Default Price-Quality Path

Annual Price Setting Compliance Statement

1 April 2026 – 31 March 2027 Assessment Period

24 March 2026

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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 2025.

This price-setting compliance statement is published in accordance with clause 11.1 of the 2025 DPP Determination, and applies to the second assessment period, commencing 1 April 2026 and ending 31 March 2027.

2. Date prepared

This statement was prepared on 24 March 2026.

3. Statement of compliance

As demonstrated in Table 1 below, and consistent with clause 8.3 of the 2025 DPP Determination Top Energy has complied with the price path for the second assessment period.

Table 1

Price path compliance with forecast allowable revenue RY27		
In respect of each assessment period of the DPP regulatory period, to comply with the price path for an assessment period of the DPP regulatory period, a non-exempt EDB's forecast revenue from prices for that assessment period must not exceed the forecast allowable revenue for that assessment period.		
Term	Description	Value ($000)
Forecast revenue from prices	*Forecast revenue used by an EDB to set prices where forecast revenue is the total of each price multiplied by each quantity, plus any other revenue forecast to be received under a large connection contract, plus any forecast of other regulated income.*	58,664
Forecast allowable revenue	*Forecast net allowable revenue plus forecast pass-through costs plus forecast recoverable costs plus revenue forecast to be received under all large connection contracts*	67,071
Compliance result	*Forecast revenue from prices ≤ forecast allowable revenue for each disclosure year of the regulatory period*	**Compliant**

As demonstrated in Table 2 below, and consistent with clause 8.4 of the 2025 DPP Determination Top Energy has complied with the price path for the second assessment period.

Table 2

Price path compliance with the revenue smoothing limit RY27		
In respect of the second to fifth assessment periods of the DPP regulatory period, a non-exempt EDB's forecast revenue from prices for that assessment period of the DPP regulatory period, less forecast pass-through costs and less revenue forecast to be received in respect of any large connection contracts, must not exceed the revenue smoothing limit.		
Term	Description	Value ($000)
Forecast revenue from prices	*Forecast revenue used by an EDB to set prices where forecast revenue is the total of each price multiplied by each quantity, plus any other revenue forecast to be received under a large connection contract, plus any forecast of other regulated income.*	58,664
Forecast revenue from prices less forecast pass-through costs and less revenue forecast to be received in respect of any large connection contracts	*Forecast revenue from prices for that assessment period of the DPP regulatory period, less forecast pass-through costs and less revenue forecast to be received in respect of any large connection contracts*	48,547
Revenue smoothing limit	*Forecast net allowable revenue for the assessment period plus forecast recoverable costs, for the prior assessment period, inflated by forecast CPI, all multiplied by 1.1*	59,299
Compliance result	*Forecast revenue from prices less pass-through costs and less revenue forecast to be received under large connection contracts ≤ Revenue smoothing limit for each disclosure year of the regulatory period other than the first disclosure year*	**Compliant**

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 2025 DPP Determination is included as Appendix C.

5. Forecast allowable revenue

Table 3 shows the derivation of forecast allowable revenue, consistent with the requirements of Schedule 1.4 of the 2025 DPP Determination.

Table 3

Forecast allowable revenue RY27		
Term	Description	Value ($000)
Forecast net allowable revenue	*Forecast net allowable revenue as set out in Table 1.1.1 in Schedule 1.1 for the period ending 31 March 2027*	59,954
Forecast pass-through costs	*Forecast pass-through costs*	10,117
Forecast recoverable costs	*Forecast recoverable costs, including the amounts specified in Schedule 2.1*	(3,001)
Forecast revenue to be received from large connection contracts	*Forecast revenue to be received from large connection contracts*	-
Forecast allowable revenue		**67,071**

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 4 shows forecast revenue from prices.

