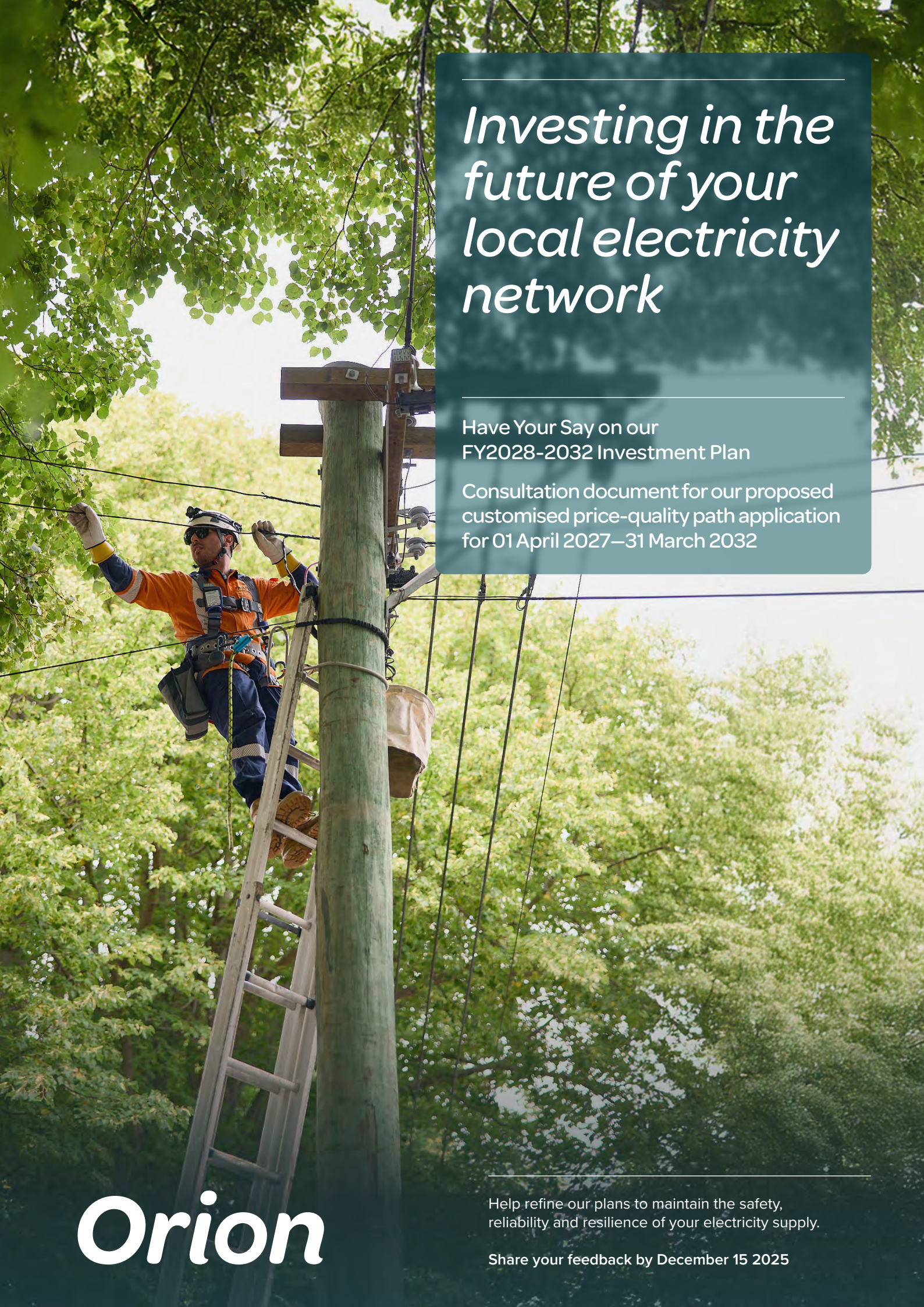


The background is a solid teal color with a faint, semi-transparent image of utility poles and power lines. The lines are thin and dark, crisscrossing the frame. The poles are vertical, with cross-arms and insulators visible. The overall aesthetic is clean and modern.

Appendix K

Consultation
Document



Investing in the future of your local electricity network

Have Your Say on our
FY2028-2032 Investment Plan

Consultation document for our proposed
customised price-quality path application
for 01 April 2027–31 March 2032

Orion

Help refine our plans to maintain the safety, reliability and resilience of your electricity supply.

Share your feedback by December 15 2025

Welcome to Orion's consultation on our proposed customised price-quality path application. We want your feedback on our investment plans for the future of your electricity network.

We intend to apply for a customised price-quality path (CPP or customised path) for the five-year period 01 April 2027 – 31 March 2032 (FY28-32). We're currently preparing a customised path proposal which we'll submit to the Commerce Commission in June 2026. The Commission sets how much revenue we can earn from the lines charges you pay, and the minimum service quality we must deliver. We're applying for a customised path to make sure we have the revenue needed to provide a safe, reliable, resilient and future-ready network for our customers.

Over the past year, we've been listening to our customers and communities to understand what matters most. This is another opportunity to have your say. This document explains why we need to invest more, what we're investing in, the benefits for you, and the impact on your distribution lines charges.

Our plan reflects what customers have told us: safety, reliability, and resilience are top priorities. You also expect us to plan for growth, support a changing energy future, and keep electricity affordable. We've heard you, and we've worked hard to make sure our plans are prudent and efficient.

We believe our investment plans strike the right balance between managing risk, maintaining safety and reliability, and ensuring long-term affordability. We're investing in the network for the benefit of customers today, and for future generations - we're investing for tomorrow, today.

Tell us what matters most to you. You can share your feedback in several ways:

- **Online:** Visit our consultation website at www.haveyoursay.oriongroup.co.nz and complete the survey
- **Email:** haveyoursay@oriongroup.co.nz
- **In writing:** The Orion Group, 565 Wairakei Road, Burnside, Christchurch 8053
- **Talk to us:** Email haveyoursay@oriongroup.co.nz to arrange a time to discuss your feedback

Please provide your feedback by **15 December 2025**.

Use this QR CODE to visit our consultation website.



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Message from the Chair and Chief Executive



Paul Munro
Chair



Nigel Barbour
Group Chief Executive

At Orion, our commitment is to deliver a safe, reliable, and future-ready electricity network for our community. It's a responsibility we take a lot of pride in, and certainly not one we take lightly. Electricity is an essential service—powering homes, businesses, and vital infrastructure—and its safety and reliability underpin the wellbeing and prosperity of our region.

As we look ahead to 2028–2032, we're inviting you—our customers, partners, and neighbours—to help refine our plans for the next chapter.

Our region is growing, technology is evolving, and the need for resilience has never been greater. That's why we're proposing increased investment to renew and strengthen our network, support new technologies, and ensure we're ready for whatever the future brings. We know affordability matters, and your feedback will help us balance these priorities.







This consultation is the result of extensive engagement with people across our region. Through panels, workshops, surveys and digital and printed material we've sought your valued feedback. Your voices have highlighted what matters most: affordable electricity, safety, reliability, resilience, capacity for growth, and clear, timely communication to keep customers informed about planned and unplanned outages. We're listening, and we want to keep the conversation going.

Thank you for being part of this important process. You are helping us deliver on our purpose to power a cleaner and brighter future with our community. Together, we can build a network that serves our region today and for generations to come.

Paul Munro
Chair

Nigel Barbour
Group Chief Executive

Our proposed investment plan at a glance

Proposed expenditure	What drives our expenditure	What we'll do	What it means for you
\$745m	 <p>Providing a safe and reliable electricity network</p>	Keep our network safe and reliable by proactively replacing ageing assets at the right time.	A safe and reliable network with unplanned outages remaining at current levels.
\$96m	 <p>Building network resilience to reduce major outage risk</p>	Strengthen the network to better withstand severe weather and natural disasters, keeping you connected when it matters most.	A stronger, more resilient network that keeps the power on and restores supply quicker after disruption.
\$343m	 <p>Increasing our ability to support growth</p>	Build a future-ready network that supports population growth and rising demand without compromising safety or reliability.	New customers can connect to the network, and the network can accommodate increasing demand while staying safe and reliable.
\$30m	 <p>Preparing to meet future needs</p>	Support two-way energy flows and integrate new technologies, enabling greater customer choice and delivering more flexibility in how we meet future needs and demand.	Customers gain more flexibility, choice, and control over how they use, generate, and store electricity. Smarter, flexible solutions help avoid more expensive upgrades.
\$93m	 <p>Improving capability to drive efficiencies</p>	Upgrade our systems and tools so we can keep the network running smoothly, respond faster to outages, plan ahead and better understand how you use electricity.	Smarter decisions enable the network to operate more efficiently, promoting sustainability and helping keep lines charges affordable.
\$308m	 <p>Supporting network activities</p>	Ensure we have the people and facilities to plan, operate and maintain our network, and to deliver our proposed investment plan.	An efficient and reliable service supported by the right people and resources.



Why are we consulting on our investment plan?

We want feedback from customers on our investment plans before we submit our customised path proposal to the Commerce Commission. This is an opportunity for you to have your say.

A customised path is a regulatory process which allows us to apply to increase our revenue so we can invest more in the electricity distribution network.

Like most electricity distributors in New Zealand, Orion is regulated by the Commerce Commission. They determine the level of investment, the overall amount we can charge customers each year, and the minimum service quality we must provide. Two types of price-quality path are available – a default price-quality path (default path) or a customised path. The key difference between the two is how revenue and other aspects (e.g. quality standards) are determined:

- Default path - this uses a standardised approach largely based on past spending.
- Customised path - this involves a tailored approach that reflects Orion's specific circumstances. To pursue this path, we must submit a detailed proposal to the Commission, which then undertakes a rigorous review to ensure it delivers good outcomes for customers.

When reviewing our customised path proposal, the Commerce Commission will scrutinise whether our investment plans are prudent, efficient, and in the long-term interests of our customers. Their independent oversight gives customers confidence that our investment plans, and their impact on customer prices, are thoroughly assessed and carefully scrutinised before being approved. They will ultimately determine the revenue we can earn over the customised path period (01 April 2027 to 31 March 2032).

This consultation forms an important part of our application for a customised path. It is a continuation of the engagement process we started last year seeking to understand what matters most to our customers about their electricity supply.

Our customised price-quality path journey

June 2024

Customised path preparation

We launched a comprehensive review of the investment needed to keep our network safe, reliable, and resilient, meeting safety and quality standards and customer expectations.

August 2025 to March 2026

Independent verification

An independent expert, approved by the Commerce Commission, audits our proposed investment plans and provides a report to the Commission.

June 2026

Application lodged

We lodge our customised path application with the Commerce Commission.

March 2027

Final decision

The Commerce Commission makes a final decision on our customised path proposal. They decide our revenue limits and the service measures for the customised path period (FY28-32).

April to May 2025

Consultation on investment approaches

In our 2025 AMP Update we asked for feedback on future investment approaches and what mattered most to customers. This helped guide our investment plans.

November to December 2025

Consultation on our draft proposal

We ask customers, stakeholders and the community for feedback on the investment plans in our draft customised path proposal - this document.

July 2026 to March 2027

Regulatory review

The Commerce Commission evaluates our customised path proposal and asks for feedback.

01 April 2027

Customised path commences

Once approved, Orion starts on its customised path from 01 April 2027.

Why do we need to invest more now?

Applying for a customised path doesn't mean anything has gone wrong, it simply reflects that Orion's circumstances have changed, and the standardised default path is no longer appropriate. The need to invest more now stems from our need to ramp up asset renewals and respond to rapid growth across our region.

Following the Canterbury earthquakes, we prioritised restoring the network and reconnecting customers, which required significant investment. A customised path in 2013 supported this recovery-focused work, and to keep costs down for customers during that time, some long-term asset renewals were deferred. Since then, strong regional growth has shifted our focus to expanding the network, rather than catching up on those deferred renewals.

We've now reached a point where further delay is no longer sustainable. Without additional investment, service quality will decline, and we're conscious of the consequences of underinvestment in infrastructure. Our customers have told us they don't want us to underinvest.

To continue delivering the safe, reliable, and resilient service our community expects, we need to invest more now. We can't afford to kick the can down the road any longer.



This document

This consultation document sets out our proposed customised path plan. It starts with who we are, why increased investment is needed, and what our customers have told us matters most. From there, it outlines our investment plan across five key areas—safety and reliability, resilience, network capacity, future technologies, and efficiency—explaining what we're investing in, how it benefits customers, and what this means for power bills.

Question to keep in mind

To help us understand your needs and priorities, we've included questions on key issues we are seeking your feedback on. You can answer all or some of these questions and provide any other feedback you wish to share. The easiest way to give your feedback is via our Have Your Say consultation website at: haveyoursay.oriongroup.co.nz

Finding the right balance

When we make investment decisions, we aim to strike the right balance between cost and service quality, this is known as a price-quality trade-off. It means weighing options like lower prices with fewer upgrades (and a higher risk of outages), versus modest price increases to maintain safety, reliability, and future readiness. It's also about deciding whether to invest now to prepare the network for new technologies, or delay and risk missing out on future benefits.

We use our asset management expertise and understanding of customer needs to guide these decisions, but we want to hear from you. Throughout this document, you'll find questions asking what matters most to you.

Our network

From the Rakaia to the Waimakariri, and Banks Peninsula to Arthur's Pass, Orion owns and operates the electricity distribution network that provides power to Central Waitaha Canterbury.

Our purpose is to power a cleaner, brighter future with our community. Our network extends over 8,000 square kilometres and delivers electricity to more than 229,000 homes, and businesses. It has two distinct regions:

- Region A includes the city of Ōtautahi Christchurch and its suburbs and represents around 6% of our physical network area and 83% of our customers.
- Region B includes the rural areas and regional towns in Banks Peninsula and Selwyn District, representing around 94% of our network area and 17% of our customers.

We are community-owned and have two shareholders – Christchurch City Council, through its subsidiary Christchurch City Holdings Ltd, and Selwyn District Council.

Our network areas



Figure 1: Our network area

How electricity gets to you

To explain our investment plans, it is first useful to outline the electricity system, our role in it, and how it relates to you. New Zealand's energy system comprises different types of businesses working together, including generators, Transpower (the national grid operator), distributors, and retailers.

Orion is an electricity distributor. Our job is to distribute power from the national grid through our network to your homes and businesses. Orion is one of 29 electricity distribution businesses and is the third largest in New Zealand by customer numbers.

New Zealand's energy system

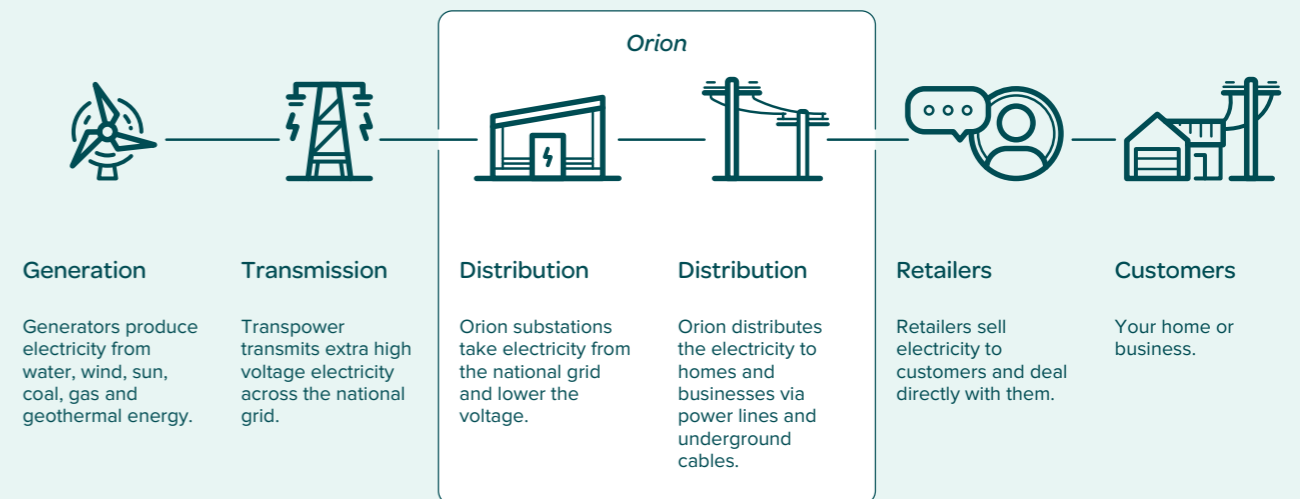


Figure 2: New Zealand's electricity system

How electricity gets to you

Orion builds, maintains and upgrades the substations, poles, power lines, underground cables and other equipment required to deliver power safely and reliably to homes and businesses across our network.

8,000+



Square kilometres of network coverage

14,300+



Kilometres of lines and cables

52



Zone substations

90,000+



Orion power poles

5,800



Distribution substations

229,000+



Total customer connections

4,000+



New customer connections a year

What your electricity bill pays for

We recover the costs of providing our services through the lines charges included as part of your electricity bill, and through the fees we charge for new customer connections. These allow us to continually invest in our network to support growth and to ensure safety, reliability and resilience.

You may not be familiar with Orion, as your electricity contract will be with your chosen retailer. Your retailer bundles the cost of our line charges (as well as the costs from other businesses in the electricity system) into a single power bill.

Typically, our lines charges represent around 25 cents of each dollar of your power bill. Transpower's charges represent around 8 cents, generation and retail represent around 50 cents, and the remainder covering metering and GST.

Electricity Authority Te Mana Hiko,
<https://www.ea.govt.nz/your-power/bill/>

What your electricity bill pays for

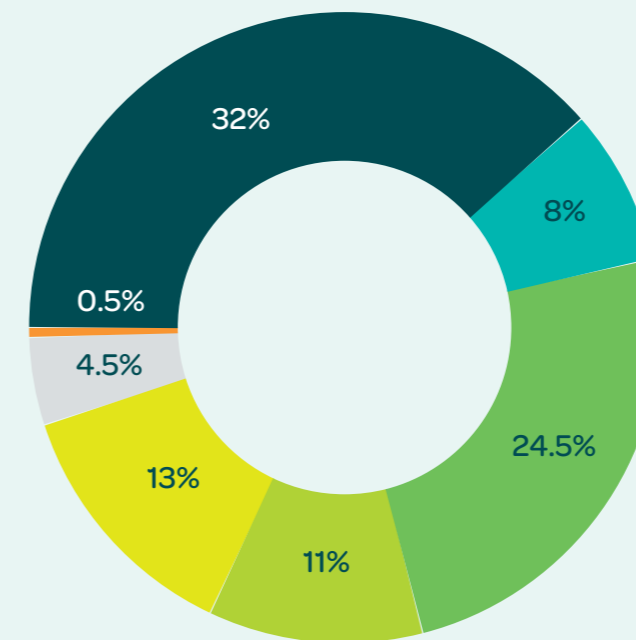


Figure 3: What your power bill pays for

38.5% Generation
 This goes towards the cost of generating the electricity you use.

8% Transmission
 This cost helps pay for building and maintaining the national grid.

24.5% Distribution
 This cost helps pay for building and maintaining the power lines and cables that transport electricity from the national grid to your house.

11% Retail
 This cost goes towards paying for the operating costs borne by the retailer you buy your electricity from.

13% GST
 This is the Goods and Services Tax (15% of pre-tax amount, 13% of total amount).

4.5% General
 This cost goes towards the cost of reading and maintaining your meter, energy efficiency programmes and the day-to-day running of the electricity market.

0.5% Levies
 This cost goes towards the organisations who operate the electricity market.

Why we invest in the network

Our purpose is to power a cleaner and brighter future with our community.

Looking ahead, electricity will be central to how our community powers its future, from heating homes and charging vehicles to supporting innovation and local businesses. It's increasingly becoming the energy source of choice.

Over the past year, we've listened closely to our customers and community. The message is clear: our region is growing, our economy is evolving, and the demands on our electricity infrastructure are increasing. They understand we must invest in a network that is safe, reliable, and resilient; one that can support our community today and be ready for tomorrow.

We know our customers expect a dependable supply of electricity – power when and where it's needed. At the same time, we understand the financial pressures many homes and businesses face, and we're committed to keeping electricity affordable.

The way our customers generate, use and store electricity is also changing. Technologies like solar panels, batteries, and electric vehicles are creating a future where electricity flows both ways across the network, from power stations to customers and from customers back into the network. These innovations offer greater flexibility in how we meet demand, helping us avoid costly upgrades and keep prices down.

To deliver on this cleaner and brighter future and respond to the needs and expectations of our community, we've identified five key investment drivers.



Maintaining safety and reliability



Strengthening network resilience



Increasing our network capacity



Preparing for new technologies



Improving capability to drive efficiencies

What would happen if we didn't increase investment?

If Orion stayed on the default path and didn't increase investment, we would have to delay essential work that's needed now. This would put service quality at risk, and that risk would grow over time. Without additional investment:

- **Reliability would decline**, leading to more frequent and longer outages, and the network could become unsafe. For example, power poles falling down.
- **Resilience wouldn't improve**, meaning severe weather or natural disasters could cause prolonged outages and slow restoration.
- **Growth would be constrained**, making it harder to connect new customers, support regional development, and enable decarbonisation.
- **New technologies would be harder to adopt**, creating barriers to supporting solar, batteries, and electric vehicles, and missing opportunities to use flexible solutions to avoid costly upgrades.
- **Improvement opportunities would be limited**, reducing our ability to reduce costs, improve outage responses, and maintain the reliable service customers expect.
- **Service efficiency would drop** without the right people and resources, compromising safety, reliability, and resilience.

Delaying investment would only make these problems bigger and more expensive to fix later. Our customers tell us they want a safe, reliable, and future-ready network that supports growth and new technologies. That's why we're investing for tomorrow, today.



What our customers have told us so far

We're committed to working closely with our customers, stakeholders, and community to ensure our customised path proposal reflects their needs and priorities.

Key engagement activities

Our goal is to ensure the views and expectations of our customers are accurately and meaningfully reflected in our customised path proposal. We have engaged with customers using four key activity streams to ensure we can capture a diverse range of insights and perspectives.

Customer Advisory Panel	A group of community representatives who share insights on customer needs, supported by an independent advisor.
Powerful Conversations	Interactive workshops where we explore complex topics with customers in a collaborative setting.
Connected Conversations	Engagement with key stakeholders such as major customers, electricity retailers, and community organisations.
Community Conversations	Broader engagement with the wider community through surveys, advertising, our project website, and other communication materials.

Customised path engagement

Our engagement has been guided by our purpose: powering a cleaner and brighter future with our community. The customised path process includes five engagement phases. We've completed early engagement and consultation on our investment approach, and we're now seeking feedback on our draft customised path proposal. Next, we'll refine the proposal based on feedback followed by a final consultation led by the Commerce Commission.

What we've done:

Phase 1 – Early engagement (August 2024 – March 2025)

This research phase focused on understanding our customers, who told us they want us to focus on:

- Keeping the cost of electricity down, now and in the future
- Keeping power safe and reliable
- Providing a network that can withstand major damage after a major event and be repaired quickly
- Supporting growth without compromising reliability for existing customers
- Running the network as efficiently as possible
- Future proofing the network to ensure it remains reliable and can accommodate new technologies and customer choice
- Providing timely, clear and accurate information on outages.

Phase 2 – Consultation (April to October 2025)

In our 2025 Asset Management Plan Update, we asked for feedback on our proposed investment approach. Customers told us that a safe, reliable, and resilient power supply is essential, and most were satisfied with the current level of reliability and want to ensure this is maintained.

When we asked about priorities, customers highlighted the following:

1. A safe and reliable network
2. Resilience to major events like earthquakes or severe weather
3. Capacity to accommodate some growth in demand for electricity
4. Ability to accommodate new technologies
5. Fair and manageable line charges on your power bill

To support these priorities, we presented three investment approaches for consideration.

- A limited approach that kept investment close to default price path levels, helping to minimise price increases
- An accelerated approach with higher investment to build a highly reliable and resilient network.
- A balanced approach, our preferred option, with moderately increased costs, investment to maintain a safe, reliable, and resilient network over time.

Overall, feedback indicated a preference for a balanced approach, suggesting our proposed approach aligns with our customer's priorities.

Where we are now

Phase 3 – Consultation (November 2025 to February 2026)

We're now sharing our draft customised path plan for feedback. This document outlines our proposed investment plan for the future of your electricity network, and we're keen to get feedback.

What's coming up

Phase 4 – Refinement (February – June 2026)

Once we've gathered feedback, we'll use it to shape and refine our final customised path proposal for submission to the Commerce Commission. We'll also explain how customer input has influenced the final plan, or, where changes weren't possible, why that was the case.

Phase 5 – Regulatory review (July to December 2026)

After we submit our proposal, the Commerce Commission will run its own consultation process. This means customers will have another opportunity to share their views before the Commission makes its final decision, expected in March 2027.

What we're seeking feedback on

This consultation focuses on refining our proposed investment plan based on the balanced approach outlined in our 2025 Asset Management Plan Update.

A significant portion of the planned expenditure is critical to maintaining safety, reliability, and resilience—priorities our customers have consistently told us matter most. The Commerce Commission will review this core investment to ensure it is prudent, efficient, and in the long-term interests of customers. Approval will only be granted if these tests are met.

However, there are areas where customer perspectives play a key role in shaping our decisions. We want to understand whether customers value this investment and are willing to support the additional cost. These initiatives include:

- Replacing older 66kV cables to build network resilience
- Reinforcing the low-voltage network to accommodate growth
- Exploring non-network solutions to defer major network upgrades

We outline these programmes in the next section, and your feedback will help us confirm priorities and ensure our plans reflect what matters most. We're also seeking feedback on some of the quality service measures we use to monitor if we're doing a good job.

Further opportunity for feedback

Customer feedback continues to play a vital role in refining our investment plans as we prepare to submit our customised path proposal to the Commerce Commission.

After we submit our proposal in June 2026, you'll have another opportunity to have your say. The Commerce Commission will run its own consultation process, as it determines our customised price path

Key insights

Customer feedback is central to our decisions, not just because engagement is part of the customised path process, but because listening ensures our investment priorities reflect real-world needs.

Every conversation, workshop, and research outcome helps build a more responsive, resilient, and customer-focused electricity network.

Customers consistently tell us they value a safe, reliable and resilient network, while affordability remains critical. They also expect us to plan for growth and be ready for a changing energy future. In short, customers want electricity that's available when they need it, at a fair price, now and for the future.

