Default Price-Quality Path

Annual Price Setting Compliance Statement

1 April 2024 – 31 March 2025 Assessment Period

26 March 2024

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1. Introduction

Top Energy Limited (Top Energy) is subject to price-quality regulation under Part 4 of the Commerce Act 1986. The Commerce Commission has set a Default Price-Quality Path (DPP) which applies to Top Energy from 1 April 2020.

This price-setting compliance statement is published in accordance with clause 11.1 of the 2020 DPP Determination, and applies to the fifth assessment period, commencing 1 April 2024 and ending 31 March 2025.

2. Date prepared

This statement was prepared on 15 March 2024.

3. Statement of compliance

As demonstrated in Table 1 below, and consistent with clause 8.3 of the 2020 DPP Determination Top Energy has complied with the price path for the fifth assessment period.

Table 1

Compliance with price path RY25			
Forecast revenue from prices must not exceed the lesser of: *(a) the forecast allowable revenue for that assessment period; and* *(b) the amount determined in accordance with the following formula:* *the forecast revenue from prices for the previous assessment period x (1 + limit on annual percentage increase in forecast revenue from prices).*			**Relevant Clause**
Term	Description	Value ($000)	
Forecast revenue from prices ($000)	*Forecast prices between 1 April 2024 and 31 March 2025 multiplied by forecast quantities for the period ending 31 March 2025*	46,966	Schedule 1.3
Forecast allowable revenue ($000)	*The sum of forecast net allowable revenue, forecast pass-through and recoverable costs, opening wash-up account balance and the pass-through balance allowance*	51,742	Schedule 1.5 & Clause 8.4
Maximum allowable forecast revenue from prices ($000)	*Forecast revenue from prices for the previous assessment period x (1 + limit on annual percentage increase in forecast revenue from prices)*	46,974	Clause 4.2 & 8.4
Maximum allowable forecast revenue ($000)	*The lessor of the forecast allowable revenue and maximum allowable forecast revenue from prices*	46,974	DPP Clause 8.4
Compliance result	*Forecast revenue from prices ≤ forecast allowable revenue and maximum allowable forecast revenue from prices*	**Compliant**	DPP Clause 8.4

Further information supporting forecast allowable revenue is included in Section 5 and Appendix A.

Further information supporting forecast revenue from prices is included in Section 6 and Appendix B.

Further information supporting maximum allowable forecast revenue is included in Section 7.

4. Director's certification

A Director's certificate in the form set out in Schedule 6 of the 2020 DPP Determination is included as Appendix C.

5. Forecast allowable revenue

Table 2 shows the derivation of forecast allowable revenue, consistent with the requirements of Schedule 1.5 of the 2020 DPP Determination.

Electricity Distribution Services Default Price-Quality Path Determination 2025

Revenue Path Inputs and Calculations for the Assessment Period ending 31 March 2025

Table 2

Forecast allowable revenue RY25		
Term	Description	Value ($000)
Forecast net allowable revenue	*Forecast net allowable revenue as set out in Table 1.4.1 in Schedule 1.4 for the period ending 31 March 2025*	41,138
Forecast pass through costs	*Forecast pass-through costs*	386
Forecast recoverable costs	*Forecast recoverable costs.*	6,440
Opening wash-up account balance	*The opening wash-up account balance for the fifth assessment period of the DPP regulatory period is the closing wash-up account balance for the previous assessment period as set out in Schedule 1.7(1)(b)*	3,777
Pass-through balance allowance	*(ePTB - pass-through balance) x (67th percentile estimate of post-tax WACC)^2*	-
Total		51,742

Appendix A shows the components of the forecast pass-through and recoverable costs, and the pass-through balance allowance.

The methodology to derive the forecasts of the pass-through and recoverable costs is documented in Appendix A.

6. Forecast revenue from prices

Table 3 shows forecast revenue from prices.

Table 3

Forecast revenue from prices RY25		
Term	Description	Value ($000)
$\Sigma P_{2024/25} * Q_{2024/25}$	*Forecast prices between 1 April 2024 and 31 March 2025 multiplied by forecast quantities for the period ending 31 March 2025*	46,966

More information about forecast prices and quantities is included in Appendix B.

Top Energy's Forecast revenue from prices is equal to the total of each price multiplied by the forecast quantities for that price. Given prices have a fixed and variable component the revenue forecasts require forecasts of the number of connections and quantities (kWh). The Determination requires that these forecasts are demonstrably reasonable.