Table 4

Forecast Revenue from prices RY27		
Term	Description	Value ($000)
$\Sigma P_{2026/27} * Q_{2026/27}$	*The sum of all forecast prices between 1 April 2026 and 31 March 2027 multiplied by forecast quantities for the period ending 31 March 2027*	58,634
Revenue forecast to be received under a large connection contract	*Forecast revenue to be received under a large connection contract*	-
Forecast of other regulated income	*Forecast of other regulated income*	30
Forecast revenue from prices		**58,664**

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. Revenue smoothing limit

Table 5 shows the Revenue smoothing limit for the second period of the 2025 DPP Determination

Table 5

Revenue smoothing limit RY27		
Term	Description	Value ($000)
Forecast net allowable revenue	*Forecast net allowable revenue for the assessment period*	59,954
Forecast recoverable costs t_{-1}	*Forecast recoverable costs for the prior assessment period*	(5,917)
Forecast CPI for revenue smoothing	*Forecast CPI for revenue smoothing*	2.2%
Revenue smoothing limit		**59,299**

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 2027

Table 6

Forecast Pass-through Costs RY27				
Forecast pass-through costs	$000	Forecasting methodology	Previous year forecast	Variance
Rates on system fixed assets	73	Actual 2025 plus CPI estimate based on RBNZ	66	7
Commerce Act levies	136	Actual June Quarter 2025, forecast plus CPI	152	(17)
Electricity Authority levies	145	2025 Actuals plus 7 months 2024 forecast plus CPI	135	10
Utilities Disputes levies	25	Last 2 years average	24	1
Transpower transmission charges	9,738	As notified by Transpower	8,314	1,424
New investment contract charges	-			-
System operator services charges	-			-
Total forecast pass-through costs	**10,117**		**8,691**	**1,426**

Forecast recoverable costs

Electricity Distribution Services Default Price-Quality Path Determination 2025
Forecast Recoverable Costs
for the Assessment Period ending 31 March 2027

Table 7

Forecast Recoverable Costs RY27				
Forecast recoverable costs	$000	Forecasting methodology	Previous year forecast	Variance
IRIS incentive adjustment	(3,133)	Calculations are consistent with clause 3.1.3 of the IMs	(5,923)	2,790
Avoided transmission charges - purchased assets	-			-
Claw-back	-			-
Reopener event allowance	-			-
Extended reserves allowance	-			-
Quality incentive adjustment	80	Determined for the 2024/2025 regulatory year (adjusted for time value of money)	(50)	130
Capex Wash-up Adjustment	-		-	-
Quality standard variation engineers fee	-			-
Urgent project allowance	-			-
Wash-up drawdown amount	-			-
Fire and emergency NZ levies	53	Based on allocated actuals for 8 months, then actuals plus CPI for the remaining 4 months	56	(4)
Innovation project allowance	-			-
Total forecast recoverable costs	**(3,001)**		**(5,917)**	**2,916**

Wash-up draw down amount

For the assessment period ending 31 March 2027 Top Energy has chosen to drawdown $0 from the washup drawdown account.

Electricity Distribution Services Default Price-Quality Path Determination 2025
Wash-up drawdown amount
for the Assessment Period ending 31 March 2027

Table 8

Wash-up drawdown amount RY27		
Term	Description	Value ($000)
Maximum Wash-up drawdown amount	*Wash-up account balance for the disclosure year two years prior multiplied by (1+cost of capital estimate specified in subclause 12 in disc year 1 yr prior) and (1+cost of capital estimate specified in subclause 12 for DYn) minus the Wash-up drawdown amount for disclosure year 1 yr prior multiplied by (1+cost of capital estimate specified in subclause 12 for DYn)*	21,919
Wash-up drawdown amount	*Wash-up amount nominated to be drawn down by the EDB in the disclosure year*	-
Amount determined by the Commission	*Wash-up drawdown amount determined by the Commission for the disclosure year*	-
Additional amount determined by the EDB as specified under 53N of the Act	*Wash-up drawdown amount in the disclosure year, as nominated by the EDB as specified under 53N of the Act*	-
Total		-

Appendix B – Forecast prices and quantities

Table 9 shows the forecast prices and quantities for the forecast revenue from prices for the first assessment period.