Our engagement so far has revealed these are our customers' key priorities:



Our proposed plan

In total, we plan to spend approximately 1.615 billion, over the five-years from 01 April 2027 to 31 March 2032 (FY28 – 32). This is around \$323 million per year on average.

This is made up of:

- \$1.039 billion in capital expenditure - the long-term investments we make in our physical assets; and
- \$576 million in operational expenditure - our day-to-day expenditure to run the network and support the delivery of our services.

When we talk about this expenditure, it is in constant FY26 dollars, or today's dollars (i.e. it is not adjusted for forecast inflation). Using constant dollars helps maintain comparability of expenditure over time.



Our customers have told us that affordability is a top priority.

With this in mind, we've reduced our total expenditure from the level outlined in our 2025 Asset Management Plan update. Through updated modelling and cost refinements, we've lowered costs by around \$115 million. We've also increased the use of non-network solutions to defer capital investment in zone substations, helping manage costs while maintaining reliability.

Total expenditure under our proposed customised price path



Figure 4: What makes up our proposed customised path expenditure

Table 1: Investing to keep your power safe and reliable Customised path period

	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
	Expenditure/year over customised path period					
Capital expenditure	\$178m	\$194m	\$213m	\$230m	\$224m	\$1.039 billion
Operational expenditure	\$108m	\$113m	\$116m	\$121m	\$118m	\$0.576 billion
Total expenditure	\$286m	\$307m	\$329m	\$351m	\$343m	\$1.615 billion

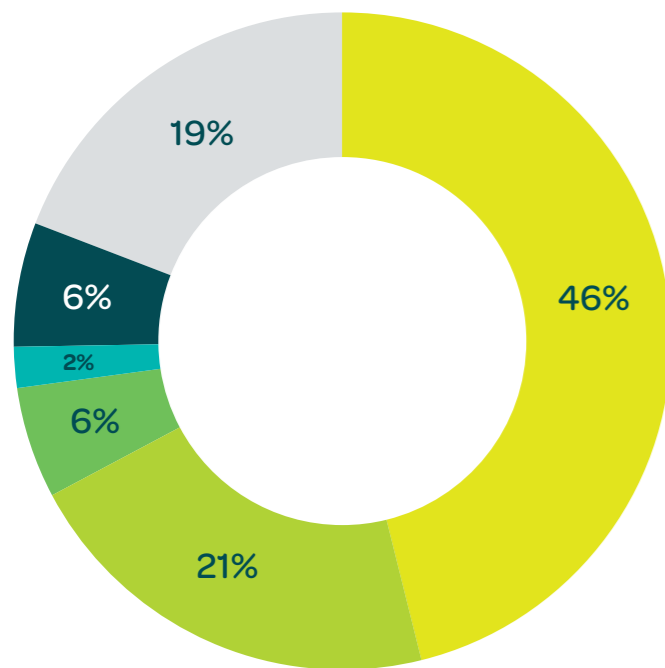
Notes:

- Figures approximate to nearest million
- Expenditure figures in constant FY26 dollars
- Final proposed amounts subject to change based on forecast refinement and consultation outcomes

What we're investing in

Our proposed investment plan reflects what customers have told us matters most: a safe, reliable, and resilient electricity network that can support growth and adapt to future needs.

These priorities form the foundation of our approach. Every area of spend - ramping up asset renewals, increasing network capacity, building resilience, preparing to meet future needs, and driving efficiencies - is carefully considered and interconnected. Together, they form a coordinated strategy to manage risk, support changing customer needs, and deliver long-term value for our community, both now and for the future.









- 
Maintaining safety and reliability
 - Replacing aging assets
 - Poles and pole mounted hardware (excluding vulnerable poles)
 - Steel structures
 - Lines
 - Cables (exclusive 66kV cable replacement)
 - Zone substations
 - Distribution switchgear and transformers
 - Secondary systems
 - Equipment enclosures
 - Buildings and grounds
 - Reliability, safety and environment
 - Vegetation management
 - Maintenance
- 
Increasing our network capacity
 - 11kV reinforcement
 - Low voltage reinforcement
 - Large growth projects
 - Customer connections
 - Asset relocations
- 
Strengthening network resilience
 - 66kV cable replacement programme
 - Vulnerable poles programme
- 
Preparing for new technologies
 - Network transformation
- 
Improving capability to drive efficiencies
 - Information communications and technology
- 
Supporting network activities
 - Corporate property, tools and equipment
 - Support required to enable the business to operate
 - Systems operations network support

Figure 6: What makes up our proposed customised path expenditure



Keeping your power safe and reliable by proactively replacing ageing assets at the right time.



Building a future-ready network that supports population growth and rising demand without compromising safety or reliability.



Strengthening the network to better withstand severe weather and natural disasters, keeping you connected when it matters most.



Making the network smarter to support two-way energy flows, and integrate new technologies, such as solar, batteries, and electric vehicles, enabling greater customer choice and delivering more flexibility in how we need future needs and demand.



Upgrading our systems and tools to get better data so we can keep the network running smoothly, respond faster to outages, plan ahead more effectively, and better understand how you use electricity.



Ensuring we have the people and facilities to plan, operate and maintain our network, as well as deliver our proposed investment plan.

Keeping your power safe and reliable



We plan to invest around \$745 million to replace ageing assets and manage network risk. This will help keep the network safe and reliable, with unplanned outages staying at current levels.

Our customers have made it clear: safety must never be compromised, and the reliability of our service cannot deteriorate. Safety is non-negotiable, and customers expect our network to remain safe at all times. Electricity is inherently hazardous, which is why the safety of our network, for our people, service providers, and the community, is paramount and drives every investment decision we make. Our investment plan includes essential expenditure to maintain safety standards.

Like all infrastructure, it is only practical to maintain network assets for so long. As they age, and their condition declines, the cost of maintenance and the risk of failure increases. Asset failure can lead to safety risk, as well as unplanned power outages. Having to replace

assets after they fail is more disruptive for customers and more expensive than planned replacement. For this reason, we take a proactive approach, renewing ageing assets before costs and risks escalate. This strategy is fundamental to maintaining the safety and reliability of our service.

Proposed investment

Our proposed investment plan is focused on maintaining a safe and reliable electricity supply by proactively replacing ageing assets at the right time. The following table provides a summary of our key investment areas.

Table 2: Investing to keep your power safe and reliable

Proposed expenditure over customised path period	\$745 million
% of total expenditure (Totex)	46%
Average expenditure per year over the customised path period	\$149 million
Key programmes:	
Poles and pole-mounted hardware	\$140 million
Steel structures	\$17 million
Lines	\$29 million
Cables (excluding 66kV cables)	\$54 million
Zone substations	\$56 million
Distribution switchgear and transformers	\$64 million
Secondary systems	\$71 million
Equipment enclosures	\$65 million
Buildings and grounds	\$4 million
Reliability, safety and environment	\$33 million
Vegetation management	\$53 million
Maintenance	\$159 million

Notes:

- Figures approximate to nearest million
- The customised path period is from 01 April 2027 to 31 March 2032
- Expenditure figures in constant FY26 dollars
- Final proposed amounts subject to change based on forecast refinement and consultation outcomes



Key programme – pole replacement

We plan to invest around \$140 million on the renewal of our pole assets (excluding vulnerable poles which are covered under strengthening the network). This means renewing or replacing power poles, associated cross arms and incidental pole-mounted equipment such as switches, fuses and transformers. While this investment covers full pole replacements, it's important to note that some components, like cross arms, also have their own dedicated renewal programmes.

Our network relies on approximately 90,000 poles, many of which were installed in the 1960s and 1970s. Many of these poles are now nearing the end of their serviceable life and need to be renewed.

Following the Canterbury earthquakes, we prioritised recovery work over routine renewals, repairing the network and keeping costs down for customers. While this was the right decision at the time, it has created a backlog of renewals that now needs to be addressed.

We're also now using smarter asset management inspection and decision-making tools to guide when assets should be replaced to reduce the risk of failure. These tools show that a growing number of poles will reach their ideal replacement age in the coming years.

Under our proposed investment plan, we'll increase our replacement rate from around 850 poles per year to 1,500, a 75% boost. Without this step-up, the risk of longer and more frequent unplanned outages will increase, affecting the safety and reliability of the electricity supply.

Key programme – vegetation management

We plan to invest around \$53 million to manage vegetation that could impact the electricity network, especially overhead lines. This means increasing our vegetation management activities to meet new Electricity (Hazards from Trees) Regulations and address the growing risk of severe weather and stronger winds due to climate change.

Our network includes about 6,000 km of overhead lines, many running alongside hedges, shelterbelts, and trees, particularly in rural areas. This poses a significant risk to reliability and safety, as vegetation on lines can cause outages, damage equipment, and create hazards for the public and our crews. Over the last five years (FY21 – FY25), around 16% of unplanned outages were attributed to vegetation. The risk is expected to grow, as warmer and wetter conditions accelerate vegetation growth, and climate change brings higher wind speeds and more frequent storm events.

Meeting the new 'clear to the sky' requirements for certain high-voltage lines, assessing treefall hazards, and removing trees with a high or moderate risk will ensure compliance with regulations and help maintain safety and reliability.

Strengthening the network



We plan to invest around \$96 million to strengthen the network so it can better withstand severe weather and natural disasters. This means we'll be able to restore power quicker after a disruption.

Our electricity network is essential infrastructure that our community depends on, especially during and after major events like earthquakes and severe storms.

Central Waitaha Canterbury faces a high seismic risk. While the Alpine Fault lies outside our network area, it still poses a significant threat, with scientific research estimating a 75% chance of a magnitude 8 earthquake within the next 50 years. The potential also exists for significant aftershocks in our region.

Climate change is also increasing the frequency and severity of extreme weather events such as windstorms, flooding, and wildfires, further raising the risk of network damage.

To manage these risks, we're investing in strengthening the network's resilience, reducing the likelihood of major damage and enabling quicker restoration to minimise the impact on customers.

Proposed investment

Our proposed investment plan is focused on strengthening the network to better withstand severe weather and natural disasters, keeping you connected and/or enabling faster restoration when it matters most. The following table provides a summary of our key investment areas.

Table 3: Investing to build network resilience to reduce major outage risk

Expenditure over customised path period		\$96 million
% of total expenditure (Totex)		6%
Average expenditure per year over the customised path period		\$19 million
	66kV cable replacement/reconfiguration projects:	\$72 million
	— Oxford-Tuam to Milton cable	
	— Addington to Fendalton cable	
	— Oxford-Tuam to Lancaster cable	
	— Papanui to McFaddens cable	
	— Addington to Armagh cable (planning phase only)	
	Vulnerable poles	\$24 million

Notes:

- Figures approximate to nearest million
- The customised path period is from 01 April 2027 to 31 March 2032
- Expenditure figures in constant FY26 dollars
- Final proposed amounts subject to change based on forecast refinement and consultation outcomes

Key programme - 66kV cable replacement

We plan to invest around \$72 million to replace essential 66kV sub-transmission cables that power Christchurch and surrounding suburbs. This means replacing the most at-risk circuits with modern, resilient infrastructure, improving fault management, reducing outage times, and better preparing the city for future earthquakes.

While these cables are still operating now, they are vulnerable to earthquakes, posing a growing risk. Under our investment plan, we aim to replace eight older cables (two per substation) across key circuits: Oxford-Tuam to Milton, Addington to Fendalton, Oxford-Tuam to Lancaster, Papanui to McFaddens. In addition, we'll begin planning for the replacement of two cables on the Addington–Armagh circuit.

To improve resilience, the new cable configuration will differ from the existing design. By choosing alternative routes and avoiding the placement of two cables in the same trench, we introduce route diversity, reducing vulnerability to contractor damage during roadworks and mitigating risks from earthquake liquefaction and lateral ground movement in specific areas. The map below illustrates the difference between the current and proposed 66kV cable configurations.

Key programme - vulnerable poles

We plan to invest around \$24 million to replace vulnerable poles in areas exposed to wildfire and landslip risk. Under our investment plan, we aim to replace around 1,800 of these vulnerable poles each year over the five-year customised path period.

In areas with elevated fire risk, we would progressively replace wooden poles with fire-resistant alternatives. Across the Port Hills and Banks Peninsula, we would upgrade poles installed on steep slopes along three critical lines supplying Diamond Harbour, Duvauchelle, Little River, and Akaroa, for greater stability.

Upgrading these vulnerable poles will make the network more resilient to wildfire and land instability, reduce unplanned outages, and lower the risk to the public, our staff, and contractors from pole failures.

Options for the 66kV cable replacement programme

The Canterbury earthquakes exposed vulnerabilities in older oil-filled cable systems, with several sustaining significant damage. In the event of an Alpine Fault earthquake, we expect multiple faults on these cables, with repairs likely requiring specialist expertise from overseas. This presents a real risk of prolonged outages for homes and businesses. Strengthening these parts of the network is essential to reduce that risk and improve our ability to recover quickly.

Replacing these cables also allows us to transition from a radial network architecture to a meshed one. In a meshed network, power can flow through multiple interconnected paths, enabling better load balancing and greatly enhancing reliability.

Under our proposed investment plan, we intend to replace four of the most vulnerable 66kV cable routes (eight cables in total) at an estimated cost of \$72 million, an additional cost to customers of approximately \$0.60 per month. Completing this work before the next significant earthquake would greatly reduce the likelihood of outages, minimise reliance on overseas repair crews, enable faster restoration if an outage occurs, and strengthen our ability to support emergency services and other critical infrastructure.

However, there are other options, and we'd like to understand which approach customers prefer:

Option 1: reduced investment

Defer most of the cable replacement programme to outside the customised path period at a total cost of \$32 million (around \$0.30/month for customers). Only two cables on one key circuit would be replaced, and work would begin on a second route. This option leaves the network less resilient until around FY38, with a higher risk of multiple faults and prolonged outages.

Option 2 – Balanced approach (our proposal):

Invest \$72 million during the customised path period (around \$0.60/month for customers) to replace the most vulnerable cables across four key circuits. This strikes a balance between cost and resilience reducing the risk of multiple faults and prolonged outages from FY33 onwards.

Option 3 – Accelerated programme:

Replace all older oil-filled cables at a total cost of \$118 million (around \$1/month for customers). This delivers the strongest network resilience and faster recovery, slightly reducing short-term earthquake risk over the next 5–10 years. However, it requires significant planning, overlapping projects, and additional contractor resources. Compared to the balanced approach, the resilience improvement is modest for the extra cost.

Which option would you prefer?

Building a future-ready network that supports growth



We plan to invest around \$343 million to support population and demand growth. This means new customers can keep connecting, and the network can handle rising demand while staying safe and reliable.

As the electricity distribution business for Central Waitaha Canterbury, we play an important role in supporting both the region's economic growth and its transition to a low carbon future. Our customers tell us that accommodating growth is important while also ensuring the network remains safe and reliable.

Central Waitaha Canterbury is a popular place to live and run a business, with the region experiencing strong, sustained growth. The Selwyn District is currently New Zealand's fastest growing. Between 2018 and 2023, its population increased by 29%, compared to just 6.3% growth nationally over the same period. In the year to June 2024 alone, Selwyn's population grew by 3.9%, more than double the national average of 1.7%.

This growth is expected to continue, putting increased pressure on our network to support new connections and meet rising peak demand. Most of this growth will come from the residential sector, alongside expanding commercial and industrial needs. As we decarbonise, electricity will play an even bigger role in transport, heating, cooking, and other everyday uses, further accelerating demand.

Peak demand is the time when electricity use on the network is at its highest, usually when many customers are using electricity at the same time, like on a cold winter morning. The network must be able to handle these occasional peaks, because if it can't, it can cause overloads leading to compromised safety, lower power quality, and unplanned outages. That's why investing in

enough capacity to meet peak demand is essential to keeping power safe and reliable.

Building capacity isn't just about upgrading physical infrastructure. By using non-network solutions, like customer-owned battery storage and smart electric vehicle charging, we can manage peak demand, reduce pressure on the network, and reduce the amount we need to invest in network upgrades.

Each year, we receive around 6,000 requests for new connections, resulting in over 4,000 net new customers after accounting for disconnections and alterations. These connections range from homes in new subdivisions to new businesses and upgraded supply as industries decarbonize.

When new customers connect to the network, they contribute to the cost of extending it through an upfront capital contribution. The remaining network connection and upgrade costs are recovered over time through ongoing lines charges.

Our goal is to ensure that all customers pay their fair share, so that growth is not subsidised by existing customers, and everyone benefits from the efficiencies that come with a larger, well-managed network.

Proposed investment

Our proposed investment plan focuses on meeting forecast load growth and supporting the region's shift to low-carbon technologies. Table 4 summarises our key investment areas.

What are non-network solutions?

Non-network solutions are smart, innovative ways to manage electricity demand without building new poles, wires, or substations. Instead, we use technology and flexibility to make the most of the network we already have. Examples include:

- Smart control of appliances like electric vehicle chargers and hot water systems to reduce peak demand.
- Local generation and storage such as solar panels and batteries to support the network
- Demand management programs that encourage shifting electricity use to off-peak times.

Table 4: Investing to build a future-ready network that supports growth

Expenditure over customised path period	\$343 million
% of total expenditure (Totex)	21%
Average expenditure per year over the customised path period	\$69 million
Key programmes:	
11kV reinforcement	\$33 million
Low voltage reinforcement	\$76 million
Large projects:	\$67 million
— Lincoln	
— Halswell	
— Templeton	
— Lyttelton	
— Rolleston	
— Southbridge	
Customer connections	\$162 million
Asset relocations	\$5 million

Notes:

- Figures approximate to nearest million
- The customised path period is from 01 April 2027 to 31 March 2032
- Expenditure figures in constant FY26 dollars
- Final proposed amounts subject to change based on forecast refinement and consultation outcomes

Key programme – low voltage reinforcement

We plan to invest around \$76 million to reinforce our low voltage network. This means upgrading or installing new distribution transformers, overhead lines, underground cables, and using smart non-network solutions to maintain power quality compliance.

The low voltage network, made of lines, cables and switching points runs through nearly every street in Christchurch. With over 99% of customers relying on the low voltage (400/230V) network, it plays a critical role in delivering electricity to homes and businesses.

As infill housing increases and electrification accelerates, waiting to respond when issues arise will lead to growing power quality problems, especially during cold winters when heating demand puts extra pressure on the system. Without proactive investment, an overloaded low voltage network could constrain the city's growth, limit electric vehicle charging, restrict solar exports, and hold back smart energy solutions, making it harder for Christchurch to transition to a low-carbon future.

Our proposed investment plan includes provision for non-network solutions to help delay the need for low voltage network reinforcement. These solutions, such as customer-owned battery storage, smart electric vehicle charging, and flexible control of appliances like hot water systems, can reduce peak demand and ease pressure on the network, often at similar or lower cost than traditional upgrades.

Right now, these technologies aren't widely available, and the market isn't ready for large-scale adoption. Relying too heavily on them too soon could create challenges, for example, reduced power quality or limits on when customers can charge their electric vehicles. That's why we're taking an ambitious but balanced approach, growing the use of non-network solutions without compromising reliability.

Throughout the customised path period, we plan to steadily increase adoption. By FY29, we expect around 5% of low-voltage constraints to be managed through these solutions, rising to 12.5% by FY32. Our goal is to make smarter use of technology and third-party investment to maintain a reliable power supply while keeping costs down.

Options for low voltage reinforcement

Our low voltage network is the final link in Orion's electricity distribution system, delivering power directly to homes and businesses. Over the past five years, demand on the network has grown rapidly driven by housing infill, urban redevelopment, and increased electrification through technologies like heat pumps and electric vehicle charging. These changes place increasing pressure on the low voltage network, particularly in older parts of Christchurch and the expanding rural towns.

Our analysis shows that around 4% of low voltage networks (530 out of 11,800), are already operating under constrained conditions, with a risk of exceeding design limits or breaching power quality standards. Without intervention, these pressures are expected to grow, especially during winter peaks.

To stay ahead of these challenges, we're proposing a proactive reinforcement programme that combines traditional upgrades with non-network solutions. This approach strengthens the low-voltage network 'just in time', before customers experience any decline in service quality.

However, there are other options, and we'd like to understand which approach customers prefer:

Option 1 - Reactive approach:

Fixing issues only when they arise, such as through smart meter alerts or customer reports. While this may offer a modest cost saving compared to proactive planning (Option 2) and delay some upfront investment, it comes with a higher tolerance for risk, particularly during cold snap peak demand or rapid growth. This approach may also lead to delays in connecting new customers while upgrades are carried out. Additionally, reactive work is generally less efficient and can result in higher long-term costs if constrained areas need to be revisited.

Option 2 - Balanced approach (our proposal):

Combine traditional upgrades with non-network solutions. This option aims to balance cost and reliability at \$0.10/month.

Option 3 - Accelerated traditional upgrades:

Prioritise reliability and connectivity at all times. This ensures maximum performance but comes at a higher cost (\$0.20/month).

Option 4 - Innovation-focused approach:

The cost is similar to the balanced approach (Option 2) but would support customers investing in new technologies and enable greater customer participation.

Which option would you prefer?

Key project – Lincoln township growth

We plan to invest around \$12 million to build a new 33kV zone substation at Greenpark, on the eastern edge of Lincoln, to increase network capacity for the township.

Lincoln is one of the main centres in the fast-growing Selwyn district, with household numbers expected to double by 2043. The centrally located existing Lincoln zone substation is already at capacity, has ageing equipment, and the site is too small for an upgrade. It's also not ideally located to complement the capacity available from the Springston substation to the west of Lincoln and to serve growth as the township expands east and south.

Peak demand at the current substation is forecast to rise by 30% over the next decade. If one of its main transformers were to fail during a period of high demand, the remaining transformer could become overloaded and shut down, causing a major power outage. While power could be restored by returning the failed transformer to service after safety checks, a full replacement would require several days of rolling outages while an emergency spare is installed.

During this changeover, the risk of a second transformer failure would be heightened, as the remaining unit

would be operating at full capacity, at a time when it's nearing the end of its serviceable life.

In our investment plan we've made provision for non-network solutions to defer the need for the new substation by one year. These solutions, such as managed battery storage, smart electric vehicle charging, hot water control and other smart appliances, can help reduce peak demand growth. By supporting third-party investment in these technologies, there may be an opportunity to defer network investment at the same or lower cost than traditional network upgrades. Given the pace of growth in Lincoln, we expect that a deferral beyond one year is unlikely.

Building the new Greenpark zone substation will maintain security of supply for Lincoln, ensuring a reliable power supply to meet population and demand growth.

How supportive are you of using non-network solutions to defer the need for a new substation at Lincoln by one year?



Meeting future needs



We plan to invest around \$30 million to make the network smarter to support two-way energy flows, and integrate new technologies, such as solar, batteries, and electric vehicles. This will enable greater customer choice and deliver more flexibility in how we meet future needs and demand.

Technology is evolving quickly, and as we move toward a low-carbon future, the way customers use the network is changing too. While uptake of electric vehicles, solar panels, and batteries is still low, it will grow as costs fall, and emissions targets tighten. This means our network won't just deliver electricity, it will also need to take customer-generated energy back to the network. We need to invest now to prepare for these two-way energy flows.

Managing two-way flows is complex, but it can deliver benefits like lower costs and greater flexibility for customers. A well-prepared network will support growth, improve reliability, and potentially reduce the need for costly new infrastructure through flexible solutions. It will take time for new technologies to reach critical scale and it won't remove the need for continued maintenance, replacement and enhancement of the core network.

Preparing to meet future needs will give customers more choice and control over how they generate, use, and store electricity. It will also allow us to leverage new technologies for more flexible solutions, helping avoid expensive upgrades and supporting the transition to a low-carbon economy.

Proposed investment

Our proposed investment plan is focused on upgrading the network to safely integrate new technologies and manage two-way energy flows. The following table provides a summary of our key investment areas.

Table 5: Investing to meet future needs

Expenditure over customised path period	\$30 million
% of total expenditure (Totex)	2%
Average expenditure per year over the customised path period	\$6 million
Network transformation – system growth	\$7.5 million
Network transformation - other	\$7 million
Network transformation – systems operation and network support	\$13 million
Network transformation – non-network solutions	\$2.5 million

Notes:

- Figures approximate to nearest million
- The customised path period is from 01 April 2027 to 31 March 2032
- Expenditure figures in constant FY26 dollars
- Final proposed amounts subject to change based on forecast refinement and consultation outcomes

Key programme – Network Transformation

We plan to invest around \$30 million in our Network Transformation programme to trial and implement new assets, systems, and processes that will make the network future-ready. This programme focuses on three key areas: improving network visibility, non-network solutions and enhancing operations.

As the network becomes more complex with two-way energy flows, we need better visibility to understand what's happening in real time. By using smart tools like sensors, smart meters, telemetry, and advanced analytics, we can monitor performance, spot issues early, provide signals for customer owned technology to support the network to manage peaks, respond faster to outages, and therefore make better use of existing infrastructure. This helps keep power reliable, supports new technologies, and reduces the need for costly upgrades.

As customers change how they generate, use, and store electricity, we're exploring non-network solutions such as battery storage, microgrids, community energy hubs, network automation, and demand-side flexibility services. These innovations aim to improve network resilience and utilisation while giving customers more choice and control.

To enable this, we need to improve operational capability by introducing advanced systems like a Distributed Energy Resource Management System (DERMS) and Low Voltage Distribution Power Flow (LV DPF). DERMS helps us manage and coordinate solar, batteries, and electric vehicle chargers so they work seamlessly with the network. LV DPF is software that models how electricity flows through the low-voltage network, helping us plan capacity, manage outages, and restore power faster. Together, these tools will prepare the network to meet future needs.



Options for non-network solutions

Technology is advancing rapidly, and customer needs and expectations are evolving. To keep pace, we need to make smart investments that prepare the network for the future. A key part of this is enabling non-network solutions, flexible options that can reduce or shift peak demand, defer costly "poles and wires" upgrades, and give customers more control over how they generate, use, and store electricity. These solutions can help lower power costs and improve network utilisation, supporting growth, reliability, and resilience.

Do you agree that enabling non-network solutions is an appropriate way of resolving constraints on the network?

Finding the right balance is critical.

- Overinvesting could mean higher costs for customers, reduced efficiency if demand doesn't grow as expected, and unnecessary complexity.
- Underinvesting risks network constraints, costly upgrades later, and limits on customer choice and new technologies like solar, batteries, and EVs.

By investing at the right level, we can manage uncertainty, and adapt as electricity needs evolve, without overbuilding or falling behind.