Top Energy has a posted discount which is specified on its pricing schedule. All prices used in the calculation of revenue from prices are net of the discount. This includes the fixed and variable (kWh) components of the Price Codes. The criteria and methodology of the discount is compliant with the Electricity Distribution Default Price-Quality (Definition of discount) Amendments Determination 2020 published on 30 March 2020.

7. Maximum allowable forecast revenue from prices

Table 4 shows the maximum allowable forecast revenue from prices, consistent with the requirements of clause 8.4 of the 2020 DPP Determination.

Table 4

Maximum allowable forecast revenue from prices RY25		
Term	Description	Value ($000)
Forecast revenue from prices from previous assessment period	*Forecast prices between 1 April 2023 and 31 March 2024 multiplied by forecast quantities for the period ending 31 March 2024*	42,704
Limit on annual percentage increase in forecast revenue from prices		10%
Maximum allowable forecast revenue from prices	*Forecast revenue from prices for the previous assessment period x (1 + limit on annual percentage increase in forecast revenue from prices)*	46,974

Appendix A – Pass-through and recoverable costs

Forecast pass-through costs

Electricity Distribution Services Default Price-Quality Path Determination 2025
Forecast Pass-through Costs

for the Assessment Period ending 31 March 2025

Table 5

Forecast Pass-through Costs RY25					
Forecast pass-through costs	$000	Forecasting methodology	Previous year forecast	Variance	Comment
Rates on system fixed assets	63	Actual 2023 plus CPI estimate based on RBNZ	61	2	
Commerce Act levies	208	Actual June Quarter 2023, forecast plus CPI	212	(5)	
Electricity Authority levies	91	2023 Actuals plus 7 months 2023 forecast plus CPI	97	(6)	
Utilities Disputes levies	25	Last 2 years average	23	2	
Total forecast pass-through costs	**386**		**393**	**(7)**	

Forecast recoverable costs

Electricity Distribution Services Default Price-Quality Path Determination 2025
Forecast Recoverable Costs
for the Assessment Period ending 31 March 2025

Table 6

Forecast Recoverable Costs RY25					
Forecast recoverable costs	$000	Forecasting methodology	Previous year forecast	Variance	Comment
IRIS OPEX incentive adjustment	757	Calculations are consistent with clause 3.1.3 of the IMs	1,762	(1,004)	
IRIS CAPEX incentive adjustment	(513)	Calculations are consistent with clause 3.1.3 of the IMs	(498)	(15)	
Transpower transmission charges	7,007	As notified by Transpower	6,006	1,002	As notified by Transpower under new TPM
New investment contract charges	-		-	-	
System operator services charges	-		-	-	
Avoided transmission charges - purchased assets	-		-	-	
Avoided transmission charges	-		-	-	ACOT no longer payable from 1 April 2023.
Claw-back	-		-	-	
Catastrophic event allowance	-		-	-	
Extended reserves allowance	-		-	-	
Quality incentive adjustment	(225)	Determined for the 2022/2023 regulatory year (adjusted for time value of money)	(121)	(105)	
Capex wash-up adjustment	(586)	Calculations are consistent with clause 3.1.3 (1)(p) of the IMs	(570)	(17)	
Transmission asset wash-up adjustment	-		-	-	
Reconsideration event allowance	-		-	-	
Quality standard variation engineers fee	-		-	-	
Urgent project allowance	-		-	-	
Fire and emergency NZ levies	-		-	-	
Innovation project allowance	-		-	-	
Total forecast recoverable costs	**6,440**		**6,579**	**(138)**	

Appendix B – Forecast prices and quantities

Table 7 shows the forecast prices and quantities for the forecast revenue from prices for the fifth assessment period.

