Orono Downs	Orono Downs MP	330	165	218.832	36.117	298.986	298.986	298.986	298.986	298.986	298.986	63.3	63.3	63.3	63.3	63.3	63.3	The system is at capacity due to an existing large commercial consumer. If local customers require more gas or greater pressures beyond what was delivered, substantial upgrades will be required.
12b: Forecast Utilisation of Heavily Utilised Pipelines	16	Taranaki		Lagapohu	Lagapohu MP	350	175	328.079	57.58	312.501	317.501	317.501	317.501	317.501	317.501	189.72	189.72	189.72	189.72	189.72	189.72	The network is constrained due to some larger demand chicken checks at the extremity of the smaller diameter network. There have been no pressure issues and we don't anticipate any growth. There are no plans to upgrade capacity further unless demand increases.
12b: Forecast Utilisation of Heavily Utilised Pipelines	17	Taranaki		Patua	Patua MP	350	175	317.853	54.458	293.623	293.623	293.623	293.623	293.623	293.623	209.76	209.76	209.76	209.76	209.76	209.76	Gas gate volumes through Patua have been slowly trending down for the last 5 years, hence the improvement compared to historical AMP figures. Monitoring is ongoing.
12b: Forecast Utilisation of Heavily Utilised Pipelines	18	Wellington		Tawa A	Wellington 25 kPa LIP	25	12.5	9830.726	18.561	9802.339	9802.339	9802.339	9802.339	9802.339	9802.339	15.03	15.03	15.03	15.03	15.03	15.03	The low point is localised within the Thorndon, Wadsworth and Northland area of the system. With no expected growth in this area, we do not anticipate any need to reinforce the network and we will continue to actively monitor pressures across the system.
12b: Forecast Utilisation of Heavily Utilised Pipelines	19	Wellington		Tawa A	Wellington LP	1200	600	20699.659	195.84	20623.707	20644.709	20769.51	20950.109	21187.711	21452.207	664.54	664.57	662.56	659.45	655.16	650.91	The low point on this system is at the inlet to the Karori DRS. The Minimum Operating Pressure could be accepted as low as 350kPa. We do not expect any issues over the planning period and will continue to monitor through SCADA.

12b: Forecast Utilisation of Heavily Utilised Pipelines

Section	Row	Context	Category 1 Decisions for capacity priorities	Category 2 Decisions and assumptions
12b: Forecast Utilisation of Heavily Utilised Pipelines	24		The information in this table contains modelled estimates of utilisation and capacity. Any proposed party seeking to invest in supply from Powerco's distribution networks should consult Powerco or their retailer and confirm availability of capacity.	
12b: Forecast Utilisation of Heavily Utilised Pipelines	25		Growth patterns used reflect our knowledge at the time of writing. If the growth is expected to spread over multiple years, it is uniformly spread over that period. The number of lots identified is multiplied by 0.5cmh to calculate a diversified load per residential connection. This is summed and placed at a single point in the model where the load is expected to occur. If the growth specified is inferior to our other supply forecasts, we reconcile these by adding the load at.	

* Current year utilisation figures may be estimates. Year 1-5 figures show the utilisation forecast to occur given the expected system configuration for each year, including the effect of any new investment in the pressure system.

SCHEDULE 12c: REPORT ON FORECAST DEMAND

12c(i): Consumer Connections

Section	Row	Context	Category1 Number of ICPs connected in year by consumer type	Current year CY	CY+1	CY+2	CY+3	CY+4	CY+5
12c(i) Consumer Connections	4	Consumer types defined by GDB	Residential	363	359	360	320	280	240
12c(i) Consumer Connections	5	Consumer types defined by GDB	Commercial / industrial	27	27	26	26	25	25
12c(ii) Consumer Connections	6	Consumer types defined by GDB	[GDB consumer type]						
12c(ii) Consumer Connections	7	Consumer types defined by GDB	[GDB consumer type]						
12c(ii) Consumer Connections	8	Consumer types defined by GDB	[GDB consumer type]						
12c(i) Consumer Connections			9 Total	390	386	386	346	305	265