Would you prefer we maintain our proposed approach of investing \$30 million to ready the network for non-network solutions, or would you prefer we reduced or increased our investment in non-network solutions?

Improving capability to drive efficiencies



We plan to invest around \$93 million to upgrade our systems and tools to get better data so we can keep the network running smoothly, respond faster to outages, plan ahead more effectively, and better understand how you use electricity.

We need to keep evolving our digital capability to manage the network efficiently and give customers more choice. Upgrading our technologies, systems, and tools will help us monitor the network in real time, manage assets, plan maintenance, respond to outages, and improve customer service. These upgrades will enable smarter decisions, better services, and greater efficiency, helping the network run more sustainably and keeping power costs as affordable as possible over time.

Proposed investment

Our proposed investment plan is focused on upgrading platforms, systems and tools to improve data quality and decision making. The following table provides a summary of our key investment areas.

Key programme – Information, communications and technology (ICT)

We plan to invest in our data, digital, and technology systems to reduce risk, strengthen our digital capability, unlock network efficiencies, and deliver more value for customers.

In the past, our ICT investments have been reactive, driven by immediate needs, post-earthquake recovery and essential pandemic mobility. We're now entering a capability building phase by moving to a modern, future-ready digital environment focused on proactive lifecycle management and resilience. This transition will make us more agile in responding to a rapidly changing energy landscape, maintain reliability through smarter operations, enable cost savings through automation, enhance customer engagement, and ensure robust security for trust and resilience.

Table 6: Investing to improve efficiency

Expenditure over customised path period	\$93 million
% of total expenditure (Totex)	6%
Average expenditure per year over the customised path period	\$19 million
What this pays for:	Information, communications and technology \$93 million

Notes:

- Figures approximate to nearest million
- The customised path period is from 01 April 2027 to 31 March 2032
- Expenditure figures in constant FY26 dollars
- Final proposed amounts subject to change based on forecast refinement and consultation outcomes

Supporting network activities



We plan to invest around \$308 million to ensure we have the people and facilities to plan, operate and maintain our network, as well as deliver our proposed investment plan.

To continue to successfully plan, operate, and maintain our electricity network, and deliver the proposed investment plan, we must also invest in the people and resources that support it. This includes ensuring we have the right skills, capacity and facilities to manage a growing and increasingly complex network. Without the necessary resources in place, service efficiency would decline, and the safety, reliability, and resilience of the network could be compromised, ultimately impacting the quality of service our customers rely on every day.

Proposed investment

Our proposed investment plan is focused on delivering an efficient and reliable service supported by the right people and resources. The following table provides a summary of our key investment areas.

Table 7: Supporting network activities

Expenditure over customised path period	\$308 million
% of total expenditure (Totex)	19%
Average expenditure per year over the customised path period	\$62 million
What this pays for:	Corporate property, tools and equipment \$17 million Support required to enable the business to operate \$175 million System operations network support \$116 million

Notes:

- Figures approximate to nearest million
- The customised path period is from 01 April 2027 to 31 March 2032
- Expenditure figures in constant FY26 dollars
- Final proposed amounts subject to change based on forecast refinement and consultation outcomes

What you would pay?

We know cost matters, so we want to be transparent about what our proposed investment plan could mean for our customers.

You pay for your electricity supply through lines charges included in your power bill. An increase in investment in the network will ultimately flow through to your power bill. Being on the proposed customised path would see an estimated increase in distribution line charges (over the

five years FY2028 to FY2032) for an average residential customer of around 45%, compared to 30% if we remain on the default path.

Below are the indicative increases for an average residential customer. Commercial and light industrial customers could expect to see similar levels of increase. For larger or major customers, pricing is typically bespoke, so it's harder to define a typical average.

These figures are indicative only. The actual line charges from April 2027 will depend on the final outcome of the customised path process, the revenue limits set by the Commerce Commission, and how electricity retailers choose to pass on these charges.

Table 8: Indicative lines charges over the customised path period (FY28-32)

Indicative Lines Charges (average/month)	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Under our proposed customised plan					
Residential	\$88	\$95	\$103	\$110	\$116
Small business	\$106	\$113	\$123	\$132	\$139
If we stayed on a default pathway					
Residential	\$82	\$90	\$101	\$103	\$104
Small business	\$98	\$109	\$121	\$124	\$125
Difference resulting from our customised plan					
Residential	\$6	\$5	\$2	\$7	\$12
Small business	\$8	\$4	\$2	\$8	\$13

Notes:

- Indicative average monthly distribution lines charges in constant 2026 dollars
- Amounts are GST exclusive
- The CPP period runs from FY 2028 to FY 2032
- Financial years run from 01 April to 31 March, for example FY 2028 runs from 01 April 2027 to 31 March 2028



Measuring service quality

Delivering a safe, reliable, resilient, future-ready, and efficient electricity network is at the heart of our investment plan.

To make sure we meet customer expectations and keep improving, we track a range of service quality measures. These help us understand how well we keep the power on, how quickly we respond to issues, and how effectively we communicate with customers.

We currently have 25 service quality measures. Some are regulatory or internally focused, but we're seeking general feedback on 11 measures and specific feedback on two measures. The full list is included in Appendix 1.

In this section, we outline the measures most relevant to customers and how they reflect the service you experience every day.

Investment Drivers	Proposed service measures	Annual target	Explanation	Why
Maintaining safety and reliability	Localised reliability hot spots have an approved corrective action within six months of being identified.	3	Customers expect a reliable electricity supply. In areas where performance falls short or outages are more frequent, we aim to have an approved corrective action in place within six months of identifying the issue.	This will ensure customers in less reliable areas see improvements over time, with a response when issues arise.
	Total planned outages where less than 10 working days' notice is given to electricity retailers.	<=20%	Customers expect to be adequately notified of planned outages. We aim to keep the number of planned outages with less than 10 days' notice to under 20%.	This will help ensure customers are well informed with accurate and timely outage notification.
	Validated customer complaints about network power quality issues are resolved within one month of identifying a solution.	>= 90%	Customers expect power quality issues to be resolved quickly once the cause and solution are known. We aim to resolve at least 90% of validated complaints within one month of identifying a fix.	This helps ensure power quality complaints are resolved quickly, reinforcing customer trust in how we manage and respond to issues.
	Proactive identification and resolution of network power quality issues	>= 90%	Customers want confidence that we're actively working to prevent issues before they occur. We aim to proactively identify and resolve more than 90% of network power quality issues.	Tracking proactive fixes shows our commitment to preventing power quality issues before they impact customers.

Investment Drivers	Proposed service measures	Annual target	Explanation	Why
Maintaining safety and reliability	Awareness of the Orion website.	>= 50%	Customers value easy access to clear, up-to-date information. We aim to increase awareness of the Orion website so that more than 50% of surveyed customers know where to go for accurate updates and support.	Orion's website is a key source of information. Increasing awareness helps ensure customers can easily find the support they need.
	Communicated restoration time for outages is within ±30 minutes of actual restoration.	> 30%	Customers expect accurate outage information. We aim to have at least 30% of outages restored within 30 minutes of the communicated restoration time.	This helps ensure our outage information is accurate and dependable.
	Small-scale generation connections (under 10kW) are approved within 10 working days of receiving a complete application.	100%	Customers value fast and simple connection processes. The Electricity Industry Participation Code requires we approve small generation applications within 10 working days. We aim to meet this requirement by approving 100% of eligible applications within that timeframe.	Tracking approval time helps ensure we support faster connections for small-scale generation technologies.
Improving capability to drive efficiencies	Operational expenditure (opex) per MWh	<NZ	Customers expect us to operate the network efficiently. We aim to keep Orion's opex below the average of similar electricity distribution businesses across New Zealand.	Benchmarking our opex against similar electricity distributors helps us track performance and identify opportunities to improve efficiency.
Preparing for new technologies	Commercial and industrial customers supported to understand their flexible energy capabilities, with outcomes and learnings reported.	10	Customers expect us to operate the network efficiently. Helping large energy users understand and share how they can adjust their electricity use supports a more flexible and efficient network. We aim to support 10 customers a year to understand their capabilities and share learnings.	Helping commercial and industrial customers understand flexible capability means they can avoid causing constraints on the network and costly upgrades.
	Forecasted constraint is shared with flexibility providers	>=3 years for	Customers expect us to operate the network efficiently. Giving flexibility providers early notice of network constraints helps them plan ahead and respond effectively. We aim to provide early visibility of forecasted network constraints, at least three years in advance for subtransmission level, and two years in advance for 11kV and low voltage levels.	Supporting flexibility providers to respond effectively helps reduce the need for costly network upgrades and ensures better use of existing capacity.
Improving capability to drive efficiencies	Number of agencies supporting vulnerable customers engaged	Number - to be set	We recognise that not all customers have equal access to reliable electricity. We aim to engage with agencies that support vulnerable customers. We'll begin tracking this in FY27 to help set a meaningful target in FY28.	Engaging with agencies that support vulnerable customers helps us better understand their needs.

Options for measuring efficiency

Customers expect us to operate the network efficiently. We aim to keep our operating costs (per unit of electricity delivered) below the average for electricity distributors of a similar size, such as Wellington Electricity, Unison in Hawkes Bay and WEL Network in Waikato.

How efficient should Orion be?

Option 1 – Orion should remain below the average for electricity distributors of a similar size.

Option 2 – Orion should rank among the top-performing, most efficient networks compared to similar-sized distributors.

Option 3 – Efficiency matters less as long as we provide a reliable service at a fair price.

Which option would you prefer?

Options for localised reliability improvements

Customers expect a reliable electricity supply, but the experience can vary depending on network design, location, and asset condition. For reliability improvements we'll focus on localised areas where we know the network should be performing better, but we'd like to know where we should focus additional effort. In areas where performance falls short or outages are more frequent, we aim to have an approved corrective action in place within six months of identifying the issue. Now we'd like your input:

Where should we focus our additional efforts?

- Option 1: Areas where a few customers are impacted frequently
- Option 2: Areas where many customers are impacted occasionally

Which option would you prefer?



Have Your Say

Your input is essential to help us shape a customised path proposal that meets your needs.

We want to ensure you have a say in:

- Our investment plan.
- How our investment plan might affect the lines charge on your power bill.
- The benefits and trade-offs involved in our investment plan.

The Commerce Commission will also be interested in understanding your perspectives.

A question to keep in mind

Under our proposed customised path plan, we will invest \$1.615 billion over the five-year customised path period (FY28-32) to ensure the electricity network remains safe, reliable, and resilient, can support growth and is future-fit.

Do you support our proposed investment plan?

How to tell us what you think

The easiest way for you to let us know your views is via our Have Your Say consultation website at: haveyoursay.oriongroup.co.nz/cpp

If you'd prefer to send us an email, write to haveyoursay@oriongroup.co.nz, or you can send a letter to us at: The Orion Group, 565 Wairakei Road, Burnside, Christchurch 8053.

If you want to talk to someone about our investment approach, email haveyoursay@oriongroup.co.nz to make a time to share your feedback with us personally.

Please provide your feedback by 15 December 2025.



Appendix 1

Full set of proposed service quality measures

Investment Drivers	Proposed service measures	Annual target	Explanation	Why
Maintaining reliability Strengthening network resilience	Planned and unplanned SAIDI.	SAIDI planned target < 23.83 SAIDI unplanned target < 63.14	Customers expect the electricity network to be reliable. SAIDI (System Average Interruption Duration Index) measures the average total duration of power outages, in minutes, experienced by customers in a year. These targets are set by the Commerce Commission under current regulatory regime. We are proposing these targets to remain the same.	This helps track how reliable the electricity supply is for customers and identify areas for improvement.
	Unplanned outages restored within 3 hours.	>60%	Customers rely on electricity and expect outages to be restored quickly. We aim to restore on average, more than 60% of unplanned outages caused within three hours.	This will reduce disruption and reinforce customer trust in how we manage and respond to outages.
	Localised reliability hot spots have an approved corrective action within six months of being identified.	3	Customers expect a reliable electricity supply. Reliability can vary depending on network design, location, and asset condition. In areas where performance falls short or outages are more frequent, we aim to have an approved corrective action in place within six months of identifying the issue.	This will ensure customers in less reliable areas see improvements over time, with a response when issues arise.
	Total planned outages where less than 10 working days' notice is given to electricity retailers.	<=20%	Customers expect to be adequately notified of planned outages. Planned SAIDI is counted at half its impact when advance notice of an outage is given, such as notifying electricity retailers at least 10 working days ahead. We aim to keep the number of planned outages with less than 10 days' notice to under 20%.	This will help ensure customers are well informed with accurate and timely outage notification.
	Validated customer complaints about network power quality issues are resolved within one month of identifying a solution.	>= 90%	Customers expect power quality issues to be resolved quickly once the cause and solution are known. We aim to resolve at least 90% of validated complaints within one month of identifying a fix.	This helps ensure power quality complaints are resolved quickly, reinforcing customer trust in how we manage and respond to issues.
	Timeframe for responding to customer complaints about network power quality issues after they are logged.	<= 5 working days	Customers value quick acknowledgement and clear communication. We aim to respond to customer complaints about power quality issues within five working days.	Tracking response times helps ensure we stay responsive and transparent throughout the resolution process.
	Proactive identification and resolution of network power quality issues	>= 90%	Customers want confidence that we're actively working to prevent issues before they occur. We aim to proactively identify and resolve more than 90% of network power quality issues.	Tracking proactive fixes shows our commitment to preventing power quality issues before they impact customers.

Investment Drivers	Proposed service measures	Annual target	Explanation	Why
Maintaining safety	Serious incidents involving Orion Group employees	<= 4	Our people, service providers and community expect the network to be safe. We are committed to providing a safe work environment around our assets. We take all practical steps to minimise the risk of harm. We set strict performance targets: aiming for fewer than four serious incidents per year involving our team or service providers, and less than one serious incident per year involving the public.	By making safety a top priority, we protect lives, reduce risk, and ensure the network remains secure and reliable for everyone.
	Serious incidents involving service providers	<= 4		
	Serious incidents involving public	<= 1		
Maintaining reliability Improving capability to drive efficiencies	Customer experience - ratings of service received.	>8 out of 10	Customers value clear, timely communication and easy access to support when interacting with their electricity distributor. We aim to have an average customer experience rating of at least 8 out of 10.	Our customers matter and measuring how well we're meeting their expectations helps us improve our service and deliver what they need.
	Customer experience - ease of doing business with us.	>8 out of 10		
	Awareness of the Orion website.	>= 50%	Customers value easy access to clear, up-to-date information. We aim to increase awareness of the Orion website so that more than 50% of surveyed customers know where to go for accurate updates and support.	Orion's website is a key source of information. Increasing awareness helps ensure customers can easily find the support they need.
	Communicated restoration time for outages is within ±30 minutes of actual restoration.	> 30%	Customers expect accurate outage information. We aim to have at least 30% of outages restored within 30 minutes of the communicated restoration time.	This helps ensure our outage information is accurate and dependable.
	Small-scale generation connections (under 10kW) are approved within 10 working days of receiving a complete application.	100%	Customers value fast and simple connection processes. The Electricity Industry Participation Code requires we approve small generation applications within 10 working days. We aim to meet this requirement by approving 100% of eligible applications within that timeframe.	Tracking approval time helps ensure we support faster connections for small-scale generation technologies.
Environmental sustainability	SF6 gas lost	<0.8%		
	Grams CO2e per MWh delivered – excludes distribution losses	<200g		

Appendix 1

Full set of proposed service quality measures (cont.)

Investment Drivers	Proposed service measures	Annual target	Explanation	Why
Improving capability to drive efficiencies	Operational expenditure (opex) per MWh	<NZ comparator group average	Customers expect us to operate the network efficiently. We aim to keep Orion's opex below the average of similar electricity distribution businesses across New Zealand.	Benchmarking our opex against similar electricity distributors helps us track performance and identify opportunities to improve efficiency.
	Average load compared to firm capacity for zone substations	% to be set	Customers expect us to operate the network efficiently. This measure compares how much electricity is typically flowing through a zone substation (average load) with how much it can safely handle at maximum (firm capacity)	Tracking how we use existing network capacity while maintaining a secure electricity supply helps us operate efficiently and avoid costly network upgrades.
	Peak load compared to firm capacity for zone substations	% to be set	Customers expect us to operate the network efficiently. This measure is used to assess how close a zone substation is to operating to its maximum safe capacity during peak periods.	
Preparing for new technologies	Commercial and industrial customers supported to understand their flexible energy capabilities, with outcomes and learnings reported.	10	Customers expect us to operate the network efficiently. Helping large energy users understand and share how they can adjust their electricity use supports a more flexible and efficient network. We aim to support 10 customers a year to understand their capabilities and share learnings.	Helping commercial and industrial customers understand flexible capability means they can avoid causing constraints on the network and costly upgrades.
	Forecasted constraint is shared with flexibility providers	>=3 years for constraints at the sub-transmission and zone substation level >=2 years for constraints on the 11kV and low voltage level	Customers expect us to operate the network efficiently. Giving flexibility providers early notice of network constraints helps them plan ahead and respond effectively. We aim to provide early visibility of forecasted network constraints, at least three years in advance for subtransmission level, and two years in advance for 11kV and low voltage levels.	Supporting flexibility providers to respond effectively helps reduce the need for costly network upgrades and ensures better use of existing capacity.
	Duration (hrs/ICP) of residential customer DER export curtailment due to network constraints Duration (hrs/ICP) of residential customer DER export curtailment due to network constraints	Maximum duration - to be set	Customers expect choice in how they generate, use and store electricity. Customers who invest in solar panels or other distributed energy resources (DERs) want confidence that they can export the energy they generate. We'll begin tracking this in FY27 to help set a meaningful target in FY28, aligned with our Congestion Management Policy.	Customers want to get the most from their DER investments. Tracking curtailment helps us identify where the network may be limiting export, so we can improve access and participation.
Improving capability to drive efficiencies	Number of agencies supporting vulnerable customers engaged	Number - to be set	We recognise that not all customers have equal access to reliable electricity. We aim to engage with agencies that support vulnerable customers. We'll begin tracking this in FY27 to help set a meaningful target in FY28.	Engaging with agencies that support vulnerable customers helps us better understand their needs.

³ Curtailment can be quantified as the difference between the amount a customer's DER is allowed to export and the theoretical potential output of the installed DER if no network constraint was present. We consider curtailment to have occurred when a customer's point of connection exceeds 253V and PQ response mode kicks in or when export remains at the export limit for a 30-minute trading period

⁴ Unless contractually agreed with the customer for a greater level of curtailment



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The background is a solid teal color with a faint, semi-transparent image of utility poles and power lines. The lines are thin and dark, crisscrossing the frame. The poles are vertical, with cross-arms and insulators visible. The overall effect is a textured, industrial aesthetic.

Appendix L

November 2025
Community Update

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Annual Connection and EVelocity	6



Orion

Community Update

Kia ora koutou

© Nigel Barbour
The Orion Group Chief Executive

I'm really proud to be part of The Orion Group, serving the heart of central Waitaha Canterbury. Every day, our team helps keep the lights on for more than 229,000 homes and businesses – connecting neighbours, supporting local ideas, and helping our region grow.



Lately, we've been out and about, listening to what matters most to you. The message is loud and clear: our region's booming, our economy's changing, and we all need a power supply that's safe, reliable, and ready for whatever comes next.

That's why we're planning some big upgrades to our network. We're talking about renewing old equipment, boosting capacity so we can keep up with growth, and making sure we're better placed to bounce back quickly from things like earthquakes or wild weather.

We know the way we all use electricity is changing, too. For decades, we've employed systems like our hot water ripple control to help us run things smoothly and keep costs down. Now, we're making the network even smarter – expanding into new forms of demand response and “flexibility markets” at the grid edge, giving you more choice in how you use energy.

We're also rolling out new digital tools to spot outages faster and make it easier for you to get help when you need it. To make all this happen, we're applying for a customised price-quality path (CPP). That means Orion can set revenue limits that fit our community's needs. Yes, it'll mean a bump in electricity distribution charges, but it's all about making sure our network stays strong and future-ready.

Importantly, we don't mark our own homework on this. The Commerce Commission will check our plans to make sure every dollar is spent wisely and in the best interests of our community.

Our plans include everything from upgrading substations and lines to replacing underground cables and bringing in smarter asset management. Every step is shaped by your feedback and our promise to deliver real value for central Waitaha Canterbury.

At the end of the day, our mission is simple: keep the lights on, support local success, and make sure our region stays a fantastic place to live and work. We'd love to hear what you think about our plans as we put the finishing touches on them – let's build a bright energy future, together. I encourage you to have a flick through this Update to learn more about our plans.

It was great to head along to the Connexis Annual Connection event a couple of weeks ago and see some of the best and brightest in our industry compete in their chosen field. The Orion Group is proud to sponsor such a wonderful showcase of the talent in our sector. For more on the initiatives we're supporting to develop industry talent, along with key highlights from the event, check out pages 6–7 of our Update.



INVESTMENT:



Investing for tomorrow, today

Orion is intending to apply for a customised price-quality path (customised path) for the five-year period between 01 April 2027 and 31 March 2032 (FY28-32). We'll submit our proposal to the Commerce Commission in June 2026. The Commission sets how much revenue we can earn from the lines charges you pay, and the minimum service quality we must deliver. We're applying for a customised path to make sure we have the revenue needed to provide a safe, reliable, resilient and future-ready network for our customers.









Over the last year, we've been out talking with our customers and local communities to find out what's most important to you. Now, we're giving you another chance to tell us what you think. In this Update, you'll see why we need to invest more in our network, what we're investing in, how it will benefit our customers, and what it could mean for electricity charges.

Your feedback has made it clear: keeping power safe, reliable, and resilient is what matters most. You also want us to plan for a growing region, help shape a changing energy future, and keep costs as low as possible. We've listened and worked hard to make sure our plans are sensible and cost-effective.

We believe our approach finds the right balance – managing risks, keeping the power flowing, and making sure electricity remains affordable now and in the future. We're investing in the network not just for today's needs, but to set up our communities for tomorrow as well.

INVESTMENT:

Our proposed investment approach at a glance

Proposed expenditure	What drives our expenditure	What we'll do	What it means for you
\$745m	 <p>Maintaining a safe and reliable electricity network</p>	Keep our network safe and reliable by proactively replacing ageing assets at the right time.	A safe and reliable network with unplanned outages remaining at current levels.
\$96m	 <p>Building network resilience to reduce major outage risk</p>	Strengthen the network to better withstand severe weather and natural disasters, keeping you connected when it matters most.	A stronger, more resilient network that keeps the power on and restores supply quicker after disruption.
\$343m	 <p>Increasing our ability to support growth</p>	Build a future-ready network that supports population growth and rising demand without compromising safety or reliability.	New customers can connect to the network, and the network can accommodate increasing demand while staying safe and reliable.
\$30m	 <p>Preparing to meet future needs</p>	Support two-way energy flows and integrate new technologies, enabling greater customer choice and delivering more flexibility in how we meet future needs and demand.	Customers gain more flexibility, choice, and control over how they use, generate, and store electricity. Smarter, flexible solutions help avoid more expensive upgrades.
\$93m	 <p>Improving capability to drive efficiencies</p>	Upgrade our systems and tools so we can keep the network running smoothly, respond faster to outages, plan ahead and better understand how you use electricity.	Smarter decisions enable the network to operate more efficiently, promoting sustainability and helping keep lines charges affordable.
\$308m	 <p>Supporting network activities</p>	Ensure we have the people and facilities to plan, operate and maintain our network, and to deliver our proposed investment plan.	An efficient and reliable service supported by the right people and resources.

What makes up our proposed customised path expenditure



- Improving capability to drive efficiencies**
 - Information communications and technology
- Preparing for new technologies**
 - Network transformation
- Strengthening network resilience**
 - 66kV cable replacement programme
 - Vulnerable poles programme
- Increasing our network capacity**
 - 11kV reinforcement
 - Low voltage reinforcement
 - Large growth projects
 - Customer connections
 - Asset relocations
- Maintaining safety and reliability**
 - Replacing aging assets
 - Poles and pole mounted hardware (excluding vulnerable poles)
 - Steel structures
 - Lines
 - Cables (exclusive 66kV cable replacement)
 - Zone substations
 - Distribution switchgear and transformers
 - Secondary systems
 - Equipment enclosures
 - Buildings and grounds
 - Reliability, safety and environment
 - Vegetation management
 - Maintenance
- Supporting network activities**
 - Corporate property, tools and equipment
 - Support required to enable the business to operate
 - Systems operations network support

Why are we consulting on our investment plan?
 We're inviting you, our customers and community to help refine our investment plans before we submit our customised price-quality path proposal to the Commerce Commission in June 2026. This is an opportunity for you to have your say – tell us what matters most to you.

A customised path is a regulatory process which allows us to apply to increase our revenue so we can invest more in the electricity distribution network.

Like most electricity distributors in New Zealand, Orion is regulated by the Commerce Commission. They determine the level of investment, the overall amount we can charge customers each year, and the minimum service quality we must provide. Two types of price-quality path are available—a default price-quality path (default path) or a customised path. The key difference between the two is how the total revenue and other aspects (e.g. quality standards) is determined:

Default path
 This uses a standardised approach largely based on past spending.

Customised path
 This involves a tailored approach that reflects Orion's specific circumstances. To pursue this path, we must submit a detailed proposal to the Commission, which then undertakes a rigorous review to ensure it delivers good outcomes for customers.

When reviewing our customised path proposal, the Commerce Commission will scrutinise whether our investment plans are prudent, efficient, and in the long-term interests of our customers. Their independent oversight gives customers confidence that our investment plans, and their impact on customer prices, are thoroughly assessed and carefully scrutinised before being approved. They will ultimately determine the revenue we can earn over the customised path period (01 April 2027 to 31 March 2032).

This consultation forms an important part of our application for a customised path. It is a continuation of the engagement process we started last year seeking to understand what matters most to our customers about their electricity supply.

We are looking to spend \$1.615 billion over the CPP period (01 April 2027 – 31 March 2032).

Tell us what matters most to you. You can share your feedback in several ways:

We've had a bunch of conversations with our customers and community to get to this point. Now it's your chance to have your say.

Please provide your feedback by 15 December 2025. Your input is essential to shaping our final proposal.

Online:
 Visit our consultation website at www.haveyoursay.oriongroup.co.nz and complete the survey. You can also use the QR CODE here to open our consultation website.