$\Sigma P_{t,2025} \cdot Q_{t,i}$		FY													
Tariff or Fee		Distribution Average Number of ICPs 31/03/25	Distribution kWh or kw or kvarh for 31/03/25	Other Qty for 31/03/25	Line Tariff 1.4.2024 to 31.3.2025 year	Forecast Pass-through Revenue ($)	Forecast Pass-through Revenue ($)	Forecast Distribution Revenue ($)		Forecast Other Revenue ($)	Total Revenue ($)	Forecast Distribution Discount ($)	Forecast Distribution Discount ($)	Total Discount ($)	Total Revenue ($) Forecast Total Revenue less Discount ($)
					Fixed	Fixed	Variable	Fixed	Variable	Variable		Fixed	Variable		
					Total						$\Sigma Th_{,2025\ 6\text{ to }2025}$				$\Sigma Th_{,2025\ 6\text{ to }2025}$
Low User Non-TOU (LR)														-	-
LRPP					34.7400	551.077		-			551,077.149	-		-	551,077
LRFD		4.348			25.2600	-		400.697			400,696.854	(208.289)		(208.289)	192,408
LUC	UN24		3,990,618				-		679,642		679,642.014		(121,938)	(121,938)	557,704
LA	N18		12,728,110				-		1,802,300		1,802,300.426		(391,867)	(391,867)	1,410,433
LFC	CN20		77,999				-		5,015		5,015.315		-	-	5,015
Low user TOU Uncontrolled											-			-	-
LUP					34.7400	393.083		-			393,083.100	-		-	393,083
LUFD Distribution Daily Price		3,100			25.2600	-		285.817			285,816.900	(148.572)		(148.572)	137,245
LU1	UN24		2,526,836				-		599,871		599,870.799		(74,661)	(74,661)	525,209
LU2	UN24		7,128,981				-		1,122,102		1,122,101.522		(210,643)	(210,643)	911,459
LU3	UN24		2,747,884				-		377,559		377,559.246		(81,193)	(81,193)	296,366
Low user TOU controlled											-			-	-
LCPP					34.7400	1,257,866		-			1,257,865.929	-		-	1,257,866
LCFD Distribution Daily Price		9,920			25.2600	-		914.614			914,614.080	(475.431)		(475.431)	439,183
LC1	N18		9,629,718				-		1,879,721		1,879,720.982		(228,774)	(228,774)	1,650,947
LC2	N18		26,648,729				-		3,578,924		3,578,924.251		(633,095)	(633,095)	2,945,829
LC3	N18		13,087,523				-		1,431,775		1,431,774.973		(310,921)	(310,921)	1,120,854
Standard User Non-TOU (SR)											-			-	-
SRPP					34.7400	349.337		-			349,336.759	-		-	349,337
SRFD Distribution Fixed Price		2,755			155.2600	-		1,561.256			1,561,255.745	(327.161)		(327.161)	1,234,095
SUC	UN24		4,747,063				-		551,609		551,608.762		(31,122)	(31,122)	520,486
SA	N18		15,697,686				-		1,299,911		1,299,910.770		(98,983)	(98,983)	1,200,928
SFC	CN20		216,538				-		9,463		9,462.731		-	-	9,463
Standard user TOU Uncontrolled											-			-	-
SUPP					34.7400	368.357					368,356.905			-	368,357
SUFD Distribution Fixed Price		2,805			155.2600	-		1,646.261			1,646,260.595	(344.974)		(344.974)	1,301,287
SU1	UN24		3,539,253				-		603,442		603,442.717		(25,983)	(25,983)	577,459
SU2	UN24		9,944,669				-		1,126,734		1,126,734.384		(73,009)	(73,009)	1,053,725
SU3	UN24		5,202,796				-		366,797		366,797.064		(38,196)	(38,196)	328,601
Standard user TOU Uncontrolled											-			-	-
SCPP					34.7400	710.593		-			710,592.804	-		-	710,593
SCFD Distribution Fixed Price		5,604			155.2600	-		3,175.781			3,175,781.196	(665.485)		(665.485)	2,510,297
SC1	N18		8,322,188				-		1,195,899		1,195,898.442		(51,169)	(51,169)	1,144,729
SC2	N18		23,037,067				-		1,916,884		1,916,883.943		(141,844)	(141,844)	1,775,040
SC3	N18		11,683,522				-		510,578		510,569.922		(71,836)	(71,836)	438,734
BTS TOU Uncontrolled (BTSU)											-			-	-
BTSUPP					90.1100	-		-			-	-		-	-
BTSUFD		0			149.8900	-		-						-	-
BTSU1			-				-		-					-	-
BTSU2			-				-		-					-	-
BTSU3			-				-		-					-	-
General User (GG)														-	-
GGPP					90.1100	654.514					654,513.985	-		-	654,514
GGFD		1,990			149.8900	-		1,088.726			1,088,726.015	(236.316)		(236.316)	852,410
GGUC	UN24		25,768,473				-		3,633,355		3,633,354.751		(86,436)	(86,436)	3,546,918
GGA	N18		2,248,285				-		249,561		249,560.726		(7,542)	(7,542)	242,019