12c(ii): Gas Delivered

Section	Row	Context	Category1 Number of ICPs connected in year by consumer type	Current year CY	CY+1	CY+2	CY+3	CY+4	CY+5
12c(ii) Gas Delivered	14	Number of ICPs at year end (at year end)		111099	109868	108491	106824	104675	102130
12c(ii) Gas Delivered	15	Maximum daily load (GJ per day)		36014	35515	34617	33806	32861	31807
12c(ii) Gas Delivered	16	Maximum monthly load (GJ per month)		856968	845100	823721	804416	781940	756860
12c(ii) Gas Delivered	17	Number of directly billed ICPs (at year end)		0	0	0	0	0	0
12c(ii) Gas Delivered	18	Total gas conveyed (GJ per annum)		7589116	7484020	7294685	7123729	6924685	6702586
12c(ii) Gas Delivered	19	Average daily delivery (GJ per day)		-	-	-	-	-	-
12c(ii) Gas Delivered	20	Load factor		73.80%	73.80%	73.80%	73.80%	73.80%	73.80%

Company Name Powerco Limited
For Year Ended 30 September 2026

Schedule 14a: Mandatory Explanatory Notes on Forecast Information

1. This schedule requires GDBs to provide explanatory notes to reports prepared in accordance with clause 2.6.6.
2. This schedule is mandatory—GDBs must provide the explanatory comment specified below, in accordance with clause 2.7.2. This information is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.

Commentary on difference between nominal and constant price capital expenditure forecasts (Schedule 11a)

3. In the box below, comment on the difference between nominal and constant price capital expenditure for the current disclosure year and the 10-year planning period, as disclosed in Schedule 11a.

Box 1: Commentary on difference between nominal and constant price capital expenditure forecasts

The index used to translate nominal \$ forecasts into constant \$ forecasts is the Statistics NZ CPI (All Groups). The CPI index applied is the annual average rate of increase based on the CPI index predictions included in the NZIER Quarterly Predictions from June 2026.

For example, the index used for the year ending 30 September 2026 is based on the annual average movement using CPI predictions (actuals where available) as follows:

$$(Q1\ RY27 + Q2\ RY27 + Q3\ RY27 + Q4\ RY27) / (Q1\ RY26 + Q2\ RY26 + Q3\ RY26 + Q4\ RY26).$$

Commentary on difference between nominal and constant price operational expenditure forecasts (Schedule 11b)

4. In the box below, comment on the difference between nominal and constant price operational expenditure for the current disclosure year and the 10-year planning period, as disclosed in Schedule 11b.

Box 2: Commentary on difference between nominal and constant price operational expenditure forecasts

The index used to translate nominal \$ forecasts into constant \$ forecasts is the Statistics NZ CPI (All Groups). The CPI index applied is the annual average rate of increase based on the CPI index predictions included in the NZIER Quarterly Predictions from June 2026.

For example, the index used for the year ending 30 September 2026 is based on the annual average movement using CPI predictions (actuals where available) as follows:

$$(Q1\ RY27 + Q2\ RY27 + Q3\ RY27 + Q4\ RY27) / (Q1\ RY26 + Q2\ RY26 + Q3\ RY26 + Q4\ RY26).$$

5. Appendix and Directors Certificate



Appendix 1 – Glossary of terms

AMP means Asset Management Plan.

AMMAT means asset management maturity assessment score.

ARR means asset replacement and renewal network development plans.

Asset stranding means assets becoming unused or uneconomic before the end of their expected life or before their costs are recovered.

Biomethane means renewable gas produced by upgrading biogas to natural gas quality for use in existing gas infrastructure.

Capital expenditure (Capex) means the expenditure used to create new assets or increase the service performance or service potential of existing assets beyond the original design service performance or service potential. Capex increases the value of the asset stock and is capitalised in accounting terms.

CIW means customer-initiated works.

Cocon means below ground regulator station.

Constant dollars / real dollars are amounts expressed in prices from a specified base year, excluding forecast inflation.

CP means cathodic protection.

CY means current year in the disclosure schedules; CY+1, CY+2, etc. indicate subsequent forecast years.

DPP means default price-quality path.

DPP4 means the fourth default price-quality path applying to gas distribution businesses from 1 October 2026 to 30 September 2031.

DRS means district regulator station.

FY means financial year ending 31 March of the year in question.

GDB means gas distribution business.

GJ means gigajoule.

GRO means System Growth Network Development Plans.

GWP means Gas Works Plan.

HVP means Hutt Valley and Porirua region that is one of our network areas.

ICP means installation control point, which is the point of connection of a customer to our network.

ICT means information and communication technology.

ID means Information Disclosure.

IP means intermediate pressure (700-2000kPa).

LDV means leak detection vehicle.

LIP means low intermediate pressure (700-1,200kPa).

LMP means low medium pressure (25-210kPa).

LNG means liquefied natural gas.