Email:
Haveyoursay@oriongroup.co.nz

In writing:
 The Orion Group, 565 Wairakei Road, Burnside, Christchurch 8053

Talk to us:
 Email Haveyoursay@oriongroup.co.nz to arrange a time to discuss your feedback.



PEOPLE:

Bright sparks and big wins: Championing talent at Annual Connection and EVelocity

The energy sector isn't just about infrastructure. Behind every power pole, cable, and substation is a skilled workforce keeping the lights on and the country connected. As the sector evolves, so too must the people who power it. This spring, Orion proudly sponsored two memorable events that put talent, teamwork, and innovation centre stage.

The first was Connexis Annual Connection 2025, hosted right here in Canterbury. The multi-day event brought together line mechanics, cable jointers, and trainees from across Aotearoa for a high-energy mix of competition, collaboration, and celebration. From pole top ascents to precision cable work, the skills on display were nothing short of impressive.

Orion was proud to co-host alongside Connetics and EA Networks, cheering on the participating crews. "Annual Connection is a brilliant showcase of the talent and grit in our industry," said Amy Johnston, Orion's Head of People and Capability. "It's also a reminder of why investing in people matters, because when we support each other across the sector, we all grow stronger."

For Orion Overhead Delivery Manager Ben Heasley there's been a long involvement in the Connexis Annual Connection. After competing back in 2013, he managed the winning team in 2014, competing again in 2016.

© The team from Connetics get stuck in at Annual Connection.



Ben now feels privileged to be a judge, "I jumped at the opportunity when asked to be a judge back in 2018. It's a great event to be part of, I like that it shines a light on the industry and gives people a chance to see what we actually do." This year, over 250 secondary school students attended Annual Connection and took part in practical challenges and discovering what a career in the industry could look like.

That same spirit of support was on show at the EVelocity Canterbury Regional Finals, where rangatahi raced electric vehicles they'd designed and built themselves. Orion's partnership with EVelocity is all about sparking curiosity in science, technology, and sustainability—and the finals did not disappoint.

Held at KartSport Canterbury, the event featured drag races, endurance challenges, and some seriously clever engineering. The energy was electric (quite literally!), and the creativity on display proved that the next generation of engineers is raring to go.

Together, events like Annual Connection and EVelocity show what's possible when industry, education, and community work together. These initiatives are developing a strong talent pipeline of skilled, motivated people.

We're proud to be part of that journey—supporting the people, ideas, and partnerships that will lead the charge in our industry for years to come.

- © The Orion team presents the Showstopper Award to the St Thomas of Canterbury team at the EVelocity Canterbury Regional Finals, for their entry 'Henry the Hammerhead'.
- © 'Henry the Hammerhead'.
- © The view from above on day two of the competition.
- © Connetics take part in the line mechanic competition at Annual Connection.



Cheering on our industry's best



Orion People and Performance Advisor, Lucy Northcoat, proudly supported fiancé Joel from Connetics at Annual Connection. Joel has previously competed in the competition representing Connetics in Invercargill and Levin, but this was the first time Lucy was able to support in person.

"Watching how tough and physically demanding Joel's work is made me feel really proud of him and the whole team. Working at heights and in the unpredictable weather provided hard conditions. Joel loves what he does, so it was great to be there to support him and be exposed to more about the industry."

This year, competition was fierce, with 16 teams competing from across Aotearoa.

"Joel and the team took preparation seriously, studying for the theory section and using AI tools to refine their training schedule. They were supported by an incredible manager, and the whole team worked together seamlessly."

Throughout the week, severe weather battered the country, leaving many regions' electricity networks in disarray. Following the event Connetics dispatched crews to assist with the recovery in Invercargill.

"Joel is from Southland with his family based in Invercargill so it feels right to go home and support the community."



Are you prepared if the power's out?

Power outages can happen unexpectedly due to things like storms, accidents, and natural disasters. Do you have a plan for how you and your whānau would cope without power for hours, days or even weeks? It's important to be ready so you and your whānau can stay safe and comfortable until the power is restored. Here are some things to consider...

- Have a plan: Stay informed visit oriongroup.co.nz/outages to keep up-to-date. Keep emergency contacts handy and discuss what to do with your whānau, especially if you rely on medical equipment.
- Prepare a kit: Include torches, batteries, a radio, blankets, water, non-perishable food, and a charged power bank.
- Check on others: Look out for neighbours, elderly, and anyone needing extra help.
- During an outage: Switch off appliances, listen to the radio for updates, and keep phone use essential.
- Medical needs: If you depend on electricity for health reasons, have a back-up plan and let your retailer know.
- Stay safe: Never go near downed power lines, always assume they are live — report hazards to Orion immediately.

By being prepared, you can help yourself, your family, and your community stay safe and resilient in the face of unexpected power outages. For more details and resources, visit Orion's website. Remember, we're available 24/7 on 0800 363 9898.

Win a survival kit!

We want to help you and your whānau stay prepared for anything. That's why we're giving away a survival kit packed with essentials for power outages and emergencies.

To enter, just answer this simple question:

What's one thing you should include in your emergency kit?

Send your answer to giveaway@oriongroup.co.nz by Friday 28 November.

We'll draw a winner at random and announce it on our Facebook page. Good luck—let's get prepared together!



Let's connect at:

Our team will be there to keep you up-to-date on everything from how to work safely around power lines, to tree trimming and which trees are safe to plant near lines.

Courtenay A&P Show
22 November 2025

Banks Peninsula A&P Show
24 January 2026

Malvern A&P Show
28 March 2026

The background is a solid teal color with a faint, dark silhouette of utility poles and power lines. The lines are diagonal, running from the top left towards the bottom right. There are two main utility poles visible, one in the foreground and one slightly behind it to the left. The text is centered in the lower half of the image.

Appendix M

Customer Advisory
Panel Response to
Orion's CPP Proposal

Customer Advisory Panel response to Orion's CPP proposal

1. Orion owns and operates the electricity distribution network providing power to central Waitaha Canterbury. The network has supported the community well, including through the Canterbury earthquakes, but is ageing and will need increased levels of investment if it is to meet community needs into the future. Orion is preparing a Customised Price Path (CPP) application to the Commerce Commission to allow it to recover the increased level of costs it will incur in the 5 years 2028-2032.
2. This report covers
 - Our job
 - How we think about the future performance of the network
 - Our response to Orion's proposal
 - Price-quality tradeoffs in the proposal
 - Affordability and
 - Our feedback on the process to date.

Panel members represent diverse stakeholder organisations and groups in Orion's community. These organisations and groups are listed at the end of the report.

1. Key messages

3. We understand Orion's proposal and the importance of ensuring the network supports the future needs of our communities.
4. Orion have explained to us how they have balanced increased investment in the network against other options to find the lowest cost way of maintaining their services.
5. Our job is not to peer-review these technical tradeoffs, an Independent Verifier has been employed to challenge Orion on these matters. Rather, the Customer Advisory Panel has been asked to advise on the relative costs, benefits and tradeoffs between and timing of different approaches to managing the network.
6. Broadly, Orion's network has supported the needs of its community well to date. Christchurch residents think well of the role it played in restoring supply to the city after the earthquakes. There is no crisis that requires a change in approach but we accept that network performance will degrade over the next decade if Orion doesn't increase its level of investment over the CPP period.
7. Orion should aim to maintain the performance of the network at historic levels taking into account future and evolving risks – it doesn't need to be any more reliable if that would be more expensive.

8. We also understand that Orion will be able to take advantage of new and emerging technologies to minimise and defer the amount it invests. They should do this wherever possible where on balance, through whole-of-life, it's the lowest cost approach but it should pay for itself – Orion shouldn't need extra funding, and if it's cheaper than network solutions, customers should share in those savings during the CPP period.
9. Conversely, new and emerging technologies will enable some customers to use the network differently in future. Orion should not put in place unreasonable barriers for customers to use the network differently (within reason) and should fairly reward customers if these different uses provide network support and benefits (such as peak export or demand curtailment). If there are any costs to enable this, those costs should be shared amongst those who derive a benefit (which could include all network users).
10. It is likely that increases in electricity prices generally will cause real hardship to some consumers. We would like to see a plan from Orion and the Commission as to how all customers on Orion's network will be made aware of the options available to them (including working with retailers), particularly for those customers for whom the service is literally unaffordable, and will become even more so after the CPP, and a commitment to implement that plan.

2. Our job

11. As part of its CPP application, Orion is required to consult with and take account of its customers' views. It has convened a Customer Advisory Panel to:
 - Represent the perspectives and preferences that are important to customers,
 - Help Orion better understand the needs and expectations of its customers,
 - Advise Orion on customer perspectives and preferences, as they relate to investment plans, asset management and customer service and
 - Provide feedback and recommendations on investment plans, asset management plans, and Orion's CPP proposal.
12. This report is the Panel's response to Orion's engagement with us as a group since June 2024 and its initial consultation document, released in November 2025, which we refer to as the "proposal".
13. Orion will use our feedback and that of other customers and stakeholders in refining a final proposal which it will submit to the Commerce Commission in June 2026.

3. How we think about the future performance of the network

14. While there are many measures of the performance of an electricity network, from safety, reliability and resilience to communication and transparency they aren't easily separable. The network is already managed to ensure public safety and there's a level of reliability and resilience that goes with that.
15. Orion's historic network performance has generally met community needs. It's important that reliability is maintained but it doesn't need to be improved if that would be more expensive.
16. We accept that the network is ageing and will degrade if Orion only keeps reinvesting at historic levels. We support increased investment during the CPP period provided that on balance, through whole-of-life, it's the lowest cost way of maintaining network performance at historic levels.
17. Orion have discussed non-engineering aspects of performance, in particular improving their communication with customers around the timing and duration of planned outages. Almost all customers will benefit from this.
18. We can see that better information will allow Orion to communicate and consult more precisely and accurately than they have been able to in the past but for a relatively low increase in cost. As a result we support their proposals to do so.

4. Our response to Orion's proposal

19. Orion's proposal document and the briefing we have had on it are high level. In short, Orion is proposing to spend \$1.6 billion over the five years of the CPP. This is about 60% more than its current spend-rate of \$200 million a year.
20. The main driver for the CPP is to ensure the safety, resilience and reliability of the core network which has deliberately been allowed to age since the Christchurch earthquakes to minimise the costs of restoration. There are also provisions in the proposal to accommodate growth: in the Selwyn and Rolleston regions, Orion is experiencing some of the highest levels of commercial and population growth in the country. There are smaller provisions to accommodate new technologies on the network which we discuss at length later in this report.
21. We accept that where the network is ageing, Orion should increase expenditure to renew it in a timely fashion, provided that doing so is on balance, through whole-of-life, the least-cost way of maintaining existing levels of service. It is important that Orion's customers aren't competitively or economically disadvantaged by lower levels of network reliability relative to those on other electricity networks.
22. Determining the most appropriate way of meeting future customer needs given the state of Orion's network is a technical judgement and we understand that the

Commerce Commission and Orion have engaged an independent engineering “Verifier” whose role is to challenge Orion's engineers about the prudence and efficiency of their proposals. We look forward to being briefed on the Verifier’s assessment of Orion’s proposals and their assurance that the amount of money that the Commission allows Orion to spend on the network compares well to efficient practice in other similar electricity distribution businesses.

23. Much of the \$600 million (around \$400 million above DPP 4/5) above historic spend rates over the CPP period is related to replacing ageing assets. There is little that we can add to the Verifier’s assessment of these costs but there are three areas where Orion has discretion as to whether to spend money in the period and, if so, how much to spend. We have discussed these three areas at length and summarise our positions on them below:

5. Non-network solutions

24. “Non-network solutions” broadly describe small-scale generation, batteries and the technology that allows the automated control of individual customers’ demand, such as hot water heating and electric vehicle charging (or future V2G applications), in response to external signals. We see real potential in the use of these technologies as a complement to traditional forms of network investment where that investment is necessary to accommodate demand growth.
25. Simplistically this is because if you inject electricity into the network or reduce demand in response to an external signal then you don’t need to augment the existing network to keep pace with increases in the amount that customers use.
26. We understand that because the bulk of the increased expenditure in the CPP period is to finance the replacement of ageing assets, non-network solutions do not offer the same potential to defer or avoid investment as they do where it is caused by demand growth, but where expenditure is being planned to accommodate growth, Orion should always test whether non-network solutions are available and if so whether they offer a lower cost way of meeting future customer needs, without impacting network resilience or reliability in that area or more broadly.
27. Our understanding of the Commerce Commission's network regulation is that where non-network solutions provide a lower cost option for investment deferral, then Orion should be able to pursue these without the need for any extra funding because it won't have to spend all the capital that was approved in that year, and any payments to non-network solution providers should be cheaper. This is a technical matter and we rely on the Commission’s regulatory design to ensure that this is the case.
28. Orion have made a specific provision for \$30 million to enable the use of non-network solutions during the CPP period. This \$30 million is primarily to improve the

visibility of the network and the way in which it's being used is changing, particularly where customers are now generating their own electricity and exporting it or storing electricity in batteries and discharging it when prices are high. The \$30 million also includes provisions for running procurement processes to take advantage of non-network solutions where they may be a means of deferring and avoiding capital expenditure.

29. The proposal includes \$7.5 million for “system growth”. We don't think that it should be necessary for Orion to receive any extra money to pay non-network solution providers where their services help avoid growth-related capital investment because, as we explain above, the Commission’s regime is meant to be neutral between the two. So long as this \$7.5 million dollars is related to setting up the capabilities to pursue these options we support it, but the amount of money that Orion spends on non-network solutions should not be limited at this level: they should spend as much as is necessary over the period if that is a way of minimising the cost of maintaining a safe and reliable network.
30. Here and elsewhere, Orion’s proposal includes \$5.3m of opex for non-network solutions spread across multiple initiatives: accommodating growth in Lyttleton, Hororata, Lincoln and Lower Selwyn as well as network-wide reinforcement of the LV and 11kV networks. Some of this is intended to create the capability to deploy non-network solutions, with the balance being payments to non-network solution providers.
31. We understand that the market for non-network solutions is immature and its development is uncertain but it is definitely the case that there will be substantial investment in controllable demand and batteries on Orion’s network from now to the end of the CPP period. Because of this, there is likely to be substantially more opportunity to use non-network solutions to defer or avoid network expenditure than Orion has assumed in the proposal.
32. While the proposal can only reflect what Orion can confidently predict at the time of writing, the provisions for non-network solutions should not act as a cap on the amount that Orion spends on non-network solutions over the CPP period. \$5.3m is small in the context of a \$1.6bn spend - there may be opportunities to reduce the planned CPP expenditure substantially by spending more over the period on non-network solutions.
33. As we understand the CPP mechanism, EDBs are incentivised to find the most efficient way of delivering their plans, including substituting network capex for non-network opex because they keep the savings over the period which are shared with customers in future periods when allowable revenues are reduced to “revealed costs.
34. Affordability is a real concern for consumers: the active discovery and facilitation of non-network solutions during the period is one lever that will address this. Over the CPP period, there needs to be a stronger mechanism to ensure that Orion takes

advantage of every opportunity to defer or avoid planned capex using non-network solutions to deliver the same level of service if cheaper on balance, through whole of life, and that these savings are shared with customers in the form of lower prices during the period - not just in future periods.

35. Orion should consider improving the utilisation of their assets with new classes of flexible loads (e.g. flexible high performance compute loads) that are entering the market to lower the cost per kWh to consumers and increase affordability. Such emerging solutions can increase utilisation without risking security of supply, and should be investigated.

6. Options for low-voltage reinforcement

36. Orion's proposal also includes \$76 million to reinforce their low-voltage networks. The low-voltage networks are the parts of Orion's distribution system which connect customers with the larger lines and cables that move power in bulk from Transpower's National Grid to areas of demand.
37. Orion have explained to us that, traditionally, the low-voltage network has not been monitored as closely as the larger parts of the distribution system because the costs of doing so would have been prohibitive. With new metering and monitoring technologies that is no longer the case and as Orion increases its visibility of the condition and loadings on the low-voltage network it has the ability to be more proactive in the way that it manages it.
38. Customers investing in solar generation, batteries and new forms of electricity use such as charging electric vehicles are creating new demands on the low-voltage network. Orion has outlined that it has three broad options to deal with the changing use of these assets.
39. As we understand it, taking a reactive approach to managing the low-voltage network would result in some customers receiving lower power quality through no fault of their own. Customers wanting to connect to the network or increase the size of their connections would face delays and it's likely that the long-term costs of providing the service would be lower than if investments were made proactively. Provided that this is true, we do not support this option.
40. An accelerated approach to managing low-voltage network upgrades would involve Orion building low-voltage capacity before it was required so that there are never delays in customers being able to connect and increase the sizes of their connections. This is unnecessarily expensive and we do not support this option.
41. Orion's "balanced approach" attempts to maintain reliability and power quality of local networks without delaying access to the network for new connections and those who want to increase what they use. Orion have also signalled that they

intend to take advantage of non-network solutions to defer investment in the network where possible. We support this option.

42. Orion have also included a fourth option which they call an “innovation focused approach”. It's not clear to us exactly what the difference between the use of non-network solutions in the “balanced approach” and the increased use of non-network solutions proposed in the “innovation focused approach” is. We do not support the use of emerging technologies to manage the network if the risk that they won't deliver the same level of service or they will be more expensive to the consumer than a network solution. Equally we understand that the market for non-network solutions, which Orion calls “flexibility” is immature and, particularly on the low-voltage networks, there may simply not be enough non-network resource available to allow it to defer investment that's necessary to support customers’ needs in the short to medium term. As with our discussion on non-network solutions above, we do see real potential in these technologies to defer or avoid growth-related capital expenditure and would like assurance that Orion will always investigate and facilitate these options and pursue them where they're the least cost way of delivering the services that customers want.

7. 66 kV cable replacements

43. The third area where Orion has real discretion in the CPP is around its options for replacing the 66 kV cables that form a core part of the network. The CPP proposal contains a provision of around \$72 million to replace certain core sub-transmission cables which connect local parts of their own distribution network with Transpower’s National Grid.
44. These sub-transmission cable initiatives are primarily to improve the resilience of Orion’s network. As a population, Orion’s customers are particularly alert to the impact of natural disasters and the value of resilient infrastructure, many having had personal experience of the Christchurch earthquakes in 2010 and 2011, and the restoration of the city’s infrastructure services thereafter. There is a high probability of a major rupture on the Alpine Fault soon and Orion’s networks need to be appropriately resilient to such an event.
45. Again, Orion has presented us with three options, all of which they could pursue during the period with different price and quality implications for customers.
46. We understand that Orion has been planning to replace its 66 kV cables since the work it did on restoring the network following the Christchurch earthquakes. Its main objective then was to increase the meshing of the local parts of the network so that different communities could be supplied using different routes from the National Grid after an emergency. The work involves replacing ageing cable assets, introducing new engineering approaches so they're less likely to break after an earthquake and changing the technical topology of the network so that all regions can increasingly be back-fed from more than one point of connection to manage the

risk of non-supply when natural disasters cause failure in parts of the sub-transmission system.

47. We find the arguments for the 66 kV cable replacement programme persuasive. Orion explained to us that they could reduce the amount of money on cable replacement, but this would leave customers exposed to lower levels of network resilience until nearly 2040 for a relatively low cost saving. We do not support this option
48. Orion's "balanced" and "accelerated" approaches for cable replacement both seem quite compelling. The "balanced" approach prioritises replacing and reconfiguring cables in the most densely populated and energy intensive parts of the region. Their logic in proposing this is to maximise the resiliency benefits for dollars spent on cable replacement. It does seem to us that there may be a case for replacing some of the other cables included in the "accelerated" programme during the period if this can be done without distracting from the rest of the CPP work. It may be that practical considerations are the biggest difference here: there's a limited number of people with the skills and experience necessary to plan and construct these specialised assets, but we would encourage Orion to look at how it can support increased resilience for all its customers by the end of the CPP.

8. Rate shock and pricing impact

49. We've learned a lot about network regulation and pricing through this process, and we understand that the Commission's decision relates to the total amount of money that Orion is allowed to recover from customers as a natural monopoly but which customers pay how much and when is a matter for a different regulatory regime managed by the Electricity Authority.
50. The Commission's regime has seen a very large increase in prices for all customers since April 2025 when price-quality regulated electricity distribution businesses started a new "default price path". The main reason for this is that the cost of debt for the preceding period was set in 2020, when interest rates were very low, whereas interest rates for the new regulatory period were set in 2025 when they were much higher.
51. This level of price volatility, where customers are suddenly expected to pay substantially more for a service from one day to the next simply because interest rates have changed, does not seem to us to reflect the sort of outcomes that you would see in normal competitive markets. We would encourage the Commission to look at mechanisms where it can smooth out interest rate changes over time and avoid the risk that customers are exposed to such large levels of price volatility where interest rates change in the future.

52. The CPP represents another step-up in costs for customers which will flow through in pricing changes. Orion have explained to us that they can propose what levels of price increase are passed through to consumers at what point during the CPP.
53. Orion's proposal is that price increases are smoothed over the five years of the CPP period so that the increased costs are recovered in a stable and predictable way.
54. Combined with the independent Verifier's technical critique of Orion's core engineering proposals to ensure that they are both prudent and efficient and the use of non-network solutions to defer or avoid planned capital investment where possible, this price profile will minimise the risk of sudden increases in price to Orion's customers through the CPP.
55. It nonetheless remains the case that electricity prices are increasing and that the increase in network charges is one driver behind this. As New Zealanders face increases in the cost of living, affordability of electricity is becoming an increasingly difficult political issue. It is essential that the most vulnerable in society are not required to subsidise new products and services for other customers.
56. We understand that the Electricity Authority's rules about how Orion's revenues are allocated to different types of customer, their "distribution pricing principles", ensure that this is the case. We are particularly concerned that where some customers choose to take advantage of new technologies such as solar panels, batteries and electric vehicles, they cover the costs of being able to do this, rather than those who cannot afford to take advantage of these new technologies.
57. **Considering potential consumer hardship.** As with many other costs, it is likely that increases in electricity prices generally will cause real hardship to some consumers on their electricity bill. Although we would like to see a direct solution to this, we accept that it's not likely that Orion will socialise subsidies in order to alleviate electricity hardship, and that other mechanisms exist through the social welfare system and other local support services in addition to new "Customer Care Obligations" on electricity retailers to support vulnerable customers. The primary mechanism for this is through retailers but as a Council-owned organisation, we consider that Orion has a higher level of responsibility to address hardship.
58. We would like to see a plan from Orion and the Commission, working with retailers, as to how all customers on Orion's network will be made aware of the options available to them, particularly for those customers for whom the service is literally unaffordable, and will become even more so after the CPP, and a commitment to implement that plan.

9. Our feedback on the process to date

59. Many of us have been involved in other stakeholder processes with mixed experiences but we have appreciated the process that Orion has run with us. Staff have been genuine, professional and transparent in their dealings with us. Orion's proactive rejection of both the more expensive accelerated and enhanced investment programmes is, in part, a response to the concerns that we have raised throughout our engagement with them about the impact of sudden and large increases in prices on customers.

10. Panel members

60. The panel has met 8 times since June 2024.

61. Panel members represent a balance of customers and stakeholders across Orion's network:

- Age Concern Canterbury
- Business Canterbury
- Christchurch NZ
- Christchurch City Council
- Community Energy Action
- Electrify Ōtautahi
- Meridian Energy
- St George's Hospital
- Selwyn District Council
- Waitaha Primary Health, and
- Major customers, our rangatahi and our tangata whenua.

We were supported in our work by John Hancock, as an independent expert advisor, who was the lead author of this report.

The views expressed in the report are collective and without prejudice to any views individual organisations may submit to the Commerce Commission as part of its public consultation into Orion's CPP application.

Christchurch, with minor revisions, 17 December 2025



Appendix N

Powerful
Conversations Report
(December 2025)



Powerful Conversations: Investment Priorities

Research report
January 2026



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Specific Projects

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Consultation Background



The community consultation conducted by The Curiosity Company with Orion was based on community charettes. This method provides a collaborative workshop setting grounded in Human-Centred Design (HCD) principles.

Three charettes were held on 3rd, 4th and 10th December. The first targeted an urban/metro audience (residential); the second, a rural audience (residential customers, farmers, and growers); and the third sought a Banks Peninsula perspective (residential customers, business owners, and growers).

The urban and rural charettes had 28 participants (Christchurch) and 27 (Kirwee) (see next page). The Banks Peninsula charrette contained 17 participants.

In addition to the customer charettes, a business breakfast was held in Christchurch with business owners, operations managers, asset managers and utility managers. This breakfast comprised 20 participants.

Objectives:

1. Gauge the overall acceptability of the Proposed CPP submission.
2. Assess understanding of need: Explore whether participants grasp and accept the rationale behind the proposal.
3. Explore in detail, tailored to the relevance to the audience and investment priority of each of the following projects:
 - 66kV cable replacement programme
 - Low-voltage network reinforcement
 - Use of non-network solutions (batteries, solar, etc)
 - Vulnerable poles programme
4. Explore the reasons behind the investment priority choices made.



Orion

Four Key Insights

1 KEEP RELIABILITY AND RESILIENCE CONCEPTUALLY SEPARATE.

A critical nuance is the need to keep *reliability and resilience conceptually separate*.

Customers are clear that the network must be reliable but **when** an outage occurs it is equally important that it is sufficiently resilient to restore power swiftly.

Note this means:

- Customers are not asking for improved reliability, just maintaining what is in place currently.
- Framing resilience investments as reliability upgrades risks misalignment with customer sentiment and regulatory scrutiny.

Customers broadly support **maintaining** current reliability levels rather than further enhancing them. Reliability is already perceived as high, with most urban customers unable to recall recent outages.

However, there is strong support for **enhancing** resilience, particularly in response to the increasing frequency of climate risks and extreme events.

“



2 NON-NETWORK SOLUTIONS DO MORE THAN MANAGE DEMAND.

There is support for investing in non-network solutions, and particularly for solar generation, two-way flow, and demand-side options. These solutions are seen as:

- A way of reducing pressure on the network at peak periods, and
- A way of providing local generation and distribution.

Investment in non-network solutions was supported as an opportunity to improve fairness, environmental health, and **affordability** management.

The emphasis is on enabling rather than owning assets (e.g. community batteries).

A strong caution emerged against over-investment ahead of technological change, with a preference for flexibility over “gold-plated” solutions.



3 CUSTOMERS **SUPPORT** ORION'S PROPOSED CPP APPROACH.

Participants in this engagement were asked to comment on Orion's proposal **before** participating in the main discussion.