GGFC	CN20		2,041,213				-		89,281		89,280.981		-	-	89,281
General TOU Uncontrolled											-			-	-
GUPP					90.1100	1,006,767		-			1,006,767.492	-		-	1,006,767
GUFD		3,061			149.8900	-		1,674.689			1,674,688.509	(363.499)		(363.499)	1,311,170
GU1	UN24		7,006,907				-		1,308,563		1,308,562.957		(24,718)	(24,718)	1,283,845
GU2	UN24		23,298,747				-		3,141,281		3,141,280.850		(82,060)	(82,060)	3,059,221
GU3	UN24		18,712,254				-		928,752		928,752.466		(37,778)	(37,778)	890,974
General TOU controlled											-			-	-
GCPP					90.1100	179,580		-			179,580.219			-	179,580
GCFD		546			149.8900	-		298.716			298,715.781	(64.838)		(64.838)	233,877
GC1	N18		1,626,413				-		255,021		255,021.492		(4,322)	(4,322)	250,699
GC2	N18		5,389,114				-		570,168		570,168.344		(14,321)	(14,321)	555,847
GC3	N18		2,687,553				-		152,653		152,653.020		(7,142)	(7,142)	145,511
General Advanced User (GA)											-			-	-
GAPP					90.1100	14,801		-			14,800.568	-		-	14,801
GAFD		45			1,109.4340	-		182.225			182,224.535	(8.639)		(8.639)	173,585
G1			1,557,659				-		242,683		242,683.251		(37)	(37)	242,646
G2			3,430,228				-		315,238		315,237.938				315,238
G3			1,502,675				-		85,953		85,953.006				85,953
Kaikohe IND customers															
GAIND											236				236
GAINDFP					63.0900	235					2,835	(201)		(201)	2,634
GAINDFD		1			778.6000			2,835						-	-
GAIND1			-				-		-		-	-		-	-
GAIND2			-				-		-		-	-		-	-
GAIND3			-				-		-		-				-
GUIND											-				-
GUINDFP					63.0900	-					-	-		-	-
GUINDFD					104.9200						-	-		-	-
GUIND1			-				-		-		-	-		-	-
GUIND2			-				-		-		-	-		-	-
GUIND3			-				-		-		-				-
TOUIND															
TOUINDFP					2,284.0400										
TOUINDFD					344.4200						-	-		-	-
TOUIND1			-				-		-		-	-		-	-
TOUIND2			-				-		-		-	-		-	-
TOUIND3			-				-		-		-	-		-	-
LDGF		4									-				-
LDGD															
LDGV1	LDG		6,329		-		-		-		-	-		-	-
LDGV2	LDG		12,659		-		-		-		-	-		-	-
LDGV3	LDG		6,329		-		-		-		-				-
DG			7,027,927						70,279		70,279.274				70,279
Larger User (TOU)											-			-	-
TOUP					2,928.0300	395,430		-			395,430.452			-	395,430
TOUF		37			349.1700	-		47,166			47,165.498	(7.103)		- 7,103	40,062
TOUDVD					-			-	-		-	-		-	-
TOULVFD					-			238,820			238,819.500	-		-	238,820
TOU1			4,090,302			-	-	-	284,685		284,685.000		(9,850)	- 9,850	274,835
TOU2			5,897,207			-	-	-	247,683		247,682.689		(20,704)	- 20,704	226,979
TOU3			3,085,478			-	-	-	26,227		26,226.565		-	-	26,227
TOUTX					2,928.0300	256,495					256,495.428			-	256,495
TOUTX		24			349.1700	-		30,587			30,587.292	(4,608)		- 4,608	25,980
TOUTXD			-			-			-		-	-		-	-
TOUTXT						-		551,187			551,186.500	-		-	551,187
TOUTX1			5,944,227			-	-	-	413,718		413,718.202		(17,406)	- 17,406	396,313
TOUTX2			11,361,071			-	-	-	477,165		477,164.963		(36,495)	- 36,495	440,670
TOUTX3			7,890,037			-	-	-	66,980		66,980.312		-	-	66,980
TOUPFVD					-			-	-		-	-		-	-
					-	-	-	-	-		-	-		-	-
Industrial											-			-	-
0000984310TEBBE		1			3,350.1600	624,073	-	598,735	-		1,222,808.400	- 13.875		- 13,875	1,208,933
0000930130TE665		1									-			-	-
0000984000TE210		1			1,491.2500	144,821	-	399,485	-		544,306.250	- 6,938		- 6,938	537,369
LDGN		1			2,083.6584	-	-	760,536	-		760,535.981	-		-	760,536
LDGEO	LDGS1														
Street Lights											-	-		-	-
				-	-	-	-	-	-		-	-		-	-
UMDECL					-	-	-	-	-		-	-		-	-
UMG				169	43.6000	1,484	-	-	-		26,894.969	-		-	26,895
UMGL				76	20.0000	-	-	-	-		5,548.000	-		-	5,548
UMNT				8	30.0000	-	-	-	-		876.000	-		-	876
UML				2,286	43.6000	19,892	-	-	-		360,611.249	-		-	360,611
NIL				67	-	-					-	-		-	-
$\Sigma P_{t,2025} Q_{t,i}$		34,342	292,880,305	2,596		6,928,401	-	13,858,099	31,417,185	-	52,776,249	- 2,875,929	- 2,933,844	- 5,809,773	46,966,467