$\sum P_{Tariff(i)} Q_{i,y}$		Prices at 31 March 2027 multiplied by Q(Y31 Aug 2027 Forecast	FY	2027																
Number of Days		365																		
Tariff or Fee		Description	Distribution Average Number of ICPs 31/03/27	Pass-through kWh or kw or kvarh for 31/03/27	Other Qty for 31/03/27	Line Tariff 1.4.2026 to 31.3.2027 year		Forecast Pass-through Revenue ($)	Forecast Volume through Revenue ($)	Forecast Distribution Revenue ($)		Forecast Other Revenue ($)	Forecast Other Revenue ($)	Total Revenue ($)					Total Revenue ($) Forecast
						Fixed	Variable (c/kwh)	Fixed	Variable	Fixed	Variable	Fixed	Variable		Forecast Distribution Discount ($)	Forecast Distribution Discount ($)	Total Discount ($)	Total Revenue less Discount ($)
						Total	Total							31th, 2027 to 2027	Fixed	Variable		31th, 2027 to 2027
Low User Non-TOU (LR)																		
LRFP		LRFP Daily Passthrough Price				46,3000		614,564		-				614,564	-		-	614,564
LRFD		LRFD Distribution Fixed Price	3,480			41.7000		-		530,587				530,587	(191,408)		(191,408)	339,179
LUC	UN24	LRF Uncontrolled		2,770,776			19.120		-		529,772			529,772		(78,146)	(78,146)	451,625
LA	IN18	LRF All inclusive		11,240,246			16.120		-		1,811,928			1,811,928		(317,589)	(317,589)	1,494,339
LFC	CN20	LRF Controlled 20		95,886			6.250		-		5,945			5,945			-	5,945
														-				-
														-				-
Low user TOU Uncontrolled																		
LUF		LUF Daily price on HHR				46.3000		630,078		-				630,078	-		-	630,078
LUFD Distribution Daily Price		LUF Daily price on HHR	3,576			41.7000		-		543,981				543,981	(196,239)		(196,239)	347,741
LUH	UN24	LUF Peak		2,837,843			26.310		-		746,837			746,837		(84,152)	(84,152)	662,685
LUS	UN24	LUF Shoulder		7,683,768			18.310		-		1,406,898			1,406,898		(227,850)	(227,850)	1,179,048
LUO	UN24	LUF Off peak		3,141,371			12.890		-		402,595			402,595		(93,152)	(93,152)	309,443
							-				-			-			-	-
Low user TOU controlled																		
LCFP		LCF Daily price on HHR				46.3000		1,731,746		-				1,731,746	-		-	1,731,746
LCFD Distribution Daily Price			9,625			41.7000		-		1,495,110				1,495,110	(539,357)		(539,357)	955,753
LCH	IN18	LCF Peak		9,125,129			21.890		-		1,997,491			1,997,491		(218,226)	(218,226)	1,779,264
LCS	IN18	LCF Shoulder		25,044,476			16.000		-		4,007,116			4,007,116		(598,935)	(598,935)	3,408,181
LCO	IN18	LCF Off peak		12,393,515			10.370		-		1,285,208			1,285,208		(296,389)	(296,389)	988,818
							-				-			-			-	-
Standard User Non-TOU (SR)																		
SRFP		SRFP Daily Passthrough Price				46.3000		440,561		-				440,561	-		-	440,561
SRFD Distribution Fixed Price			2,469			236.7000		-		2,159,024				2,159,024	(311,224)		(311,224)	1,847,800
SUC	UN24	SRF Uncontrolled		4,266,462			10.580		-		450,542			450,542		(29,239)	(29,239)	421,302
SA	IN18	SRF All inclusive		11,678,204			7.530		-		879,369			879,369		(80,034)	(80,034)	799,335
SFC	CN20	SRF Controlled 20		178,538			4.370		-		7,802			7,802		-	-	7,802
														-				-
														-				-
Standard user TOU Uncontrolled																		
SUFP		SUF Daily price on HHR				46.3000		554,448		-				554,448	-		-	554,448
SUFD Distribution Fixed Price			3,145			236.7000		-		2,717,138				2,717,138	(391,675)		(391,675)	2,325,462
SUI	UN24	SUF Peak		3,662,994			12.630		-		497,896			497,896		(26,299)	(26,299)	471,597