To support their ability to provide feedback, participants were sent a pre-read summary of the proposal outlining the options and Orion's preference.

Orion's proposal received support from more than 80% of participants.

- **Over 70%** were prepared to pay more to maintain the network reliability and improve resilience.
- Equally divided between being willing to pay **\$10/month** and **\$15/month** extra
- Clarity about the impact of investment on power bills was the main reason for some participants choosing "partial" support as opposed to "full".
- Concerns were raised about **affordability**, given the investment required to maintain reliability and enhance resilience.



4 INVESTMENT IN SPECIFIC PROJECTS WAS **SUPPORTED** WHERE IT **ENHANCED** RELIABILITY AND RESILIENCE BUT WAS **CONSTRAINED** BY **AFFORDABILITY**.

66kV Cable Replacement: Customers place a high value on a resilient and reliable electricity network, with 80% of customers willing to support at least the proposed balanced \$72 million investment option*, replacing eight cables on the four most vulnerable circuits

Low-Voltage Network Reinforcement: There is limited tolerance for voltage drops, outages, or other issues caused by network constraints. Over 55% of Customers want Orion to plan for worst-case scenarios to protect network reliability and ensure rapid restoration in the event of outages.

Non-network solutions: Around 75% of customers supported maintaining the proposed \$30 million investment, preferring a steady, prudent pace, while managing affordability and keeping pace with technological change

Vulnerable Poles Replacement: 76% of customers supported retaining the proposed \$14 million investment, which is essential for reliability, resilience, and safety. The remainder supported increased investment. (Participants from Kirwee and Akaroa only).



*54% chose the higher investment level of \$118m; and a further 26% chose the more balanced \$72million option.





Feedback on Proposed Projects



Feedback on Proposed Projects 66KV CABLE REPLACEMENT

CUSTOMERS PLACE A **HIGH VALUE** ON A RESILIENT ELECTRICITY NETWORK, AND AS SUCH ARE WILLING TO SUPPORT **TARGETED INVESTMENT** THAT REDUCES RISK.

In the workshops, participants were asked which investment option they preferred:

- Option 1: Limited investment where two cables on one key circuit are replaced, costing around \$32 million and \$0.30 per month in distribution charges on an average power bill.
- Option 2: Balanced investment where eight cables on the four most vulnerable circuits are replaced, costing around \$72 million and \$0.60 per month (Orion's proposal).
- Option 3: Accelerated investment where all older oil-filled cables are replaced, costing around \$118 million and \$1.00 per month.

The option chosen most frequently in these customer charettes was the **\$72 million** investment to replace older oil-filled cables **on four** circuits.

“It is imperative that we protect the network in the event of another earthquake. If what we have generates a risk, then we should do what we can to minimise that risk.” Christchurch business.

“We know what it was like after the earthquakes, how long it took to get power back. Without power, you feel so much more vulnerable and isolated – your phone does not work, you cannot buy fuel (pumps don't work), toilets don't work, and most people do not have heating. So whatever we can do to make sure that we can get electricity back quickly, we should do it.” Christchurch customer.



CUSTOMERS ATTACH IMPORTANCE TO MAINTAINING A **STRONG AND DEPENDABLE** NETWORK.

The key factors cited for supporting this investment were:

- Community safety – keeping essential services powered after a big quake is important.
- Business Continuity – getting the power back quickly after an earthquake is critical for businesses, jobs and aiding with recovery.
- Reliability and resilience – A strong, dependable power supply is important to me.
- Earthquake risk is my main priority – I want Orion to reduce the risk of major, long-term outages after a big quake.
- Peace of mind – I just want to know that electricity is there when I want it, particularly after a disaster.

“If we have a big earthquake, we need to do all we can to keep everyone safe, and that means having electricity.”
Christchurch customer.

“In the event of a natural disaster, it is important for businesses to be able to operate as soon as possible.”
Christchurch business.

“I was here for the last earthquake and if the Alpine fault goes, that will be much bigger. We need to protect our network as best we can.”
Christchurch customer.





Orion

Feedback on Proposed Projects LOW VOLTAGE NETWORK

CUSTOMERS HAVE A **LOW TOLERANCE** FOR VOLTAGE DROPS AND OUTAGES CAUSED BY A CONSTRAINED NETWORK

In the workshops, participants were asked which investment option they preferred:

- Scenario 1: Medium demand growth and average winter conditions: Under normal conditions, the low-voltage network performs adequately. However, if winter temperatures are colder than expected, there is a high risk of capacity shortages on networks already close to constraint. During cold snaps, this may result in voltage drops and outages due to overloading. **After considering these scenarios, 1% opted for Scenario 1.**
- Scenario 2: Medium demand growth and colder-than-average winter conditions: There is a medium risk of capacity shortages on constrained networks, but a low risk during cold snaps because planning accounts for colder weather. However, if a severe cold snap occurs, increased use of heaters and appliances could push the system close to its limits. **After considering these scenarios, 32% opted for Scenario 2.**
- Scenario 3: High demand growth and average winter conditions: Under normal conditions, the network copes well. However, a severe cold snap would significantly increase demand, pushing the system beyond its limits. This could lead to voltage drops and overloads, with outages likely during extreme cold events. **After considering these scenarios, 12% opted for Scenario 3.**
- Scenario 4: High demand growth and planning for a very cold winter (Orion's proposed plan): The network is reinforced to handle peak demand even during severe cold snaps. This results in a low risk of shortages on constrained networks and a low risk during extreme cold weather events. **After considering these scenarios, 55% opted for Scenario 1.**



CUSTOMERS HAVE A **LOW TOLERANCE** FOR VOLTAGE DROPS AND OUTAGES CAUSED BY A CONSTRAINED NETWORK

When asked about their preferred scenario, the most common motivators were:

- Reliability matters – A strong, dependable power supply is important to me.
- Future-proofing – I want Orion to invest now so that we are ready for increased demand.
- Planning for the worst-case scenario - I want Orion to plan for the worst weather conditions and increased growth.
- Concern for vulnerable customers – I want to make sure that people who rely on electricity for health and wellbeing.
- Supporting vulnerable customers – I worry about how this extra investment will affect those who struggle to pay higher bills.

Note that **Business Customers** much more focused on planning for the worst, to protect the reliability of the network, and to restore it as quickly as possible, when the inevitable outages occur.

*“It’s really important to balance investment in the low-voltage network with innovation and non-network solutions. Reduce peak pressure.”
Kirwee customer.*

“Despite all the other investments, it is important that we retain the everyday network to protect the more vulnerable residents.” Christchurch customer.

*“It is important that we invest now to future-proof the network.”
Akaroa customer.*

“If we plan for the worst now, we will do our best to protect ourselves against the growth and increasing frequency of weather events.” Business customer.



Orion

Feedback on Proposed Projects NON-NETWORK SOLUTIONS

CUSTOMERS VALUE A **BALANCED, FORWARD-LOOKING** APPROACH THAT PREPARES THE NETWORK FOR EMERGING TECHNOLOGIES WHILE **MAINTAINING AFFORDABILITY.**

Participants were asked which investment option they preferred:

- Option 1 – Reduce investment - lower cost, but risks, constraints and limits flexibility
- Option 2 – Maintain proposed investment (\$30 million) - balanced readiness for non-network solutions (Orion’s approach)
- Option 3 – Increase investment - higher upfront cost, but greater future-proofing and resilience

When presented like this, three-quarters of participants preferred to maintain the **proposed \$30 million** investment in non-network solutions.

“There is a lot to be said for non-network solutions, but it would be easy to over invest to quickly and end up with technology that is obsolete a few years down the line. So, we have to manage the investment.” Kirwee customer.



CUSTOMERS VALUE A **BALANCED, FORWARD-LOOKING** APPROACH THAT PREPARES THE NETWORK FOR EMERGING TECHNOLOGIES WHILE **MAINTAINING AFFORDABILITY.**

The key factors cited for supporting this investment were:

- Support for home solar and batteries – enable customers to use and share their own energy.
- Boost reliability and resilience – keep power on during extreme weather and growth.
- Keep costs down – use non-network solutions to minimise impact on monthly bills.

Accelerated investment was rejected due to the pace of technological change and the risk that new technologies could be superseded in a few years' time.

“We need to look at ways that we can generate our electricity locally and store it for the community to draw on, rather than individual batteries ” Kirwee customer.

“If we can work together to develop non-network solutions, we can work with Orion to find solutions that decrease peak demand, without expensive infrastructure.” Business customer.

“Investment in non-network solutions should be focused on how it can help with reliability or strengthen resilience.” Akaroa customer.





Feedback on Proposed Projects VULNERABLE POLES

STRONG SUPPORT FOR VULNERABLE POLE INVESTMENT AS A NECESSARY COMPONENT OF **MAINTAINING NETWORK RELIABILITY, RESILIENCE AND SAFETY.**

Investment in vulnerable poles was explored in the charette in Kirwee (rural perspective) and Akaroa (Banks Peninsula perspective). It was also discussed in the Business Breakfast in Christchurch.

- While customers were supportive of the vulnerable poles programme, **affordability was also a key consideration**. Participants emphasised the importance of ensuring that investment is efficient and targeted, so that improvements to network resilience are achieved while minimising impacts on monthly electricity bills.
- Overall, customer feedback indicates strong support for the vulnerable pole investment as a necessary component of maintaining network safety, reliability, and resilience, provided costs are managed prudently.
- There is strong support for **retaining** the proposed \$14m investment

“It is important for those businesses located across rural Selwyn and those living in Banks Peninsula that the poles are resilient. However, we should target the investment to only replace them as we need to.” Christchurch business.



STRONG SUPPORT FOR VULNERABLE POLE INVESTMENT AS A NECESSARY COMPONENT OF **MAINTAINING NETWORK RELIABILITY, RESILIENCE AND SAFETY.**

The key factors cited for supporting this investment were:

- Preventive replacement - customers supported proactive renewal of vulnerable poles to reduce the likelihood of pole failures and unplanned outages.
- Avoiding long outages – customers focused on the minimisation of outages, by increasing the resilience of the poles, particularly across those areas most vulnerable to weather events and fires.
- Support for rural and remote communities – customers emphasised the importance of a reliable electricity supply for rural areas, where restoration timeframes can be longer and the impacts of outages more significant.
- Network resilience - customers highlighted the value of a resilient network capable of withstanding extreme weather events and wildfire risk, particularly in exposed and rural locations.

*“We depend on those poles for our power, and we want a stable network, so they need to be as resilient as possible.”
Akaroa customer.*

*“We need to make sure we are looking after everyone, especially those living in rural areas. We cannot get left behind.”
Kirwee customer.*

“With increasing frequency and intensity of storms and more fires, it would be good if the poles can withstand these conditions.” Kirwee customer.





Investment Priorities Token Allocations

Investment Priorities: Token Allocation

Participants were given 10 tokens each to allocate across the four investment priorities, indicating their preferred investment weights. This activity was conducted before the session began and repeated at the end.

Investment Option	Allocation Pre Discussion %	Allocation Post Discussion %
66kV Cable Replacement Programme	19	15
Low Voltage Network Reinforcement	24	26
Non-Network Solutions	28	33
Vulnerable Pole Replacement	29	26

Following the discussion, participants generally shifted their preferences towards increased investment in non-network solutions and low-voltage network reinforcement. The main reason for this shift was that investment in non-network solutions and the low-voltage network was seen as benefiting everyone, whereas the 66kV cable replacement benefits primarily Christchurch, and the vulnerable pole replacement benefits specific rural communities.

However, it is important to note the regional difference:

- Christchurch participants (both residents and businesses) showed a significant shift toward investing in the 66kV cable replacement programme.
- In Akaroa, and to a lesser extent Kirwee, support increased for investment in vulnerable pole replacement.





Other Considerations

AFFORDABILITY AS A BINDING CONSTRAINT

1

Affordability consistently emerged as a core concern. Customers support resilience and reliability but only if costs remain ‘reasonable’.

- The current economic environment has brought affordability to the forefront.
- Importantly, there is little appetite for trading off service levels to reduce costs.

The prevailing expectation is a balanced approach:

- Acceptance that investment is required, specifically when focused on maintaining reliability and boosting resilience.
- However, customers also want to avoid unnecessary or premature expenditure.

This is perceived as a prudent approach, focusing on efficiency and long-term customer interests rather than short-term bill impacts.



“People are struggling to pay bills at the moment. Sometimes it comes down to deciding whether to pay a bill or buy food. Every extra dollar on the electricity bill is a dollar taken from elsewhere.” Kirwee customer.



VULNERABLE CUSTOMERS

2 Concern for vulnerable customers is widespread among participants and advisory groups.

However, network providers have limited ability to identify or directly support vulnerable households due to regulatory and market constraints.

Participants identified that keeping overall costs as low as possible while maintaining service quality is the most effective way to support vulnerable customers.

There was also extensive discussion about the role of local generation and the use of community-based solutions to address inequity, particularly in relation to solar generation and community batteries.



“We understand the need for investment, but there are people who need electricity for medical equipment, and others cannot afford to put the heating on. We have to look for solutions that will help them – maybe community batteries or ways of sharing personally generated electricity with those who need it.” Christchurch customer.



ENGAGEMENT, UNDERSTANDING, AND STORYTELLING

- 3 • Engagement is often low because the network is generally stable, meaning people only interact with it when something goes wrong.

“So long as the power comes on when I flick the switch, I do not think about my electricity.” Kirwee customer.

When they do attempt to engage, they encounter a complex system that can feel “too hard” to navigate.

“Even just trying to work out whether to switch my power supply is so confusing. It just feels too hard. But going through this tonight, it makes sense.” Christchurch customer.

- However, pre- and post-session survey data show that participation measurably improves understanding and supports more informed decision-making.
- The *body of work* completed by Orion clearly shows there is an opportunity (and a need) for clearer, more consistent storytelling that explains trade-offs and investment logic without assuming high baseline engagement.



“I have learnt so much just doing this tonight. The more I understand about why investment is needed and the risks if we don’t, I feel more able to make informed choices and look at ways of changing how I use electricity.” Christchurch customer.





Appendix



CONSULTATION DESIGN



Consultation Design



Charette Structure:

The structure will be similar for both residents and business representatives but viewed through a residential lens in the charettes and commercial investment perspectives in the business breakfasts.

1. Pre-event: Participants receive a summary of the CPP proposal and are invited to email their initial thoughts to a member of The Curiosity Company.
2. Arrival: Participants complete a short survey focused on providing initial thoughts on the summary document.
3. Session Focus:
 - 66kV cable replacement programme (greater focus in Christchurch Urban and Business)
 - Low-voltage network reinforcement (All sessions)
 - Use of non-network solutions (batteries, solar, etc) (All sessions)
 - Vulnerable poles programme (Akaroa & Kirwee)
4. Departure: Repeat of the survey completed at the beginning to see how thoughts change over the course of the discussion.



Participant Profiles



As noted, the two charettes were designed to ensure the engagement included urban and rural customers. Within each charette, participants were recruited to represent a diverse range of views.

Residential Customers	Environmental Enthusiasts	Electricity Savvy	Families	Vulnerable Communities	Community Advocates	Total
Christchurch	5	6	6	6	5	28
Kirwee	6	6	5	5	5	27

Residents & Businesses	Environmental Enthusiasts/ Electric Savvy	Vulnerable Communities/ Families	Hospitality/ Tourism / Retail	Manufacture/ Health & Community / Engaged	Total
Akaroa	4	4	4	5	17

Business Customers	Retail/Leisure / Hospitality	Professional Services	Health & Community Care	Manufacturing /Trades	Primary Industries	Total
Christchurch Businesses	3	3	4	7	3	20

Participants were asked a series of questions during the recruitment interview to determine which cohort they represented. Essentially, they self-identified which cohort they were placed in. Participants were not aware which cohort they were placed in.

Orion



CONSULTATION STIMULUS

66kV Cable Replacement Programme

66kV cable replacement

How quickly should Orion replace the 66kV (high voltage) cables that are vulnerable to earthquakes? If the cables fail in a big quake, homes and businesses in central Christchurch could experience power outages over a prolonged period.

- Christchurch is a high seismic risk area
- 70% chance of an Ariadne fault earthquake in the next 50 years (generically magnitude 8)
- Christchurch subtransmission network
 - Most large amounts of electricity between substations
 - If there is a cable fault, it can affect 20,000+ customers
- Some of the older 66kV cables are between 40-60 years old, and after operating now under normal conditions, they are vulnerable to big quakes

Replaces a 66kV cable at the interface of substations and reduces the risk of power outages

Orion's 66kV subtransmission network is a critical part of the city's electricity supply. Replacing old cables with modern, earthquake-resistant cables will help ensure that power is available when you need it.

Investment approaches

We considered three approaches to replace the older 66kV cables over the five-year period, 01 April 2027 to 31 March 2032.

Limited	Balanced	Accelerated
Spending gets less	Assessing risk and cost tradeoffs	Some money got there
How much we would invest		
\$32 million	\$72 million	\$118 million
What we would do		
<ul style="list-style-type: none"> Offer most of the cable replacement on a 5-year term Only two cables on one key circuit replaced Work would begin on a second circuit 	<ul style="list-style-type: none"> Eight cables on the four most vulnerable circuits replaced Work would begin on a fifth circuit 	<ul style="list-style-type: none"> All older oil-filled cables replaced
What the benefits and risks are		
<ul style="list-style-type: none"> Least resilient option Around 30¢/month on customer power bills Network is less resilient until around FY2030-2033 If there is a big quake before then, there could be multiple faults on the daily network and prolonged outages 	<ul style="list-style-type: none"> Modest resilience option Around 60¢/month on customer power bills Replacement of cables on the most vulnerable circuits Reduces the risk of multiple faults on these circuits from FY2033 onwards Reduces the risk of prolonged outages on these circuits after a big quake from FY2033 	<ul style="list-style-type: none"> Strongest resilience option Around \$1/month on customer power bills Replacement of all older oil-filled cables Would deliver the quickest recovery after a big quake Would require significant planning, more contractors and overlapping projects (significant road works) Compared to the balanced approach the additional resilience is modest for the extra cost

Strengthening the network

Align the Canterbury earth quake level of these cables to reduce sustained significant damage

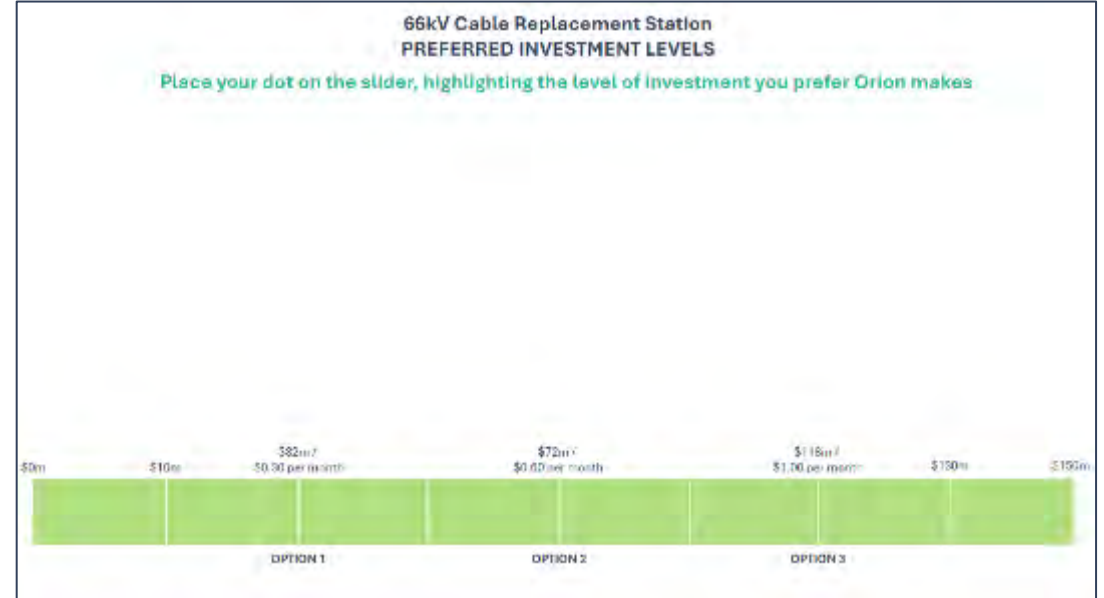
80% chance of an Ariadne fault earthquake in the next 50 years

- Multiple faults on these older cables
- Requires specialist expertise from elsewhere
- A real risk of prolonged outages for homes and businesses in Christchurch city

Why

Replacing these older cables will:

- Reduce the risk of damage to the cables
- Reduce the risk of power outages after a big quake
- Improve our ability to recover quickly after a big quake
- Give more route diversity meaning we can move power around the network easier + enhanced reliability



66kV Cable Replacement Station THE WHY

Customer Prices matter most – I want to keep my bill as low as possible	<input type="text"/>
Earthquakes risk is my priority – I want Orion to reduce the risk of major outages after a big quake	<input type="text"/>
I'll accept the risk – I am not worried about another big quake	<input type="text"/>
Community safety – keeping essential services powered after a big quake is important	<input type="text"/>
Avoiding long outages – I want power restored quickly, even after a disaster	<input type="text"/>
Reliability & resilience – a strong dependable power supply is important to me	<input type="text"/>
I can cope with long outages – I am prepared to manage without power for a while	<input type="text"/>
Business continuity – getting the power back quickly after a quake is critical for businesses and jobs	<input type="text"/>
Peace of mind – I want to know that electricity is there when I want it, particularly after a disaster	<input type="text"/>
Other priorities first – I'd rather Orion spend on other network improvements	<input type="text"/>

Low Voltage Network Reinforcement



Low voltage reinforcement

How should Orion invest to upgrade the low voltage (LV) network to keep up with population growth, and the growth in demand for electricity? Orbits isn't enough capacity, the network could become overloaded.

Investment approaches

We considered four approaches to reinforce the LV network over the five-year period, 01 April 2027 to 31 March 2032

Reactive	Balanced	Accelerated - traditional	Accelerated - innovation
Standard 2014-16	Average 2014-16 capacity	2014-16 capacity, get more	A 2014-16 capacity
\$30 million	\$76 million	\$142 million	\$76 million

How much we should invest

What we would do

- Reactive:** No investment in LV network
- Balanced:** Invest in LV network to match demand
- Accelerated - traditional:** All LV network capacity is used up by 2032. All LV network capacity is used up by 2032. All LV network capacity is used up by 2032.
- Accelerated - innovation:** All LV network capacity is used up by 2032. All LV network capacity is used up by 2032. All LV network capacity is used up by 2032.

What the benefits and risks are

- Reactive:** No investment in LV network. Risk of network capacity shortages.
- Balanced:** Invest in LV network to match demand. Risk of network capacity shortages.
- Accelerated - traditional:** All LV network capacity is used up by 2032. Risk of network capacity shortages.
- Accelerated - innovation:** All LV network capacity is used up by 2032. Risk of network capacity shortages.

Low Voltage Network Reinforcement - Balance Cost & Reliability

Scenario 1:

Dinner Scenario: Prepared for not all the family, showing up and the weather not being too cold

Power Scenario: Orion plans for medium demand growth and average winter conditions

Risk: Under normal conditions, the LV network copes well. But if a cold-weather event occurs, there is a high risk of network capacity shortages. This could lead to voltage drops and outages due to overloading. Roughly a 1 in 2-year chance the network cannot cope.

Scenario 2:

Dinner Scenario: Your house is party central; most people have shown up; the weather is colder than expected. You are struggling to feed everyone.

Power Scenario: Orion has planned for medium demand growth and colder than average weather.

Risk: Medium risk of network capacity shortages, but a low risk during cold snaps, because we have planned for that. Still, if the weather is severe or prolonged, heaters and appliances push the system to its limits (roughly 1 in 10-year chance the network cannot cope)

Scenario 3:

Dinner Scenario: Your plan for a big family dinner, because you expect lots of guests. You have cooked plenty for a normal winter night, but if everyone stays longer due to severe weather you might struggle.

Power Scenario: Orion has assumed high demand growth and average winter conditions.

Risk: Under normal conditions, the low voltage network copes well. But if a severe cold snap hits, heaters and appliances surge, pushing the system beyond its limits. This could lead to voltage drops and overloads, with outages likely during extreme cold events (roughly a one in two chance the network can't cope)

Scenario 4: Orion's proposed plan

Dinner Scenario: You prepare for the biggest holiday dinner and the worst cold snap. Even if everyone shows up and it's freezing outside, there's plenty of food and warmth for all.

Power Scenario: Orion has assumed high demand growth and plans for a very cold winter.

Risk: The network has enough capacity to handle peak demand even during severe cold snaps. This means low risk of shortages on constrained networks and low risk during cold weather events (roughly a 1 in 10-year chance the network can't cope)

Low Voltage Network Reinforcement PREFERRED INVESTMENT LEVELS

Balancing Cost and Reliability Scenario Game

We have created a real-world scenario to put this into context:

We need to decide how to reinforce the low-voltage network, as it is vulnerable. Why?

- Some of the low-voltage networks are at capacity, which means there is no spare capacity when demand goes up
- Weather events are becoming more severe and more frequent, leading to greater electricity use (everyone using heaters, lighting, dryers etc)
- A greater number of homes and businesses in the region means greater demand on the network

We need to find a plan that balances the risk of failure against the cost of reinforcing the network.

To put it into a real-world context, imagine you are planning a big family dinner to watch an All-Blacks test. It is the middle of winter and very cold. You are not sure how many people will come, so

- do you prepare enough dinner in case everyone comes along?
- Or do you take the risk and believe that most people will not make it, so only prepare a much smaller dinner?
- Or something in the middle, prepare an average-sized dinner?

Take a look at the scenario card and choose which option you think Orion should opt for, by placing your dot in the relevant box on the card.

Low voltage network reinforcement WHY IT MATTERS

- Keep Costs low – I want the cheapest option for my power bill
- Plan for the worst – I want Orion to plan for worse weather and increased growth
- Avoid outages – I want to reduce the chance of power outages on a cold night
- Reliability matters – a strong dependable power supply is important to me
- Concern for vulnerable customers – I want to protect people who rely on electricity for health and well-being
- I can cope with outages – I am OK with disruptions if it keeps prices down
- Future-proofing – I want Orion to invest now so we are ready for the increased demand
- Support for vulnerable customers – I worry how this will affect those who struggle to pay higher bills
- Peace of mind – I want to know that electricity is there when I want it
- Other write your own thoughts on the post it...