To calculate forecast revenue from prices requires a forecast of quantities for the assessment year. Given prices have a fixed and variable component the revenue forecasts require forecasts of the number of connections and quantities (kWh).

Forecasts are required for the next pricing year only (year ended March 2025) and therefore have been based on the level and trends of recent actual data. The total forecast quantities (kWh) by Price Code have then been adjusted to be in line with the longer-term trend for the network and for one-off events where appropriate e.g., Covid-19.

Actual data is based on the audited Information Disclosures for 1 April 2019 to 31 March 2023 and a forecast of the year ended March 2024. This timeframe has been chosen as it provides a representative view of consumption e.g., weather conditions. The forecast for the year ended 31 March 2024 is based on actuals to September 2023 and the reminder forecast.

The forecast of connections and quantities have been developed using a bottom-up approach by Price Code. The general methodology is below (unless stated in the exceptions):

- Connections are calculated by using the forecasted connections as of 31 March 2024 and applying an estimated growth rate using the average growth rate over the previous four years.
- Volumes for Residential connections are calculated by determining the average volume (kWh) per connection over the previous four years then aggregating connections by their Price Code as of 30 September 2023. An average by Price Code by month is then calculated and then multiplying it by the relevant connection forecast by month and then aggregating it by Price Code. Commercial connections are based on the last two years which is more reflective of their current consumption. Residential and General Commercial volumes are then adjusted to reflect increases in distributed generation. An adjustment has also been made to allow for correct price category allocation.
- Each Price Code average usage (except Industrial and unmetered) is then adjusted to align the aggregate forecast with the longer-term trend for the network (last decade) if appropriate. This year no change was made.

Tables A-D show the data used in the calculation and the forecast for 2024/2025. This demonstrates that the connections and volume forecasts are consistent with actual historical growth rates and distribution generation unless stated.

There are examples where the above methodology is not appropriate to use as a forecast. The exceptions are in Table E with an explanation of the methodology used and why.

Table A: Connection Growth by customer group

Category	Actual Growth ICP connections				Forecast		
Customer Group	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024E	2024/2025F	Commentary
Residential	1.0%	0.8%	1.3%	1.4%	1.5%	1.2%	Consistent with previous growth
Commercial	2.0%	2.0%	1.8%	1.5%	0.0%	0.4%	Reflect expected conditions
Industrial	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Based on last 12 months.
Unmetered	1.0%	6.8%	0.0%	1.1%	-0.8%	0.0%	Based on last 12 months
Overall	1.2%	1.0%	1.4%	1.4%	1.3%	1.1%	Consistent with historical trends

Table B: Total Annualised Usage by customer group

Customer Group	Actual consumption(kWh)				Forecast (kWh)		Commentary
	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024E	2024/2025F	
Residential	149,475,744	154,810,578	158,070,335	158,505,389	161,134,826	160,327,209	Based on historical average
Commercial	125,819,695	118,827,749	124,752,401	126,718,841	127,939,547	125,525,169	Reflects current conditions
Industrial	48,412,301	42,993,253	46,345,753	46,281,524	42,812,786	42,715,223	Revenue is not based on consumption
Unmetered	926,012	908,465	921,256	935,430	1,179,191	1,141,311	
Overall	324,633,751	317,540,044	330,089,745	332,441,185	333,066,351	329,708,911	