SUS	UN24	SUF Shoulder		10,632,267			11.000		-		1,169,549			1,169,549		(72,384)	(72,384)	1,097,166
SUO	UN24	SUF Off peak		5,704,768			6.480		-		369,670			369,670		(38,838)	(38,838)	330,833
														-				-
Standard user TOU Uncontrolled																		
SCFP		SCF Daily price on HHR				46.3000		1,087,916		-				1,087,916	-		-	1,087,916
SCFD Distribution Fixed Price			6,171			236.7000		-		5,331,466				5,331,466	(768,533)		(768,533)	4,562,934
SCI	IN18	SCF Peak		8,810,078			9.950		-		876,603			876,603		(51,775)	(51,775)	824,828
SCO	IN18	SCF Shoulder		24,611,861			8.530		-		1,968,957			1,968,957		(144,639)	(144,639)	1,824,318
SCS	IN18	SCF Off peak		12,460,761			4.002		-		499,750			499,750		(73,423)	(73,423)	426,327
														-				-
														-				-
General User (GG)																		
GGFP		GGFP Daily Passthrough Price				127.4600		791,013		-				791,013	-		-	791,013
GGFD		GGFD Distribution Fixed Price	1,700			232.5200		-		1,442,787				1,442,787	(211,717)		(211,717)	1,231,070
GGUC	UN24	GGF Uncontrolled		23,359,941			15.130		-		3,534,359			3,534,359		(88,747)	(88,747)	3,445,612
GGA	IN18	GGF All inclusive		1,898,751			12.230		-		232,217			232,217		(5,588)	(5,588)	226,629
GGFC	CN20	GGF Controlled 20		1,999,751			4.370		-		87,389			87,389		-	-	87,389
GGD	DI5	GGF Day					-		-		-			-		-	-	-
GGN	N8	GGF Night					-		-		-			-		-	-	-
														-				-
General TOU Uncontrolled																		
GUFP		GUFP Daily Passthrough Price				127.4600		1,541,080		-				1,541,080	-		-	1,541,080
GUFD		GUFD Distribution Fixed Price	3,312			232.5200		-		2,810,888				2,810,888	(412,475)		(412,475)	2,398,413
GUY	UN24	GUF Peak		8,601,017			19.102		-		1,642,794			1,642,794		(25,373)	(25,373)	1,617,420
GUS	UN24	GUF Shoulder		27,375,018			15.836		-		4,333,465			4,333,465		(80,795)	(80,795)	4,252,709
GUO	UN24	GUF Off peak		13,116,421			8.040		-		1,054,560			1,054,560		(38,683)	(38,683)	1,015,857
							-				-			-			-	-
General TOU controlled																		
GGDP		GGTF Daily Passthrough Price				127.4600		264,985		-				264,985	-		-	264,985
GGTD		GGTF Distribution Fixed Price	546			232.5200		-		465,087				465,087	(68,248)		(68,248)	396,839
GCI	IN18	GGF Peak		1,626,854			16.192		-		294,124			294,124		(4,526)	(4,526)	289,598
GCS	IN18	GGF Shoulder		5,095,085			12.916		-		657,776			657,776		(12,627)	(12,627)	645,148
GCO	IN18	GGF Off peak		2,746,620			5.046		-		138,430			138,430		(6,807)	(6,807)	131,622
							-				-			-			-	-
General Advanced User (GA)																		
GAFP		GATF Daily Passthrough Price				127.4600		20,939		-				20,939	-		-	20,939
GATD		GATF Distribution Fixed Price	63			1,671.8360		-		274,599				274,599	(8,739)		(8,739)	265,860
GY		GY Peak		1,501,174			17.002		-		255,950			255,950		(4,793)	(4,793)	251,157
GO		GO Shoulder		3,430,904			10.676		-		366,081			366,081		(10,955)	(10,955)	355,126
GS		GS Off peak		1,374,925			5.310		-		73,009			73,009			-	73,009
Kaikoha Industrial Park																		
General TOU Uncontrolled IND																		
GUNDFP		GUNDFP Daily Passthrough Price				84.9909		310		-				310	(129)		(129)	181
GUNDFD		GUNDFD Distribution Fixed Price	1			155.0211		-		566				566	-		-	566
GUNDY	UN24	GUND Peak		2,041			12.734		-		260			260		(6)	(6)	253
GUNDS	UN24	GUND Shoulder		6,554			10.504		-		692			692		(21)	(21)	671
GUNDO	UN24	GUND Off peak		5,161			5.360		-		277			277			-	277
																		-
																		-