Vulnerable Poles Replacement Programme

Vulnerable poles

Should Orion invest to upgrade vulnerable power poles on the network?
Some of our poles are in areas of high fire or landslide risk - if they fail they can be a safety risk and cause outages.

- Downside: only 63,000,000 power poles on the network.
- We have around 4,700 wooden poles in areas of high wildfire risk - across the Central District and Banks Peninsula.
- We have around 3,000 poles that are risk of damage from landslides - mostly across the North and Banks Peninsula.

Strengthening the network

- Poles in high risk areas can fail due to extreme conditions causing:
 - Safety hazards
 - Outages affecting large numbers of customers
 - Repairs that take days or weeks.
- Repairs can be challenging,
 - Worry road to get into the area is safe
 - Access can be difficult
 - Roadside work may be required before replacing the pole
- Our proposed plan:
 - **Replace around 1,000 vulnerable power poles over five years** (FY23-27).
 - **Replace high fire risk** - progressively replace wooden power poles with fire-resistant alternatives.
 - **Replace high landslide risk** - progressively upgrade poles situated on steep slopes along critical lines to Dunedin, Invercargill, Otago, Nelson, Marlborough and Agartu.



Why invest

- **Upgrade vulnerable poles** - makes the network more resilient to wildfires and land instability.
- **What the activities:**
 - **Reduce unplanned outages** - keeping customers connected
 - **Improve safety** - reduce the risk to the public, our people and contractors from pole failures.

Investment approaches

Orion has taken a balanced approach to replacing vulnerable poles over the five-year period, 01 April 2027 to 31 March 2032.
Should we invest more or less?

Invest less on replacing vulnerable poles

What the risks and benefits if we invested less?

- **Lower initial costs to customers**
- **Reactive** - replace poles after an event such as a wildfire or landslide.
- **Higher risk of pole failure** - vulnerable poles could fail during a wildfire or landslide.
- **Long outages** - repairs in remote areas can take days or weeks, leaving customers without power.
- **Increased safety risk** - for the public and repair crews.
- **Higher repair costs** - emergency repairs are often more costly than planned replacements.
- **Reduced network resilience** - will make it harder to make the network less able to withstand wildfires and landslides.

Balanced investment on vulnerable poles (\$14m)

What we are investing in

- **Cost to customers** around 18¢ per month.
- **Most vulnerable poles replaced** - the poles most at risk of wildfire/landslide are replaced, including on key circuits.
- **Increased network resilience** - the most vulnerable poles are replaced.

Invest more on replacing vulnerable poles

What the risks and benefits if we accelerated investment?

- **Higher costs for customers**
- **Increased network resilience** - more vulnerable poles could be replaced making the network more resilient.
- **Delivery** - would require significant planning, overlapping projects and likely planned outages over the five-year period.

Vulnerable Poles- INVESTMENT SLIDER

Place your dot on the slider, highlighting the level of investment you prefer Orion makes

OPTION 1
OPTION 2
OPTION 3

Vulnerable Poles WHY IT MATTERS

Wildfire risk reduction - I want Orion to replace at risk in high fire risk areas.	<input type="text"/>
Preventing pole failure - I want vulnerable poles replaced before they break and cause outages.	<input type="text"/>
Support for rural communities - reliable power for remote areas is important to me.	<input type="text"/>
Avoiding long outages - I want power restored quickly, even after storms or slips.	<input type="text"/>
Resilience - A strong network that can withstand extreme weather and wildfires matters most.	<input type="text"/>
Cost matters most - I want to keep my monthly bill as low as possible.	<input type="text"/>
Future-ready network - prepare for new technologies like EVs and smart homes.	<input type="text"/>
Peace of mind - confidence that power will be there when you need it.	<input type="text"/>
Other priorities first - I'd rather Orion spend on other improvements.	<input type="text"/>
Other reasons - write on Post-it on the attached page	<input type="text"/>

The Curiosity Company

www.curiositycompany.co.nz

Contact: Ann Thompson

Email: ann@curiositycompany.co.nz

The background is a solid teal color with a faint, dark silhouette of a utility pole and several power lines stretching across the frame from the top left towards the bottom right.

Appendix O

2025 Customer Perceptions Survey Report

Orion



Customer Perceptions Report 2025

November 2025



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Orion



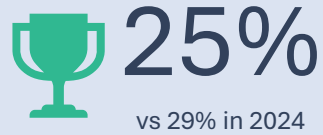
Key Metrics & Summary

Residential Customers Key Metrics

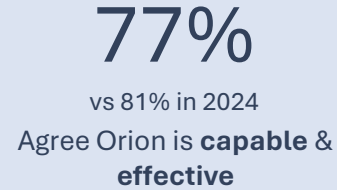
Overall Performance



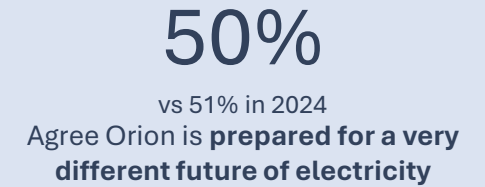
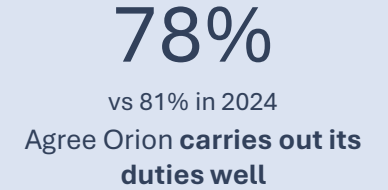
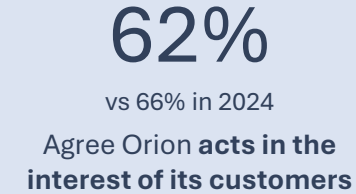
Satisfied with Orion's performance



10/10 satisfaction with Orion's performance



Brand Reputation



Customer Experience

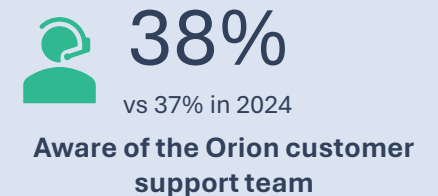
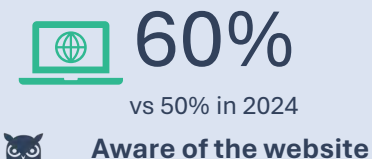
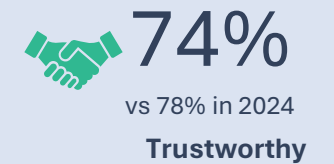
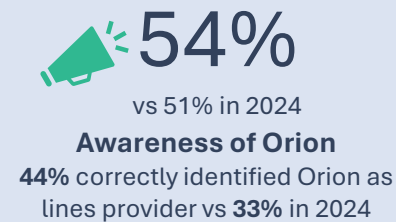


Service Received



Ease of doing business

Awareness & Perceptions of Orion



Residential Key Metrics Summary

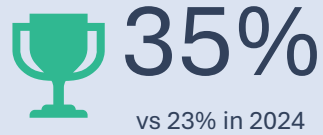
Brand Saliency	Brand Perceptions	What this means
<ul style="list-style-type: none"> ❖ Overall satisfaction with brand performance is very strong, averaging 8.1/10, and 1 in 4 residents giving Orion a 10/10 rating. ❖ Overall awareness of Orion among residents is 54% in 2025, up slightly from 51% in 2024 but still below the 59% in 2023. This suggests a modest recovery after a dip last year, though the trend is not strongly positive. ❖ Correct role identification improved significantly to 44% in 2025, compared with 33% in 2024, though still below the 51% in 2023. This indicates progress in clarifying the link between Orion and its role, but the low engagement rate leaves more than half of residents confused. ❖ When shown a list of services, 29% did not associate any with Orion. This points to persistent gaps in linking the brand to its offerings 	<ul style="list-style-type: none"> ❖ Brand perceptions remain strong and stable, with high satisfaction on core performance attributes: <ul style="list-style-type: none"> ❖ Reliability is consistently excellent at 90% (from 89% in previous years). ❖ Trustworthiness rating is solid at 74% (slightly down from 78% in previous years). ❖ Capability and effectiveness remain high at 77%, with minor fluctuations over time ❖ Operational performance is well regarded, with 78% agreeing that Orion carries out its duties well. ❖ Community alignment is improving; 62% believe Orion acts in the interest of local residents, up from 58% in 2023. ❖ Future readiness shows positive momentum with two-thirds of respondents seeing the brand as well-prepared for natural disasters (up from 51% in 2023) and 50% agree that Orion is prepared for a different future of electricity, a significant increase from 41% in 2023. 	<ul style="list-style-type: none"> ❖ Awareness is relatively stable but not growing, and while clarity has improved, the service association remains weak. This suggests that Orion is visible, but not meaningfully understood. ❖ Orion is perceived as reliable, capable and increasingly future-ready, which are critical strengths for a utilities provider. While trust and perceived community alignment have softened slightly, they remain strong. Cost continues to be the weakest area, particularly for residential customers, but this does not overshadow the overall positive sentiment.

Business Customers Key Metrics

Overall Performance



Satisfied with Orion's performance



10/10 satisfaction with Orion's performance

Customer Experience

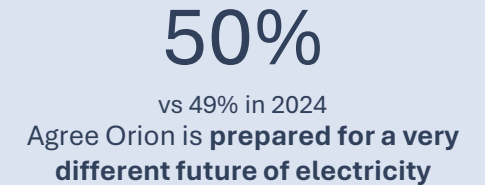
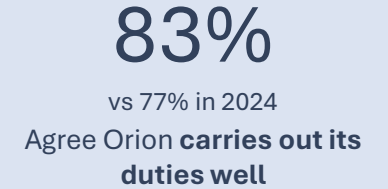
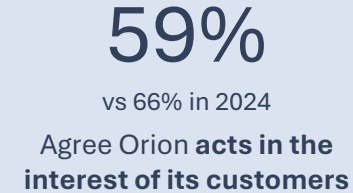
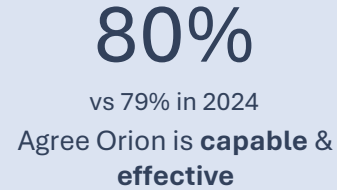


Service Received

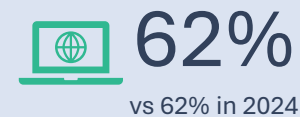
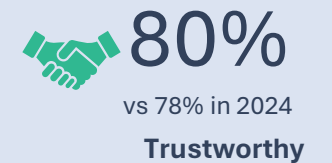
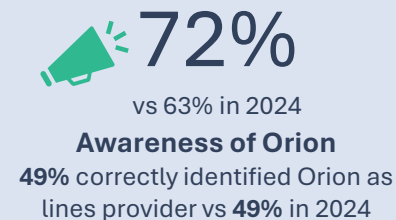


Ease of doing business

Brand Reputation



Awareness & Perceptions of Orion



Aware of the website





Aware of the Orion customer support team

Businesses Key Metrics Summary

Brand Saliency	Brand Perceptions	What this means
<ul style="list-style-type: none">❖ Overall satisfaction with brand performance is also strong, averaging 8.1/10, with 35% of businesses giving Orion a 10/10 rating❖ Overall awareness of Orion among businesses is high and improving, achieving 72% in 2025, up from 63% in 2024 and 54% in 2023.❖ Role clarity remains moderate at 49% correctly identifying Orion as the lines company, suggesting an opportunity for improvement in communicating what Orion does to the business audience.❖ Service association is a cause for concern, with 25% of the businesses interviewed not associating any listed services with Orion, which is worse than the 19% in 2024 and 23% in 2023. This signals a disconnect between awareness and understanding of what Orion does.	<ul style="list-style-type: none">❖ Brand perceptions among businesses are strong and improving in key operational areas with notable year-on-year gains in reliability and preparedness<ul style="list-style-type: none">❖ Reliability is exceptionally high at 92% (from 83% in 2024).❖ Trustworthiness rating is solid at 80%, consistent with previous years.❖ Capability and effectiveness are stable at 80%, unchanged from 2023 and 2024.❖ Operational performance shows improvement, with 83% agreeing that Orion carries out its duties well (versus 77% in 2024)❖ Acting in the interest of local businesses has softened to 59%, down from 66% in 2024 and 61% in 2023.❖ Future preparedness is trending upwards 62% believing the brand is well-prepared for natural disasters (up from 58% in 2023 and 2024), and 50% agree that Orion is prepared for a different future of electricity, continuing a positive trajectory from 40% in 2023.	<ul style="list-style-type: none">❖ Businesses are highly satisfied with, and increasingly aware of Orion, but gaps in role clarity and service association could limit deeper engagement and advocacy.❖ Businesses view Orion as highly reliable, trustworthy and operationally strong, with growing confidence in future readiness. The main area of concern is the decline in perceived alignment with local business interests.

Customers who have engaged with Orion are very satisfied with the service received. Cost considerations become the key investment priority in 2025.




 Customer Experience	 Customised Price Plan
<ul style="list-style-type: none">❖ Customer contact is reactive, not proactive. Most interactions occur during power outages, meaning interaction is driven by service disruption rather than when relationship-building could occur❖ Service experience is positive when it happens. Customers who do engage with Orion report high satisfaction, particularly among businesses, highlighting strong performance in direct service interactions.❖ Website experience is positive but declining. While generally positive, website usage has slipped, and a review is suggested to ensure ease of navigation.	<ul style="list-style-type: none">❖ In 2025, cost considerations became the leading priority for both residential and business customers, with “amount you pay for line charges” ranked first overall. Reliability and resilience remain important but have shifted to secondary positions, reflecting heightened sensitivity to the cost of living and operating expenses.❖ For residential customers, willingness to pay more for improved reliability or resilience is limited, with many preferring stable costs even if service risks increase.❖ Businesses show more substantial support for maintaining safety/reliability and for resilience, though a significant share still prioritise cost stability

Orion



Recommendations

Recommendations

 Awareness and brand	 Customer experience	 CPP
<ul style="list-style-type: none">❖ Build a proactive presence beyond outages and disruption. Move from reactive contact to increasing proactive engagement. Introduce regular updates of activities, educational content and CPP investment stories to keep Orion visible when the environment is favourable.❖ Own the narrative. With affordability, Orion should position reliability and resilience as value drivers, showing how investment prevents costly outages and supports business continuity.❖ Segment the messaging for relevance. For residential emphasise affordability and efficiency, reassuring that Orion is managing costs efficiently. For business, highlight risk mitigation and operational stability	<ul style="list-style-type: none">❖ Leverage the strong service satisfaction. High satisfaction among those who interact with Orion is a strength. The brand can amplify positive experiences through testimonials, case studies and transparent communication, reinforcing reliability and responsiveness as key brand attributes.	<ul style="list-style-type: none">❖ Address cost sensitivity with clear value messaging. With affordability now the top priority for both residents and businesses, Orion should frame CPP investments around clear cost-benefit analysis, emphasising that maintaining reliability and resilience protects customers from higher long-term costs and disruptions.❖ Digital Experience as Brand Touchpoint. Review the website to improve navigation and clarity. Include clear CPP explanations and interactive tools to strengthen the brand's online presence.

Areas to improve: Cost concerns dominate in 2025, with clear opportunities to strengthen communications and brand visibility

- 59% of customers were able to comment on improvements they want to see now. The key themes for immediate focus were:

Reducing the cost and pricing of electricity (c. 54% of all comments)	Communication, especially about outages, but also more general too (15%)	Awareness and brand building (6%)
<p><i>“Get the prices down or keep the prices down.”</i></p> <p><i>“Keep costs under control as well whilst keeping up to date with technology changes”</i></p>	<p><i>“We hear nothing about the company other than when there is an outage . Tell us what you are doing to make the company resilient and reliable. Tell us about how you are future proofing your area.”</i></p>	<p><i>“Consumers do not have a strong awareness of Orion, so there is an opportunity for them to improve their public relations”</i></p>

Question: What is the one thing that Orion needs to improve NOW?

Base: Residential customers 2025 (894), Business customers 2025 (183)

Future focus: Affordability leads future priorities, with reliability and sustainability emerging as secondary themes.

- Cost control dominates (circa 41% of comments). Customers want electricity to remain affordable and prices steady
- Reliability remains important (18%), with emphasis on a stable, sustainable supply at controlled cost
- Sustainability and capacity for growth are longer-term goals (circa 10% and 9%), with the focus on solar, batteries and EV charging for future growth

Reducing cost to consumers (c. 41% of all comments)	Reliability of supply (18%)	Sustainability and decarbonisation (10%)	Future capacity/ growth focus (9%)
<p><i>“Cost control is an increasingly important issue”</i></p> <p><i>“From an economic perspective, ensuring that electricity remains affordable for all”</i></p>	<p><i>“A reliable, sustainable supply in the future with controlled cost”</i></p> <p><i>“Keeping the electricity flowing and keeping the prices steady and letting me know if I should change plans”</i></p>	<p><i>“A carbon free future with encouragement of residential and commercial solar”</i></p> <p><i>“Ensuring the network can manage the added load of EV’s”</i></p>	<p><i>“Ensuring there is enough capacity available for the future loadings as well as maintaining the reliability of the existing supply”</i></p> <p><i>“Future proofing for growth and sustainability”</i></p>

Question: What are the most important things that Orion should focus on in the future?

Base: Residential customers 2025 (894), Business customers 2025 (183)

Orion

Research approach



Research Background

Customer feedback on Orion's performance as the electricity distribution network provider for Central Canterbury has been collected annually for several years.

Since 2021, the survey has used a mix of telephone and online interviewing to ensure a range of customer viewpoints is captured.

Business customers were included for the first time in 2023, and this report compares changes between business and residential customers from 2023 to 2024.

The 2021 and 2022 data are included in the Appendix to show indicative changes over time. As such, any comparisons with data from earlier years (prior to 2023, which included the face-to-face survey method) should be treated with caution.

Minor updates were made to the survey in 2025, with some new questions added specifically around Orion's intent to apply for a customised price-quality path. These focused on reliability and resilience.



Research Design

This 2025 report is based on a mixed method of online and telephone surveys completed by 1077 customers who live (894) or operate a business (183) in the Orion electricity network area.

Interviewing was completed between 2nd and 24th of October 2025.

Quotas were set on interview numbers across the regions within the Orion electricity network area to include customers from Urban (Christchurch), Selwyn (Residential and rural), and Bank Peninsula (including Lyttleton). There was an additional soft quota to capture the opinions of those living or running businesses remotely.

2025 interviews achieved	Residential	Business	Total
Christchurch	677	124	801
Selwyn	192	48	240
Banks Peninsula	25	11	36
Total	894	183	1077



Economic context

As with 2024, the cost-of-living crisis impacts how people consider their priorities and leads to a sharpened focus on price – even more so this year. While consumers continue to believe in the need for sustainability and preparedness for the future, their willingness to contribute financially towards those areas is reluctant as they focus on the day-to-day need to pay their bills.

Ahead of the CPP, there continues to be heightened media coverage of the electricity market and energy industry in New Zealand, particularly about electricity generation, the wholesale cost of electricity, profits of electricity generators, mining for fossil fuels and the potential political intervention in the industry.

Orion

Residential customers

Awareness & Comms

Key measures – Residential (1/2)



Residential customers	2023	2024	2025
Overall performance			
• Satisfied with Orion’s performance	8.3	8.1	8.1
• 10/10 satisfied with Orion’s performance	28%	29%	25%
Awareness and perceptions of Orion			
• Claimed awareness of Orion	59%	51%	54%
• Correctly identified Orion as lines provider	51%	33%	44%
• Satisfied with reliability	89%	89%	90%
• Trustworthy	78%	78%	74%
• Aware of the Orion website	55%	50%	60%
• Aware of the Orion Customer Support team	43%	37%	38%

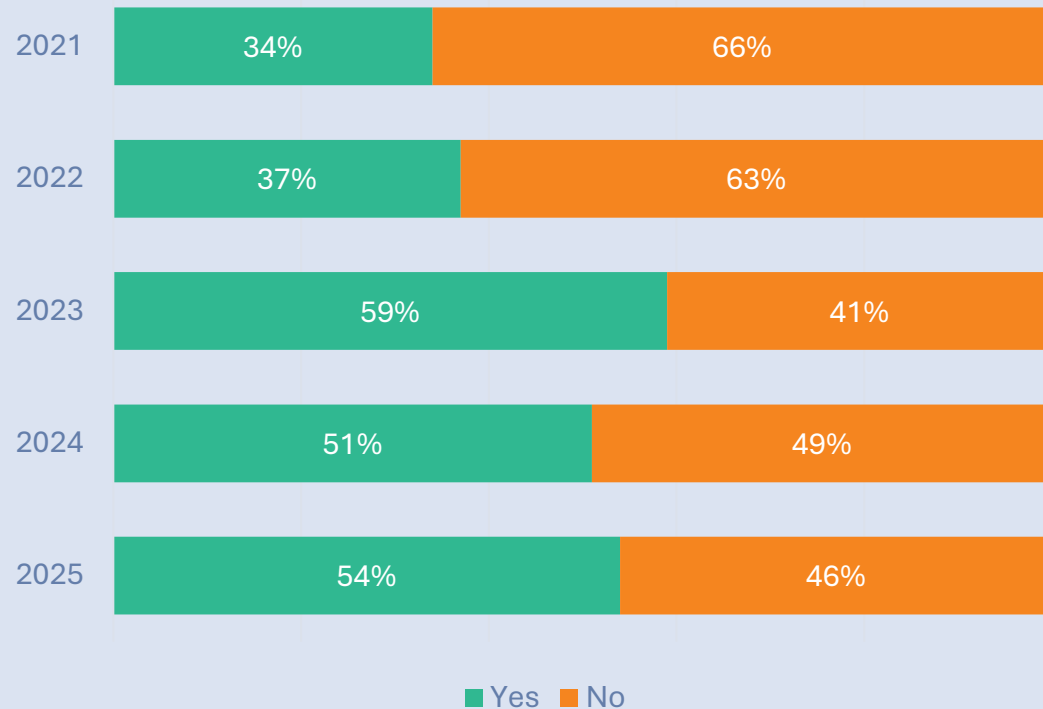
Key measures – Residential (2/2)



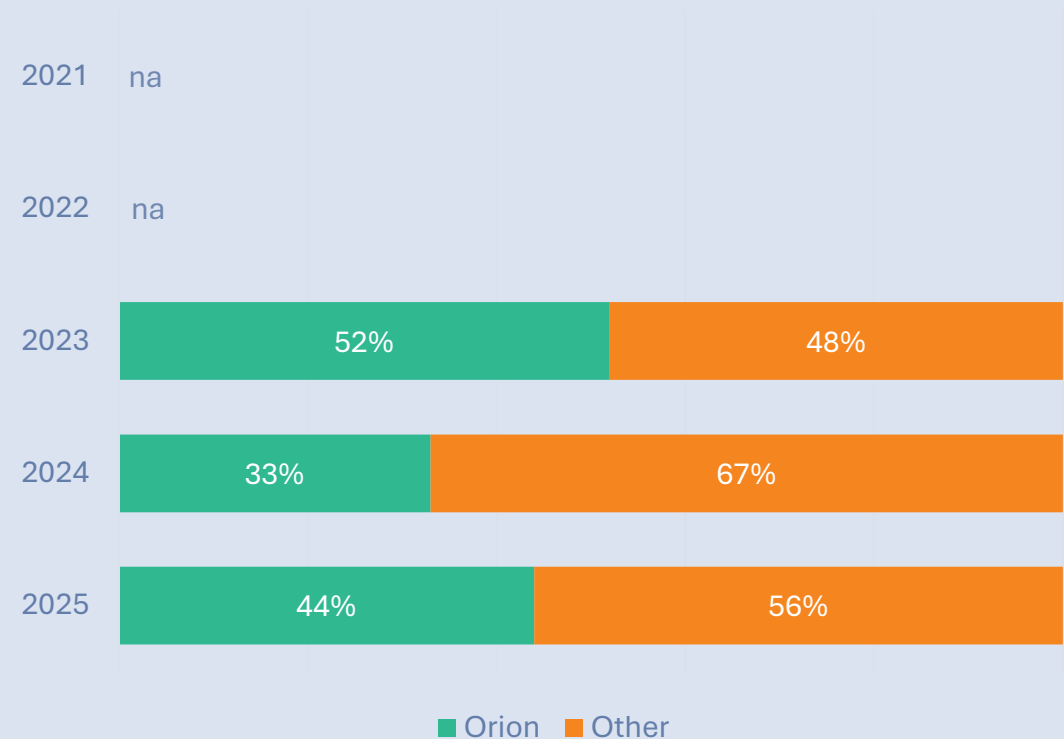
Residential customers	2023	2024	2025
Brand reputation			
• agree that Orion is capable and effective	79%	81%	77%
• agree that Orion carries out its duties very well	78%	81%	78%
• agree that Orion acts in the interests of local residents	58%	66%	62%
• agree that Orion is well prepared for future natural disaster situations	51%	56%	60%
• agree that Orion is prepared for a very different future for electricity	41%	51%	50%
Customer experience (those that interacted in last 12 months)			
• Rating of service received	8.7	8.2	8.5
• Rating of ease of doing business with Orion	8.8	8.3	8.5

Awareness: Only 44% correctly recall that their lines company as Orion, an increase on 2024. The economic climate *may* have put the focus onto retailers, but Orion should consider how to increase awareness about their role in the sector

Awareness of Lines company



Correct attribution to Orion



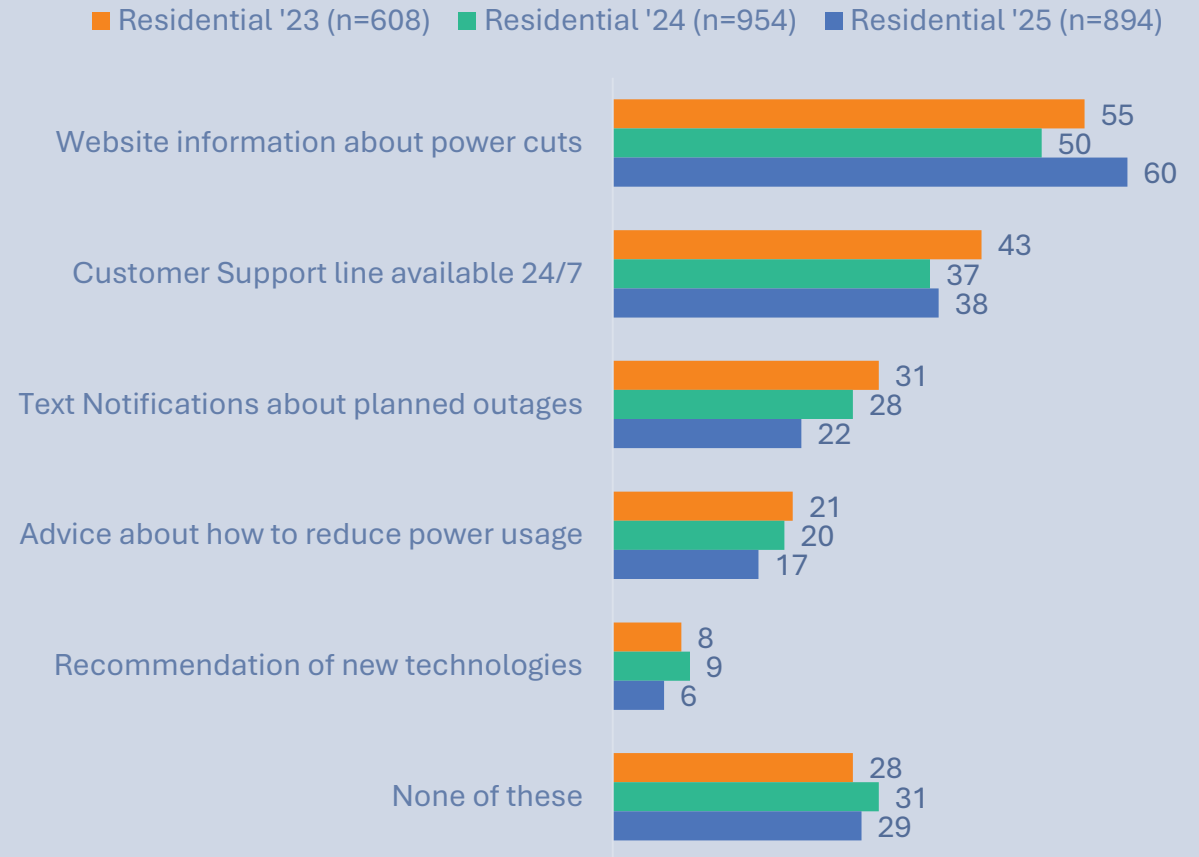
Question: Do you know the name of your local electricity LINES company? What is the company name?