Table C: Average usage by Customer Group

Customer Group	Actual Consumption per connection(kWh)				Forecast (kWh)	
	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024E	2024/2025F
Residential	5,541	5,696	5,756	5,696	5,699	5,601
Commercial	23,440	21,763	22,425	22,406	22,392	21,986
Industrial	16,093,342	14,331,084	15,448,584	15,427,175	14,231,937	14,238,408
Unmetered	3,782	3,581	3,516	3,550	4,455	4,339
Overall	9,956	9,653	9,916	9,850	9,718	9,528

Table D: Exceptions to standard methodology for Commercial.

Price Code	Charge type	Forecast methodology
TOU	Connections	No growth in TOU connections is assumed. Any increase in numbers is due to correct price allocation of some customers
IND	Fixed	Based on last 12 months consumption based on conversations with customers and known changes to production. No impact on revenue or prices

Other notes on forecasting kWh quantities

TOU pricing for Residential and General Commercial customers

On 1 April 2020 Top Energy modified the structure of prices for Residential and General Commercial customers with the introduction of TOU pricing. These changes and the underlying drivers have been outlined in our pricing methodology and published price schedules.

The forecasting approach is outlined table below:

Table E: Residential and General Commercial TOU methodology

Forecast	Commentary
Connections	As of 31 March 2024, an additional 6,900 customers (20%) have been migrated to TOU pricing. This means 25,136 will be on TOU pricing. Top Energy will continue its process of all customers with communicating meters being transferred to TOU rates. The split does not impact revenue as the daily charges for TOU and non-TOU are similar same.
Average Quantities	Quantities kWh for customers on TOU price codes or single rate price codes are based on the same methodology as outlined above. No adjustment has been made to average kWh quantities to reflect behavioural change due to the new price structure. TOU results were inconclusive due to low uptake and retailers are not required to pass through to customers the TOU prices we publish. This will be reassessed for the forecast next year.
Allocation between time periods	The allocation of usage between Peak, Shoulder and Off-peak is based on actual data. As above no adjustment has been made due to behaviour changes which is consistent with what has been experienced over the last year. The pricing has been set so single rate is approximately the same as an average customer on TOU rates, within constraints (e.g. Low Fixed Charge tariff regulation), based on the consumption by time period below.

	The aggregate TOU splits by timebound are below: Peak / Shoulder / Off-peak Residential – All Inclusive: 19% / 54% / 27% Residential – Uncontrolled: 20% / 55% / 25% Commercial: 17% / 57% / 26% Weekday Peak 0700-0930, 01530-20 00; Shoulder 0930-1730, 2000-2200 and Off-peak 2200-0700 Weekend and Public Holidays Shoulder 0700-2200 and Off-peak 2200-0700

Solar

Top Energy's network has the third highest uptake of solar in New Zealand. As of 31 October 2023, 5.4% of connections had an on grid solar connection with a total of 10.94MW installed.[1] Growth over the last year has been 20% in installed capacity. Given solar has a material impact on consumption an estimate has been included in the forecast for Residential and General Commercial. Larger scale installations will only be included once connections are known.

The methodology for forecasting solar is shown in Table F below.

Table F: Solar forecast methodology

Forecast	Commentary
KW installed	The forecast for solar is based kW install rather than connections with solar. Residential and Commercial growth is based on the growth rate for the year ended August 2023 adjusted for an increase in uptake (Electricity Authority https://www.emi.ea.govt.nz/).
Generation from kW installed	Generation (kW) is forecasted to be appropriately 1,315KWh per annum per KW installed for the Far North. This is consistent with the EECA website solar tool.
Reduction in on grid consumption	Assumed Residential 45% consumed within the premise and 55% exported to grid. Commercial is 55% consumed and 45% exported.

[1] Electricity Authority https://www.emi.ea.govt.nz/ as of 31 October 2023

Appendix C – Director's certificate

I, David Alexander Sullivan, being director of Top Energy certify that, having made all reasonable enquiry, to the best of my/our knowledge and belief, the attached annual price-setting compliance statement of Top Energy, and related information, prepared for the purposes of the *Electricity Distribution Services Default Price-Quality Path Determination 2020* has been prepared in accordance with all relevant requirements, and all forecasts used in the calculations for forecast revenue from prices and forecast allowable revenue are reasonable.

Date: 26 March 2024