General Advanced User (GA) IND																		
GAINDFP						84.9909		310		-				310	(201)		(201)	109
GAINDFD			1			1,114.6131		-		4,068				4,068	-		-	4,068
GAIND1		GAIND Peak		23,759			11.367		-		2,701			2,701		(1)	(1)	2,700
GAIND2		GAIND Shoulder		69,898			7.114		-		4,958			4,958		(2)	(2)	4,956
GAIND3		GAIND Off-Peak		31,164			3.540		-		1,101			1,101			-	1,101
TOUIND																		
TOUINDF						2,620.2910		-		-				-			-	-
TOUINDVD			0			657.0726		-		-				-			-	-
TOUINDLVFD										-				-			-	-
TOUIND1		TOUIND Peak		-			4.140		-		-			-			-	-
TOUIND2		TOUIND Shoulder		-			2.737		-		-			-			-	-
TOUIND3		TOUIND Off-Peak		-			0.495		-		-			-			-	-
														-				-
														-				-
LDGF		Distributor Generation only (< 1 MW or for Network Purposes)	4											-				-
LDGD																		
LDGV1	LDG	LDG Peak		2,424			-				-			-	-		-	-
LDGV2	LDG	LDG Shoulder		4,848			-		-		-			-			-	-
LDGV3	LDG	LDG Off Peak		2,424			-		-		-			-			-	-
DG		Distributed Generation		7,637,761			1.000				76,378			76,378	-		-	76,378
														-				-
Larger User (TOU)																		
TOUF		TOUF Daily Pass Through				3,930.2400		545,124						545,124			-	545,124
TOUF		Daily Distribution Demand price	38			985.5600				136,697				136,697		(7,360)	-	129,317
TOUDVD		Daily Distribution Demand Price								-				-			-	-
TOULVFD		Daily Distribution LV Capacity price $/day/ kVA								375,672				375,672	-		-	375,672
TOUI		Peak		3,100,976			6.210	-	-	-	192,571			192,571		(10,526)	10,526	182,044
TOUS		Shoulder		6,758,463			4.095	-	-	-	276,421			276,421		(21,733)	21,733	254,688
TOUO		Off peak		3,043,381			0.695	-	-	-	21,260			21,260			-	21,260
											-			-			-	-
TOUFX		TOU Off peak				3,930.2400		358,634			-			358,634			-	358,634
TOUFX		Daily Distribution LV Capacity price $/day/ kVA	25			985.5600		-		89,932				89,932	(4,855)		4,855	85,077
TOUTXD		Daily Distribution Demand Price								-				-	-		-	-
TOUTXT		Daily Distribution LV Capacity price $/day/ kVA								871,401				871,401	-		-	871,401
TOUTX1		Peak		5,292,167			6.210	-	-	-	328,644			328,644		(18,343)	18,343	310,301
TOUTX2		Shoulder		10,657,755			4.095	-	-	-	436,311			436,311		(36,797)	36,797	399,514
TOUTX3		Off peak		7,282,836			0.605	-	-	-	43,696			43,696			-	43,696
TOURPVD		Daily Distribution Power factor Price kVar				-				-	-			-			-	-
							-	-	-	-	-			-			-	-
Industrial																		
IND1			1			3,965.7894		792,692	-	654,822	-			1,447,513	- 13,875		- 13,875	1,433,638
IND2		Industrial 2	1			2,214.0588		207,883	-	600,248	-			808,131	- 6,938		- 6,938	801,194
LOGN		Ngawha Connection	1			2,254.7131	-	-	-	822,970	-			822,970	-		-	822,970
NDS		Distribution System Operator	1					98,970	-	-	-			98,970	-		-	98,970
IND4		Distribution System Operator	1					35,163	-	-	-			35,163	-		-	35,163
Street Lights																		
					-			-	-	-	-			-	-		-	-
LMD					154	52.7785		1,709	-	-	-	27,958		29,667	-		-	29,667
LMDL					55	36.4500		-	-	-	-	5,310		5,310	-		-	5,310
LMNT					4	39.9750		-	-	-	-	579		579	-		-	579
LML					2,681	52.7785		29,748	-	-	-	486,724		516,472	-		-	516,472
LMC						250.0808								-				-
NL					67	-		-						-	-		-	-
														-				-
														-				-
														-				-
$\sum P_{LINE} Q_i$			34,377	293,329,723	2,961			9,737,875	-	21,327,042	32,958,650	520,571	-	64,544,137	- 3,132,992	- 2,776,812	- 5,909,804	58,634,333