Base: Residential customers 2025 (894), 2024 (954), 2023 (608)



The website information is the service with greatest awareness (3 in 5 residential customers), and 1 in 3 continue to not know of any of these services, reflecting the low engagement nature of the sector

Awareness of Services

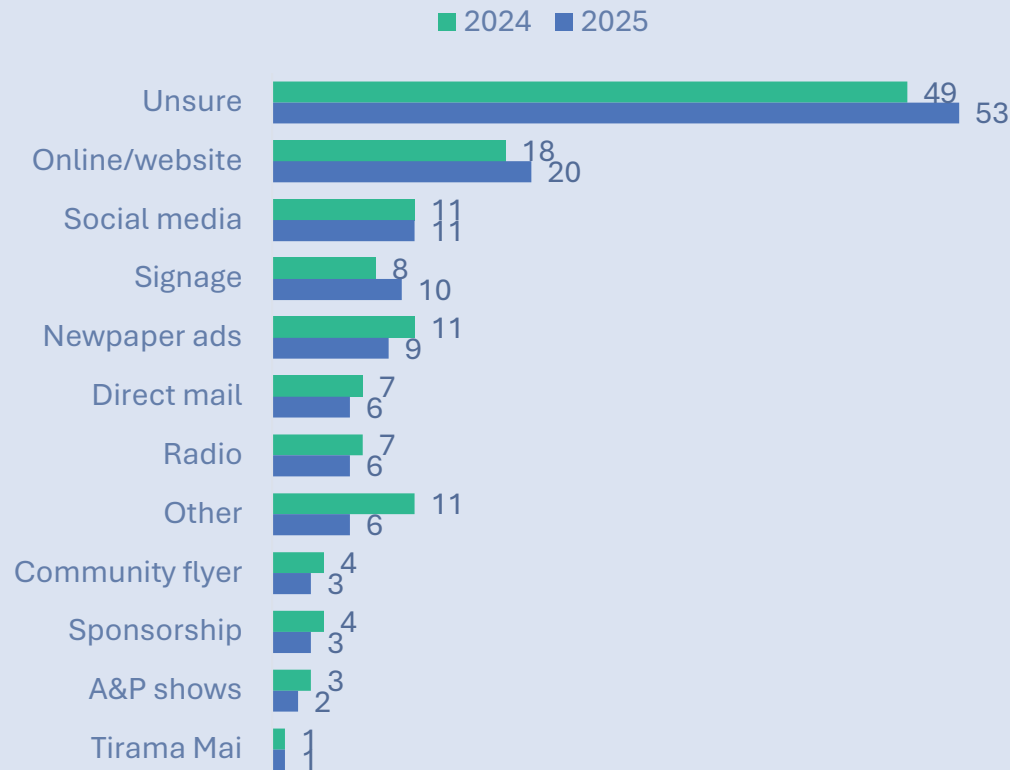


Question: Which of the following services do you know that Orion offer?

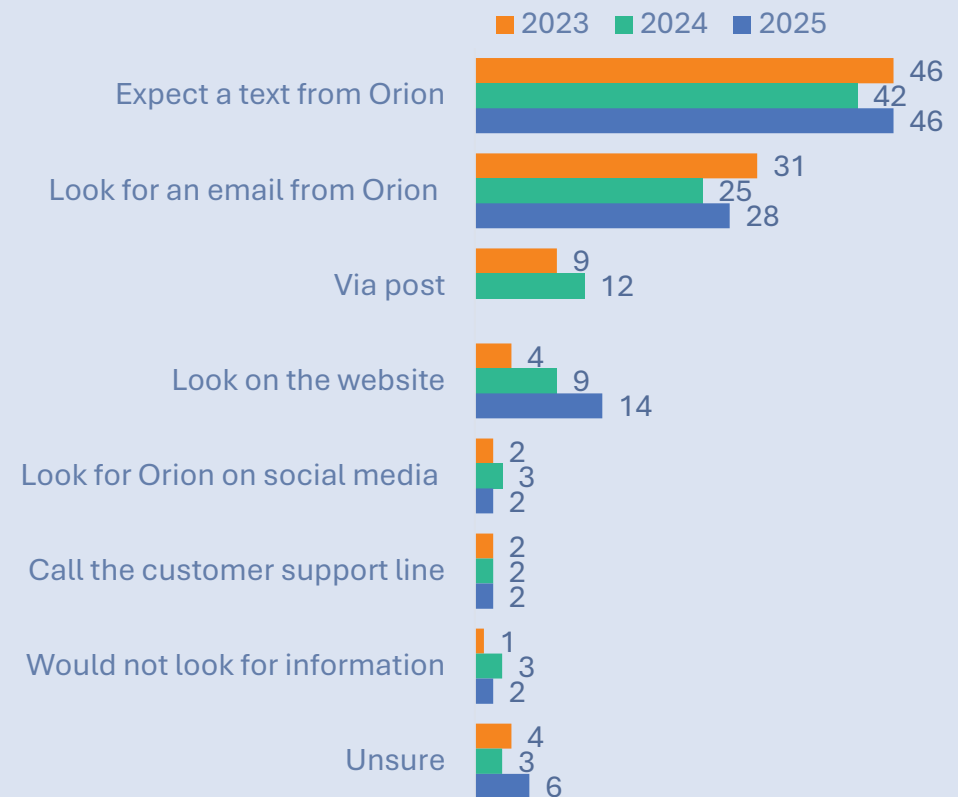
Base: Residential customers 2025 (894), 2024 (954), 2023 (608)

Comms: Over half of residential customers don't recall seeing any information about Orion in the last year. With nearly half preferring a text about outages, this will be an important channel for Orion to promote

Source of information



Information preferences about outages



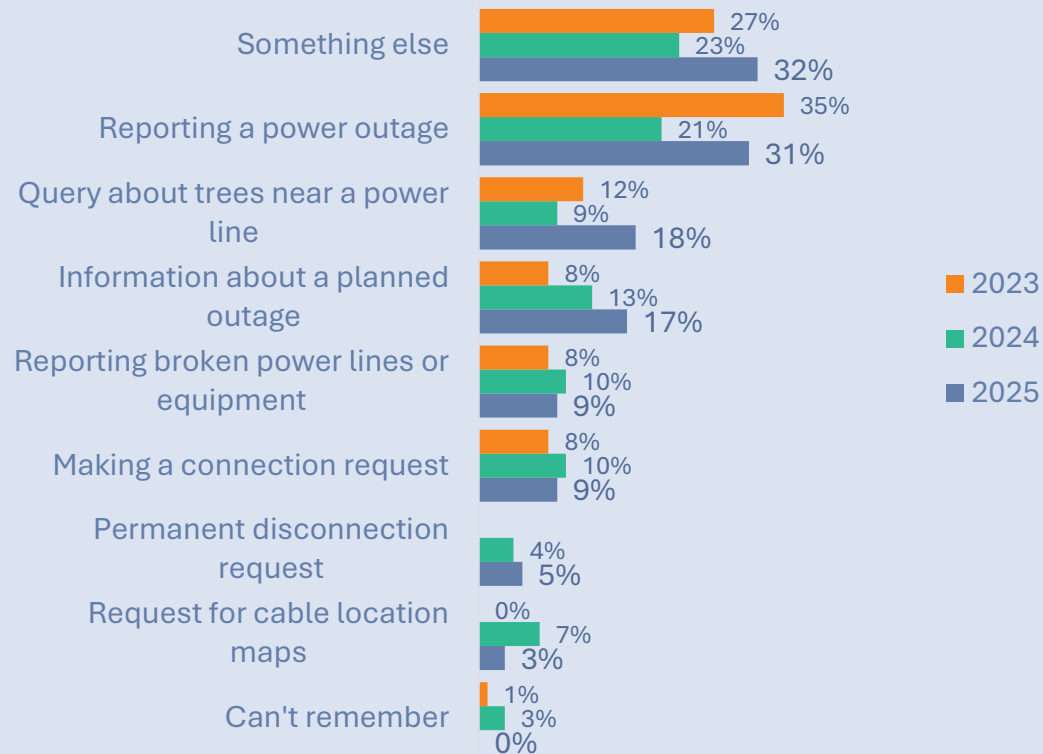
Question: How would you prefer to get information from Orion about planned outages (i.e. outages caused by work Orion is doing)? Where have you seen information about Orion over the last 12 months?

Base: Residential customers 2025 (894), 2024 (954), 2023 (608)

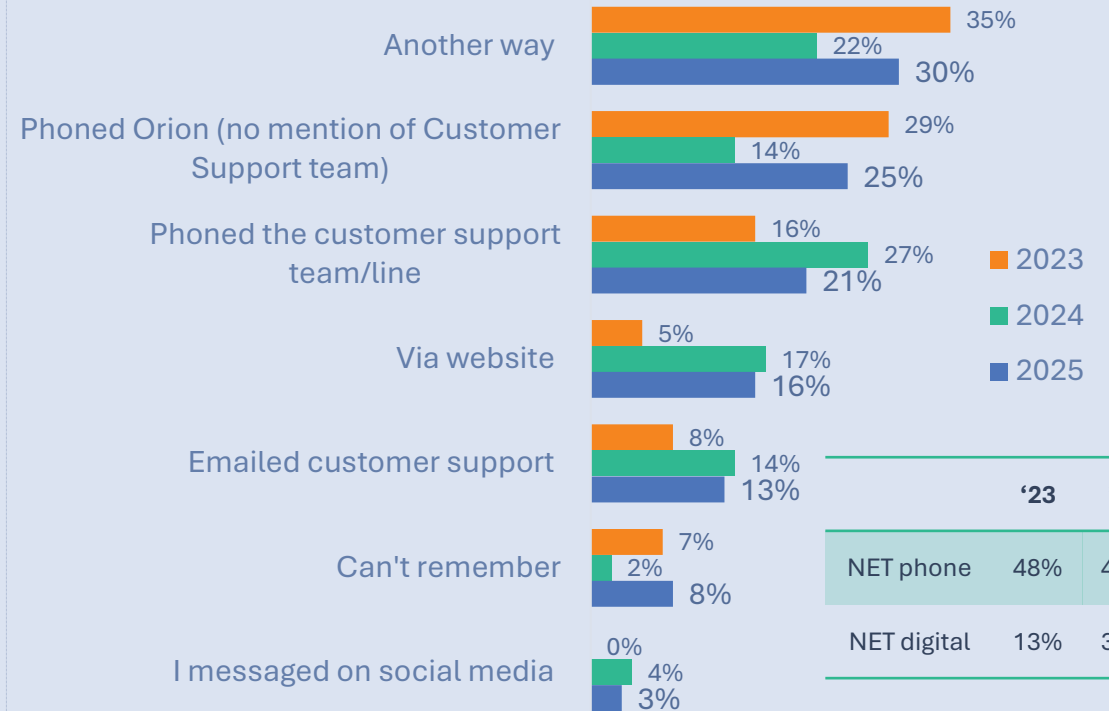
Customer experience

Service experience: Just 9% of customers had contacted Orion in the last 12 months, mostly about power outages via phone or the website

Reason for contacting Orion



Method for contacting Orion

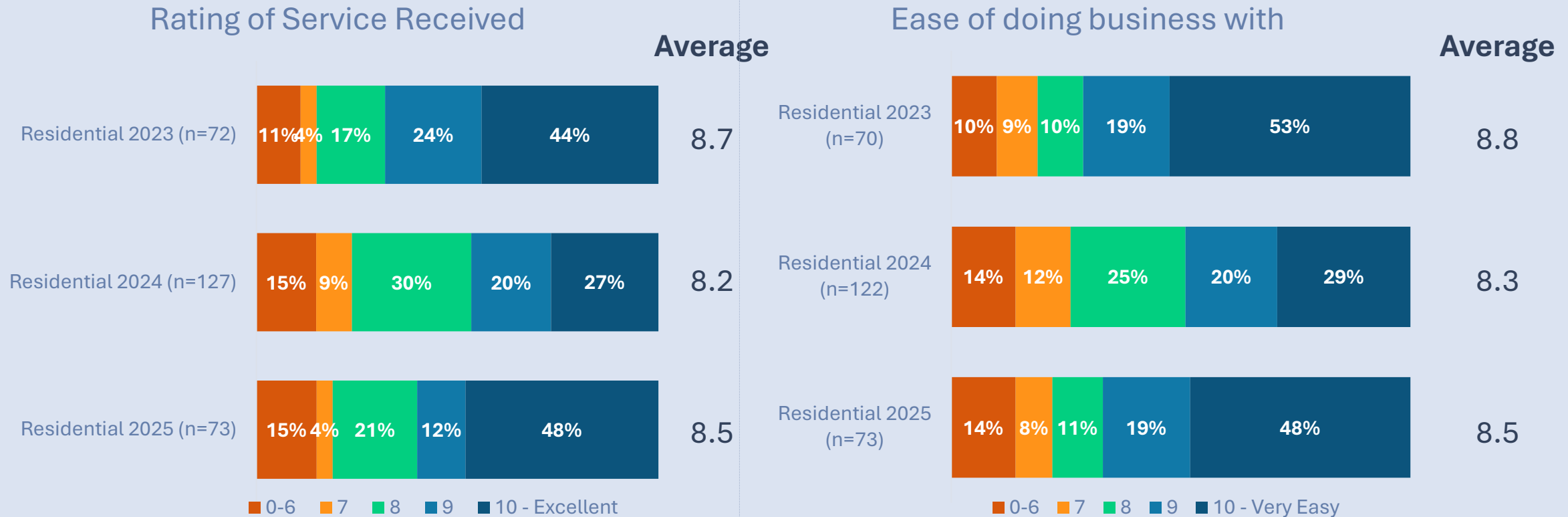


	'23	'24	'25
NET phone	48%	41%	43%
NET digital	13%	35%	27%

Question: Have you had any dealings with Orion in the last 12 months for any reason? Which of the following best describes your reason for contacting Orion? How did you contact Orion?

Base: Residential customers who have contacted Orion in the last 12 months: 2025 (77), 2024 (128), 2023 (75)

Service experience: For those residential customers who have contacted Orion, overall satisfaction and ease of service have recovered following a decline in 2024



Question: On a scale of 0 to 10 where zero is awful and ten is excellent, how would you rate the service you received when you contacted Orion? On a scale of 0 to 10 where zero is very difficult and ten is very easy, how easy was it to do business with Orion? Chart excludes 'Don't Know' responses.



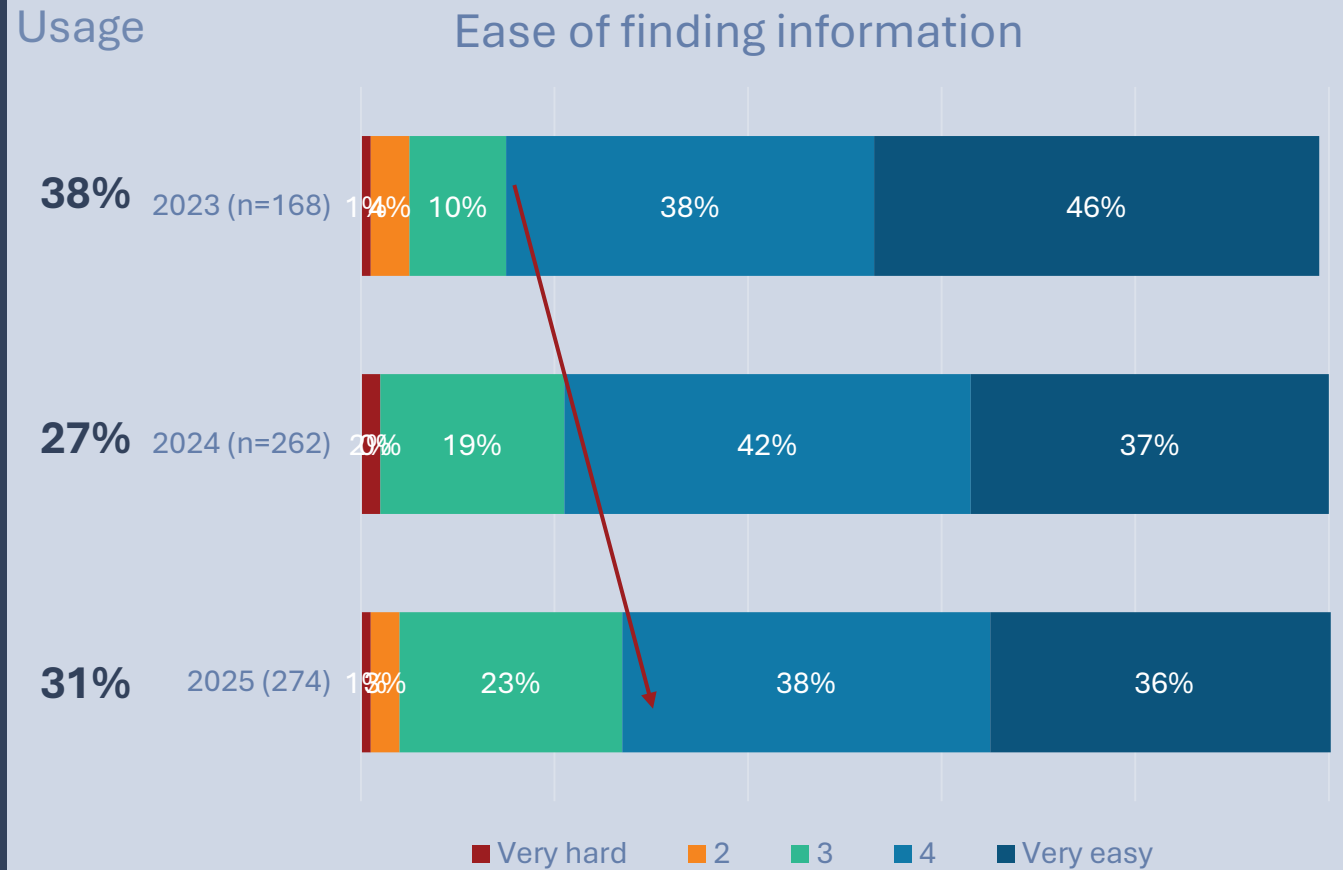
Base: Residential customers who have had dealings with Orion in the last 12 months 2025



Ease of finding information on the website remains positive but is on a downward trend.

The website's content and navigation could be reviewed.

Website experience



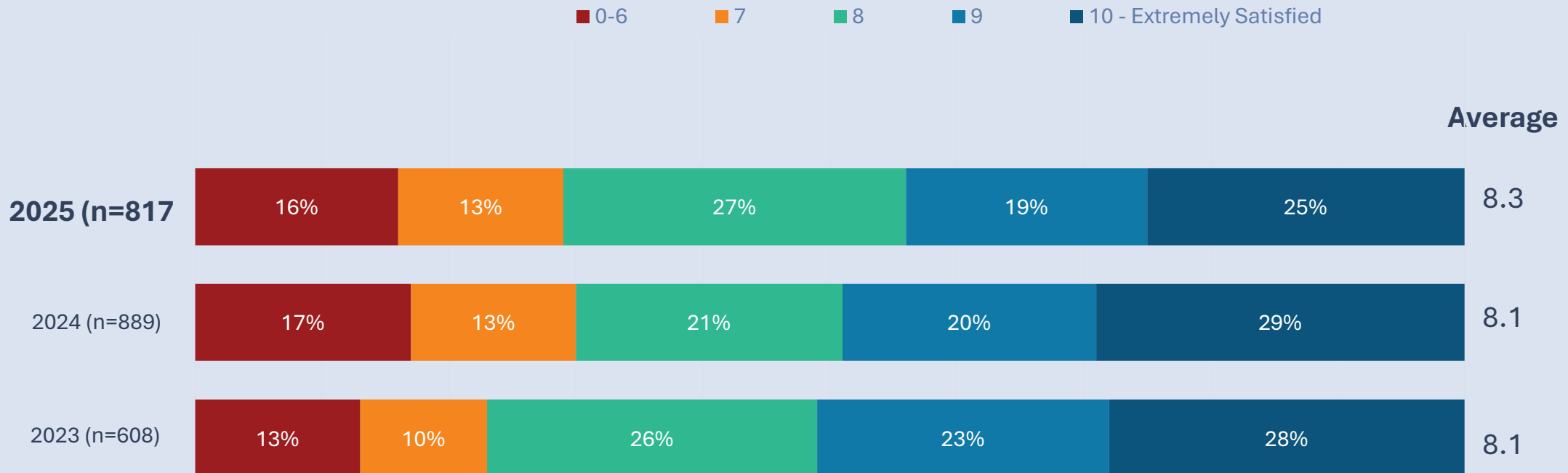
Question: Have you used the website to find out any of this information? On a scale of 1 – 5 where 1 is very hard and 5 is very easy, how easy was it for you to find the information that you needed? Chart excludes “Don’t Know” responses

Base: Residential customers 2025 (894), 2024 (954), 2023 (608)

Brand reputation

Overall satisfaction: Despite the economic context, satisfaction levels remain largely steady for residential customers, albeit more 8/10 ratings than 10/10.

Satisfaction with Orion's performance



Question: On a scale of 0 to 10 where zero is extremely dissatisfied and ten is extremely satisfied, how satisfied are you with the performance of Orion as your electricity LINES company?

Overall satisfaction: A reliable supply drives higher satisfaction, though cost and price rises are being noted across the board.

9-10 ratings were due to:

- A largely seamless experience and very reliable supply, with prompt problem resolution.

“We have never had any power outages in 10 years of living here”

Those scoring Orion a 7 or 8 were due to:

- Consistent power supply with minimal outages/disruptions and therefore minimal contact with Orion. As such, many have little knowledge of who Orion are and what they do

“To be honest I don't know much about them, but we haven't had any issues.”

- Or residents that may have had any issues or outages have been resolved relatively quickly.
- Rising prices are still noticed however.

Question: What are the main reasons for giving that score?

Base: Residential customers 2025 (817), 2024 (889), 2023 (608)

Lower satisfaction ratings (0-6) were:

- Largely down to cost and price increases, with a few mentions of poor service or wanting power underground
- The 5/6 ratings show the low engagement with the sector

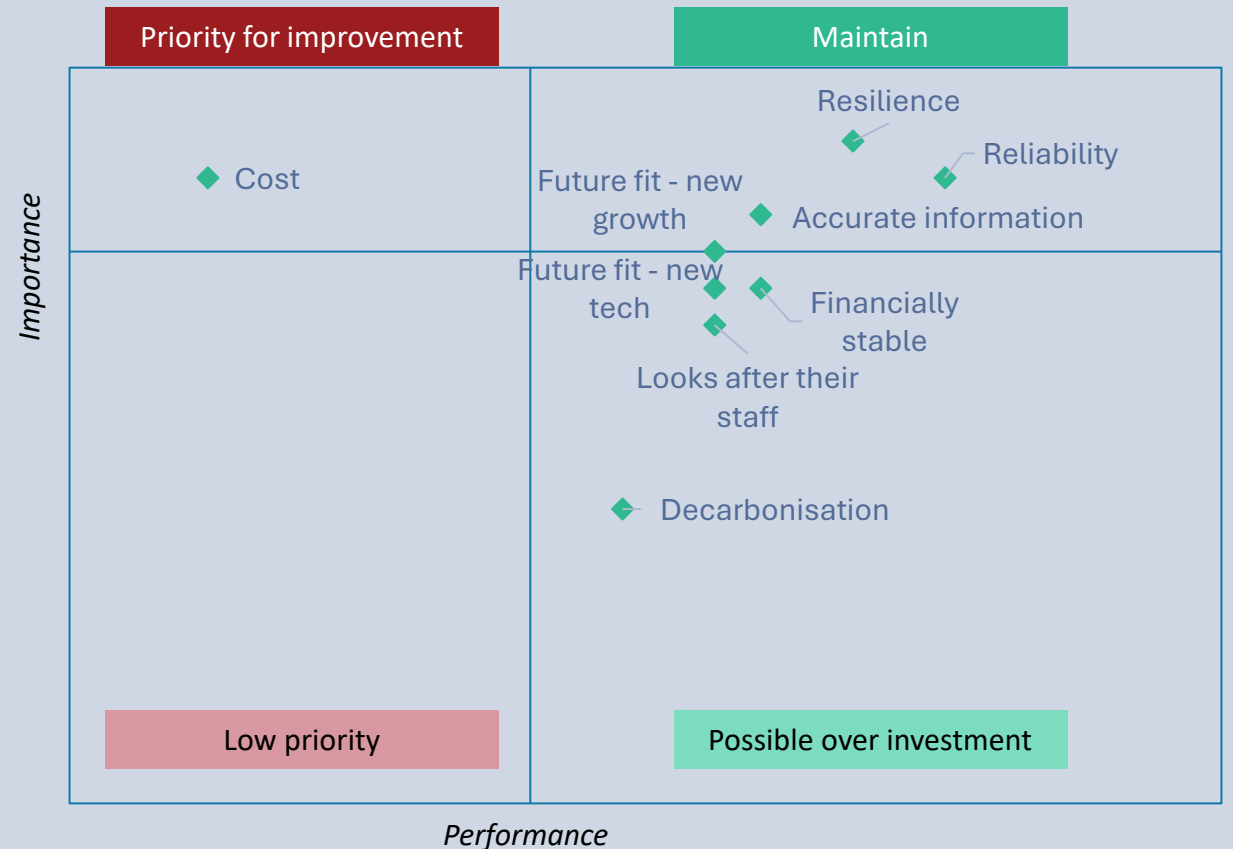
“Electricity delivery is a 'meh' sort of thing. it just happens ... if we continue to pay our inflated bills.”