LP means low pressure (0-7kPa).

MinOP means minimum operating pressure.

MP means medium pressure (7-700kPa).

NB means nominal bore, a nominal pipe-diameter designation.

Nominal dollars are amounts expressed in the dollars of each forecast year, including forecast inflation.

NOP means nominal operating pressure.

Operational expenditure (Opex) means the expenditure directly associated with running the gas distribution network, ensuring it is operating safely at any time. Operating expenditures include maintenance and inspection expenditures required to survey and maintain the assets to achieve their original design lives and service potentials. It also includes the expenses related to our third-party prevention programme.

ORS means Quality of Supply Development Plans.

PE means polyethylene, which is the material plastic gas pipes are made from.

PJ means petajoule.

PRS means pressure regulator station.

QOS means Quality of Supply Network Development Plans.

RCP means representative concentration pathways forecasts adopted from the Intergovernmental Panel on Climate Change (IPCC). They consider a range of possible greenhouse gas (GHG) concentration trajectories in reference to global warming scenarios.

RY means regulatory year ending 30 September of the year in question.

SAP means System Analysis Programme, which is our Enterprise Resource Planning system that helps Powerco tie together various business processes and enables the flow of data between them.

SCADA means Supervisory Control and Data Acquisition systems used for monitoring the network.

scm/h or scm/h are standard cubic metres per hour, a gas flow rate measured at standard reference conditions.

SONS means system operations and network support.

SSP means socio-economic shared pathways of the recent IPCC AR6 report in reference to global warming scenarios – aligned to RCP forecasts.

TPK means Te Puni Kāpuni (Issues Register), our tool for identifying projects and prioritising their need.

TR means transformer rectifier, equipment used within an impressed-current cathodic protection system.

Volume-to-Value Investment Framework is Powerco's framework for prioritising investment in the appropriate asset, at the appropriate time and cost, while maintaining network value and future flexibility.

Appendix 2

Directors Certificate

Gas Asset Management Plan Information Disclosure

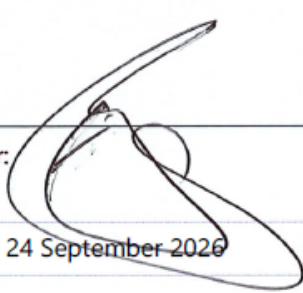


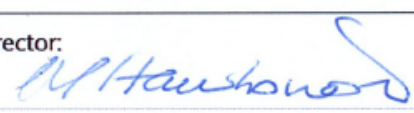
Certificate for year-beginning disclosures

Pursuant to clause 2.9.1 of Section 2.9

We, John Loughlin and Vince Hawksworth, being Directors of Powerco Limited certify that, having made all reasonable enquiry, to the best of our knowledge:

- a) the following attached information of Powerco Limited prepared for the purposes of clauses 2.6.3, 2.6.6 and 2.7.2 of the Gas Distribution Information Disclosure Determination 2012 in all material respects complies with that determination.
- b) The prospective financial or non-financial information included in the attached information has been measured on a basis consistent with regulatory requirements or recognised industry standards.
- c) The forecasts in Schedules 11a, 11b, 12a, 12b and 12c are based on objective and reasonable assumptions which both align with Powerco Limited's corporate vision and strategy and are documented in retained records.

Director:	
Date:	24 September 2026

Director:	
Date:	24 September 2026

Appendix 3

Management Certificate

Gas Asset Management Plan Information Disclosure

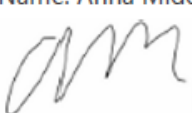


Certificate for year-beginning disclosures

Pursuant to clause 2.9.1 of Section 2.9

We, Anna Middlemass and Stuart Dickson, being executive managers of Powerco Limited certify that, having made all reasonable enquiry, to the best of our knowledge:

- a) The following attached information of Powerco Limited prepared for the purposes of clauses 2.6.3, 2.6.6 and 2.7.2 of the Gas Distribution Information Disclosure Determination 2012 in all material respects complies with that determination.
- b) The prospective financial or non-financial information included in the attached information has been measured on a basis consistent with regulatory requirements or recognised industry standards.
- c) The forecasts in Schedules 11a, 11b, 12a, 12b and 12c are based on objective and reasonable assumptions which both align with Powerco Limited's corporate vision and strategy and are documented in retained records.

Name: Anna Middlemass

Position: General Manager Gas (Acting)
Date: 24 September 2026

Name: Stuart Dickson

Position: General Manager Customer
Date: 24 September 2026