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 2027) 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 2021 to 31 March 2025 and a forecast of the year ended March 2026. 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 2026 is based on actuals to September 2025 and the remainder of the 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 2026 and applying an estimated growth rate based on past growth rates and current economic conditions.
- Volumes for Residential connections are calculated by determining the average volume (kWh) per connection over the previous two years then aggregating connections by their Price Code as of 30 September 2025. 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 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 2026/2027. 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

	Actual Growth ICP connections				Forecast		
Customer Group	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026 E	2026/2027 F	Commentary
Residential	1.3%	1.4%	0.9%	1.1%	0.7%	0.4%	Reflects expected conditions
Commercial	1.8%	1.5%	1.2%	-0.7%	-1.5%	0.0%	Reflects expected conditions
Industrial	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Based on known connections
Unmetered	0.0%	1.1%	-1.9%	-2.3%	-0.3%	0.0%	Based on known connections
Overall	1.4%	1.4%	0.9%	0.8%	0.4%	0.3%	Consistent with last year

Table B: Total Annualised Usage by customer group

Customer Group	Actual consumption(kWh)				Forecast (kWh)		Commentary
	2021/2022	2022/2023	2023/2024 (Adj to 365)	2024/2025	2025/2026 E	2026/2027 F	
Residential	158,070,335	158,505,389	161,502,523	157,775,771	156,543,579	156,572,094	Based on historical average and expected Solar uptake
Commercial	124,752,401	126,718,841	127,136,594	130,875,226	129,813,875	129,119,848	Based on historical average and expected Solar uptake
Industrial	46,345,753	46,281,524	39,887,864	41,518,186	40,705,258	41,111,722	Included for completeness as revenue is not based on consumption
Unmetered	921,256	935,430	1,108,199	942,032	1,071,612	1,090,822	
Overall	330,089,745	332,441,185	329,635,179	331,111,214	328,134,324	327,894,485	

Table C: Average usage by Customer Group

Customer Group	Actual Consumption per connection(kWh)				Forecast (kWh)	
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026 E	2026/2027 F
Residential	5,756	5,696	5,738	5,550	5,455	5,425
Commercial	22,425	22,406	22,184	22,783	22,849	22,903
Industrial	15,448,584	15,427,175	13,295,955	13,839,395	13,568,419	13,703,907
Unmetered	3,516	3,550	4,222	3,665	4,225	4,307
Overall	9,916	9,850	9,655	9,616	9,474	9,434

Table D: Exceptions to standard methodology for Commercial.

Price Code	Charge type	Forecast methodology
TOU	Connections	No growth in TOU connections is assumed.
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

The forecasting approach is outlined table below:

Table E: Residential and General Commercial TOU methodology

<table>
<tr><th>Forecast</th><th>Commentary</th></tr>
<tr><td>Connections</td><td>All eligible connections for TOU tariffs have been placed on TOU tariffs. As of 31 March 2026 it is estimated that there are 26,720 on TOU pricing. This is periodically reviewed to ensure compliance.

The split does not impact revenue as the daily charges for TOU and non-TOU are the same.</td></tr>
<tr><td>Average Quantities</td><td>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.</td></tr>
<tr><td>Allocation between time periods</td><td>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:

<table>
<tr><td></td><td>Peak</td><td>Shoulder</td><td>Off-peak</td></tr>
<tr><td>Residential – All Inclusive</td><td>19%</td><td>54%</td><td>27%</td></tr>
<tr><td>Residential – Uncontrolled</td><td>20%</td><td>54%</td><td>26%</td></tr>
<tr><td>Commercial</td><td>18%</td><td>55%</td><td>27%</td></tr>
</table>

<u>Weekday</u>
Peak 0700-0930, 01530-20 00; Shoulder 0930-1730, 2000-2200 and Off-peak 2200-0700
<u>Weekend and Public Holidays</u>
Shoulder 0700-2200 and Off-peak 2200-0700</td></tr>
</table>

Solar

Top Energy's network has the third highest uptake of solar in New Zealand. As of 31 December 2025, 7% of connections had an on grid solar connection with a total of 14.9MW 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.

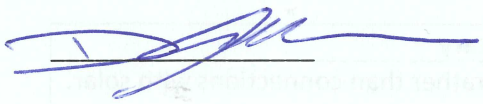
Table F: Solar forecast methodology

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 2025 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 December 2025

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 2025* 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: 24 March 2026