



Appendix. Peak injection rebate

1 April 2026 – 31 March 2027

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1. Peak injection rebate

We calculate the peak injection rebate using the differential between our peak and off-peak variable charges for the relevant residential price category in each region, this is consistent with the approach in clause 12A.7(1)(b)(ii) of the Code, which applies for the pricing year beginning 1 April 2026.

We have increased the rebate this year, from 5 cents a kWh in both regions to 6 cents in the Western Region and 7 cents in the Eastern Region. Table 1 sets out the peak and off-peak variable charges and the resulting differential for each price zone, alongside the rebate we have published for that region.

Table 1. published rebate FY27

Region / zone	Price categories	Peak (winter)	Off-peak	Differential	Published rebate
Western - Zone A	W05A / W06A	18.66c / 21.30c	7.41c / 10.05c	11.25 c/kWh	6.00 c/kWh
Western - Zone B	W05B / W06B	23.96c / 27.83c	9.45c / 13.32c	14.51 c/kWh	6.00 c/kWh
Eastern - Tauranga	T05S / T06S	17.58c / 20.95c	4.15c / 7.52c	13.43 c/kWh	7.00 c/kWh
Eastern - Valley	V05S / V06S	20.72c / 24.78c	5.66c / 9.72c	15.06 c/kWh	7.00 c/kWh
Eastern - North Coromandel	V05C / V06C	19.72c / 24.37c	5.34c / 9.99c	14.38 c/kWh	7.00 c/kWh

We publish a single rebate for each region rather than a separate rebate for each pricing zone (e.g. zone A, zone B). This avoids adding a further layer of geographic granularity beyond the regional and zone structure already used for our variable charges, and reflects the fact that the underlying differential sits within a relatively narrow range in each region between 11.25 and 14.51 cents a kWh across our two Western zones, and between 13.43 and 15.06 cents a kWh across our three Eastern zones.

1.1 The adjustment factor

Measured against each zone's own differential, our published rebate is equivalent to an adjustment factor of between 41% and 53% in the Western Region, and between 46% and 52% in the Eastern Region, for the 2026/27 pricing year. Table 2 shows how this compares with the equivalent factor implied by last year's rebate and differential.

In setting the adjustment factor, we have had regard to:

- our peak and off-peak variable charges still include a low fixed charge component that we are phasing out over the five years to 2027, so the differential between them does not yet fully reflect the underlying cost of network capacity;
- the currently low level of residential and small business export in both regions, which limits the risk of the rebate itself creating new network constraints in its early years;
- we do not yet have granular visibility of demand at the low voltage level in either region, which supports a broad regional rate over a more finely tuned one we could not yet back with data; and
- the value of building up the incentive gradually as export volumes and network data grow, rather than setting a strong signal before we can be confident of its effects.

Table 2. change in factor

Region	FY26 implied factor	FY27 implied factor
Western - Zone A	47%	53%
Western - Zone B	40%	41%
Eastern - Tauranga	39%	52%
Eastern - Valley	34%	46%
Eastern - North Coromandel	35%	49%

We intend to keep increasing the rebate in line with this gradual approach, and will move to a long-run marginal cost basis for setting it from 1 April 2027, consistent with the Code.

1.2 Form and time periods

The rebate is a per kWh credit against the variable charge, applied to the export volume recorded for a customer's ICP in the relevant billing period. It is only available to customers with a communicating smart meter capable of separately metering export, on the Distributed Generation tariff option.

The rebate applies during the same peak periods that already apply to our residential Time of Use consumption tariffs:

- **Winter months:** April to September)
- **Weekdays:** Monday to Friday
- **Morning peak:** between 7am and 11am and
- **Evening peak:** between 5pm and 9pm.

We have aligned the rebate window with our existing consumption peak periods because those periods already reflect the times of highest demand on our network, and because doing so avoids adding a further set of time periods for retailers and customers to track. Outside this window, and during summer months, the rebate does not apply and the applicable variable charge for the relevant price category applies as normal.

Customers who export continue to pay their fixed daily charge, which recovers the cost of the network that already exists, regardless of how much they export.

1.3 Eligibility

The rebate applies in our W05/W06 (Western), T05S/T06S (Tauranga) and V05S/V06S/V05C/V06C (Valley) price categories. These categories cover residential connections and general connections up to and including a three phase 63 amp connection, which is approximately 43 kVA. This sits under the Electricity Authority's 45kVA connection capacity threshold for negative charge eligibility, so we have not applied any further capacity test within these price categories.

The same connection capacity limits generation as well as demand, since a connection's rated capacity constrains the flow of electricity in both directions. A customer behind a 43kVA connection cannot inject more than roughly 43kW onto the network at any one time, which sits under the Authority's

45kW generation capacity threshold as a consequence of the connection capacity that already defines the price category.

We do not offer the rebate in our commercial price categories above this size (W22/T22/V22 and larger), which are not designed to target residential or small business consumers.

1.4 Assumptions

In developing the rebate, we have relied on the following assumptions:

- the differential between our peak and off-peak variable offtake charges is set at long-run marginal cost based on forecast growth capex in each region;
- the planning horizon and growth projects used to inform those variable charges are drawn from our current Asset Management Plan;
- export from residential and small business customers is not yet a material driver of network investment in either region, such that a broad, regionally averaged rebate is a proportionate response at this stage of implementation; and
- we have not distinguished between generation technologies, such as solar or battery storage, consistent with our technology neutral approach to pricing described in Section 4.

1.5 Managing network stability

We manage network stability and export congestion through our export limits and connection standards under Part 6 of the Code, rather than through the rebate itself. Further detail on our approach to distributed generation connections is set out in our Distributed Generation Policy, available on our website.