As with last year, Orion is delivering well on areas of reliability and resilience, but cost is the area that needs improvement for residential customers.

Educating customers about pricing structures will go some way to manage pricing expectations.

Service expectations and performance



Question: Using a scale from one to five, where one is very unimportant and five is very important, how important are each of the following in terms of your electricity and how you use it? ... and how satisfied you are with Orion's performance on each of the following. Note chart excludes don't know

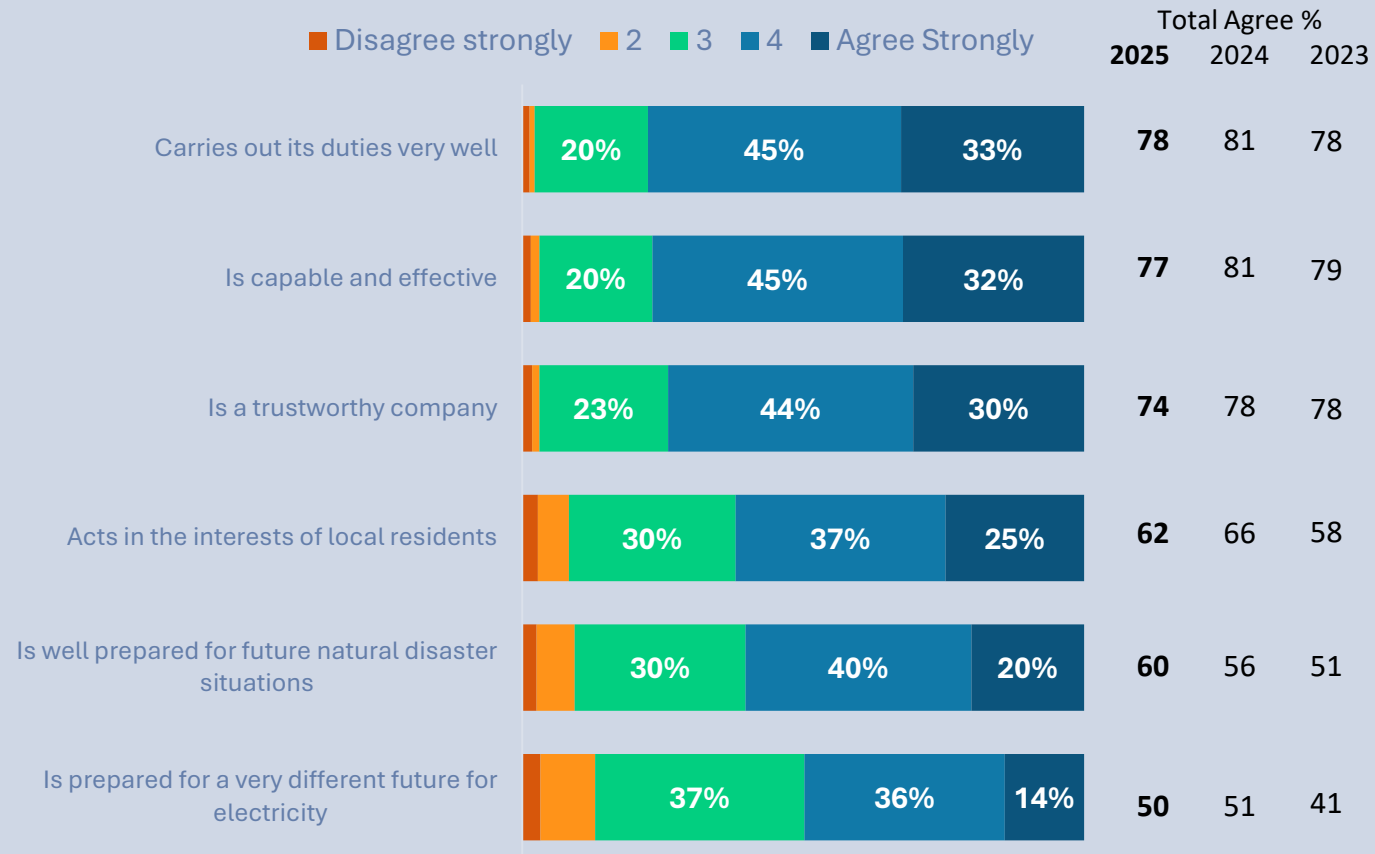
Base: Residential customers 2025 (894), 2024 (954), 2023 (608)



Residential customers continue to rate Orion highly on performing its duties well and effectively. This year also sees improvements in ratings of ‘preparedness’ for natural disasters – albeit from a smaller base (*as 43% ‘don’t know’, rising to 52% for being prepared for a different future*)



Brand reputation



Question: Using a scale from one to five, where one is strongly disagree and five is strongly agree, how much do you agree or disagree with the following statements? Note chart excludes don't know



Base: Residential customers 2025 (894), 2024 (954), 2023 (608)



Any negative reputation ratings are often down to a perception of being profit-driven and not prepared for the future

Reasons for lower satisfaction

Only **11%** of customers (N=98) disagreed with 1 or more brand reputation measures from the previous slide

The main concerns these customers flagged were:

- Thinking Orion is profit driven, not customer driven

“They have been making large profit and paying this to shareholders rather than investing in the maintenance of network now we are going to be paying a higher rate to cover the lack of investment in maintenance”

- Not feeling prepared for the future

“Aotearoa is facing power uncertainty and I'm not sure Orion is equipped for extreme conditions. I would much rather see a move to more use of solar power - a subsidy for solar panels on roofs would be great (although I expect that would have to be a government decision, not Orion's)”

Question: What are the main reasons you disagree with the statement(s)?

Base: Residential customers 2025 (98)

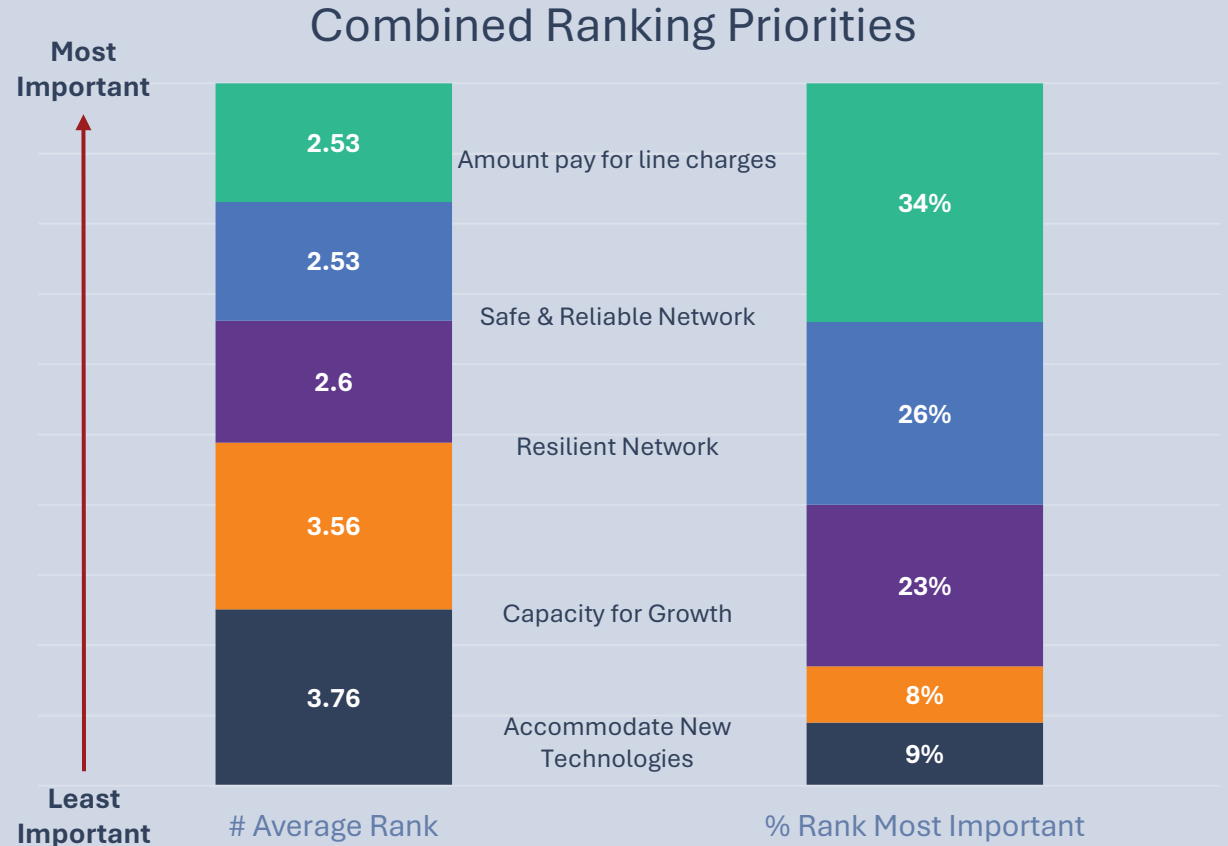
CPP section



Affordability clearly leads the first-priority ranking, followed by reliability and resilience.

The average ranking score shows the importance of these three investment options compared with growth capacity and accommodating new technologies

2025 CPP Investment Priorities



Question: And if you had to rank these in order of priority, where 1 is the highest priority and 5 is the lowest priority, how would you rank them?

Base: Residential customers 2025 (894)



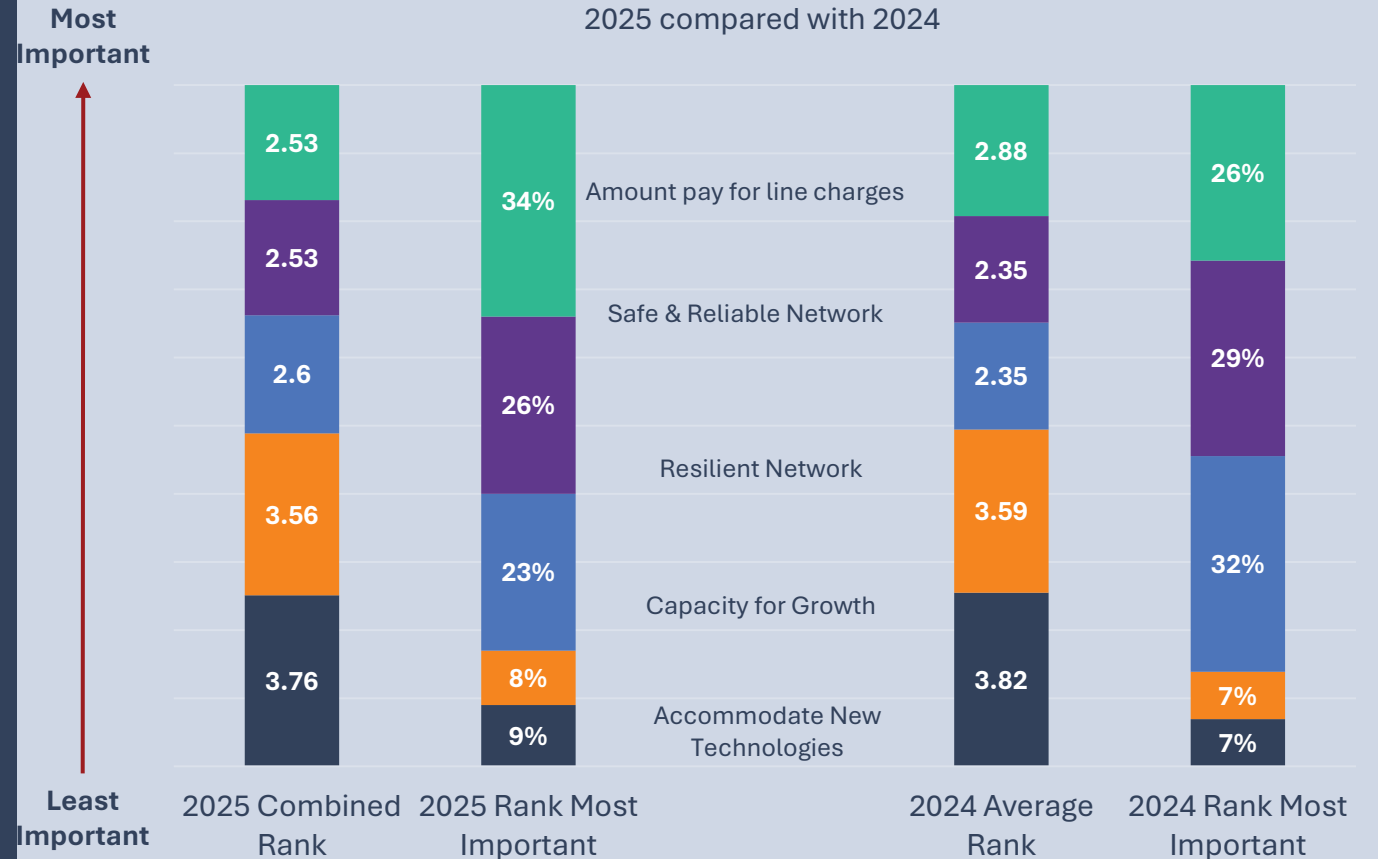
Affordability became the most important investment option in 2025, overtaking resilience and edging reliability, driven by the number of 1st-place rankings.

In short, cost pressures have sharpened, while the core service qualities (reliability and resilience) stayed important but slightly less top of mind than last year.

CPP Investment Priorities Comparison with 2024

Combined Ranking Priorities

2025 compared with 2024



Question: And if you had to rank these in order of priority, where 1 is the highest priority and 5 is the lowest priority, how would you rank them?

Base: Residential customers 2025 (894); Residential Customers 2024 (954)

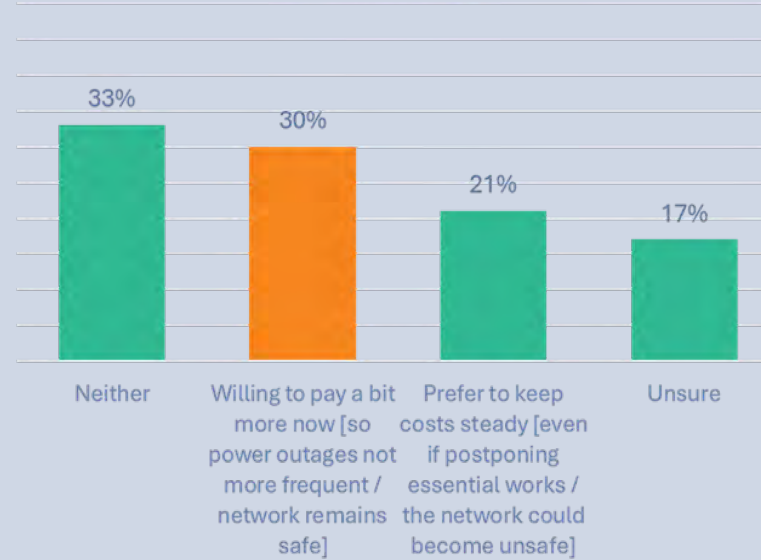


There is no overwhelming consensus, but a clear pattern emerges:

- ❖ For both safety/reliability and resilience, a significant minority (around 30%) support paying more upfront to maintain or improve service quality, with a smaller proportion prefers cost stability even if service risks increase
- ❖ A notable share opts for neither option, highlighting uncertainty among some customers
- ❖ While cost sensitivity remains strong, there is still meaningful support for proactive investment.

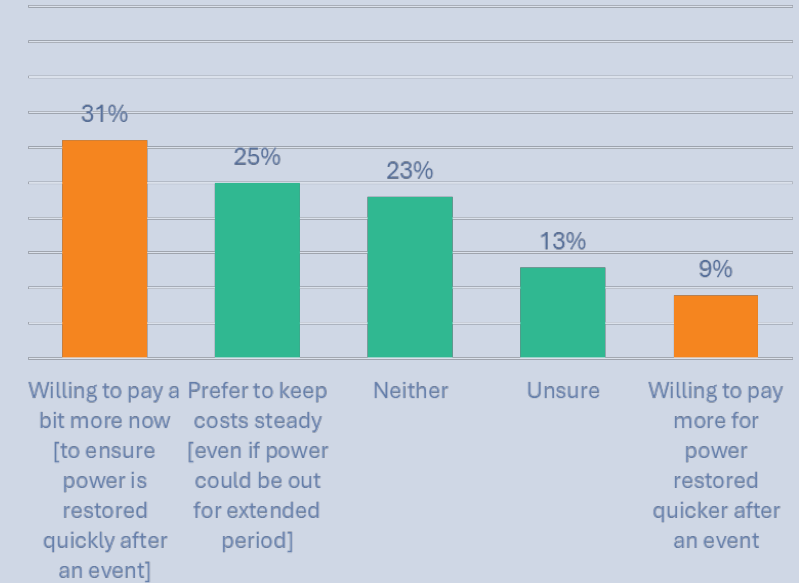
There are mixed views on paying more: just under one-third support investment for safety & reliability and resilience, while the desire for cost stability remains strong.

Investing to maintain **safety and reliability**



Question: Orion is planning additional investment to maintain the current levels of safety and reliability. Which of the following best describes your view? Base: Residential customers 2025 (894)

Investing to **strengthen network resilience**



Question: Orion is planning additional investment to strengthen the resilience of the electricity network. Which of the following best describes your view? Base: Residential customers 2025 (894)

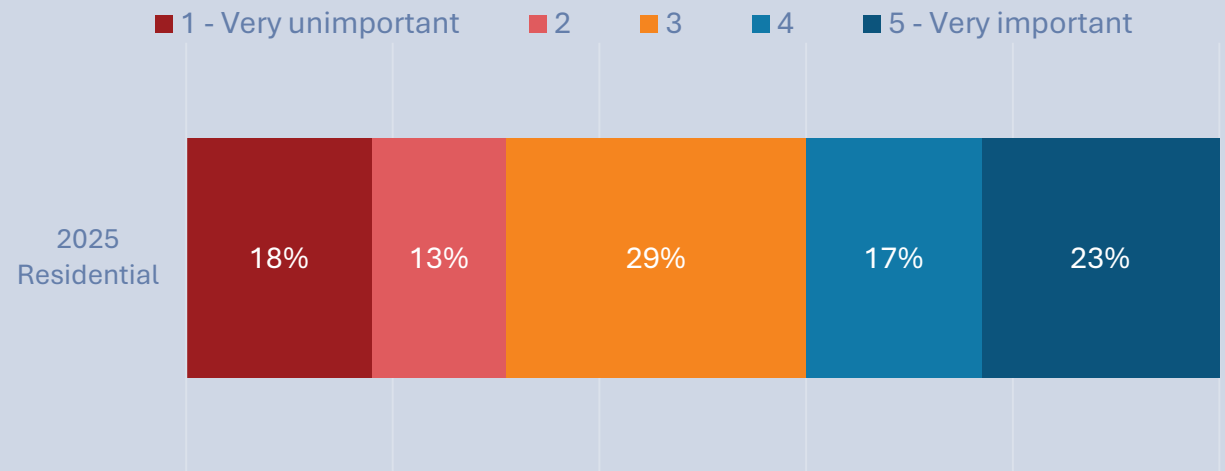


Views are balanced; there is a meaningful minority rating it important (top 2 = 40%) and a sizeable minority rating it unimportant (31%).

Overall, sentiment leans modestly positive toward enabling solar/battery connection, but there is no clear consensus.

Support for solar/battery connection is balanced.

Importance of being able to seamlessly connect solar panels and batteries



Question: Using a scale from one to five, where one is very unimportant, and five is very important, how important is it to you that you can seamlessly connect solar panels and batteries to the electricity network and easily export excess energy?

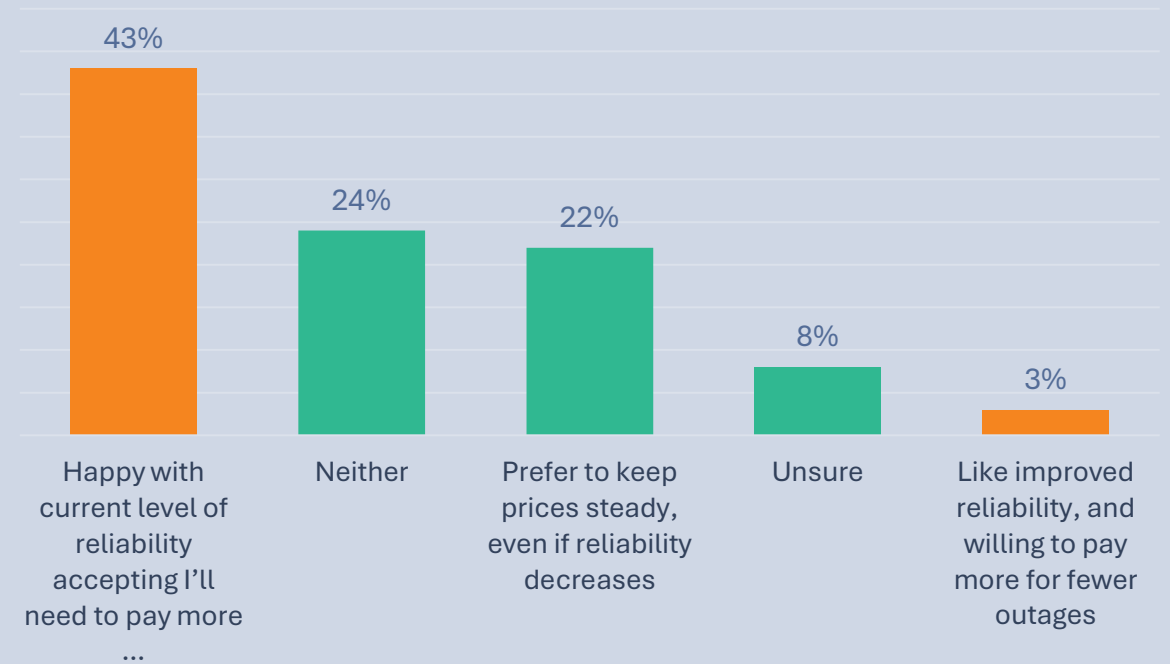
Base: Residential customers 2025 (877)



- ❖ Satisfaction with current reliability is strong: 43% are happy with the current level and are willing to pay more for that reliability.
- ❖ 22% prioritise price stability even if reliability is compromised
- ❖ Only 3% explicitly seek to improve reliability and are willing to pay more for it

Customers value existing reliability, and while cost sensitivity remains, there is measured acceptance of paying more to sustain the current standards

Perceived value of electricity, given existing reliability



Question: Do you feel you're getting good value for your electricity, considering both your bill and how often the power goes out?

Base: Residential customers 2025 (877)

Orion

Business customers

Awareness & Comms

Key measures – Businesses (1/2)



Business customers	2023	2024	2025
Overall performance			
• Satisfied with Orion’s performance	8.4	8.0	8.1
• 10/10 satisfied with Orion’s performance	34%	23%	35%
Awareness and perceptions of Orion			
• Claimed awareness of Orion	54%	63%	72%
• Correctly identified Orion as lines provider	46%	49%	49%
• Satisfied with reliability	90%	83%	92%
• Trustworthy	78%	78%	80%
• Aware of the Orion website	66%	62%	62%
• Aware of the Orion Customer Support team	56%	53%	57%

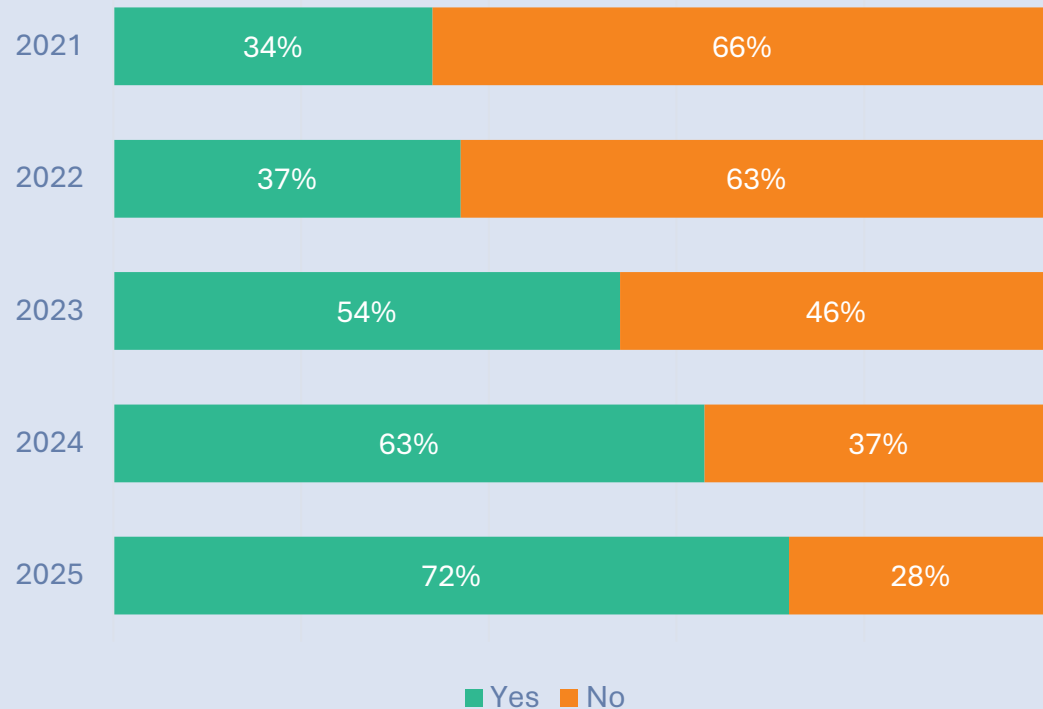
Key measures – Businesses (2/2)



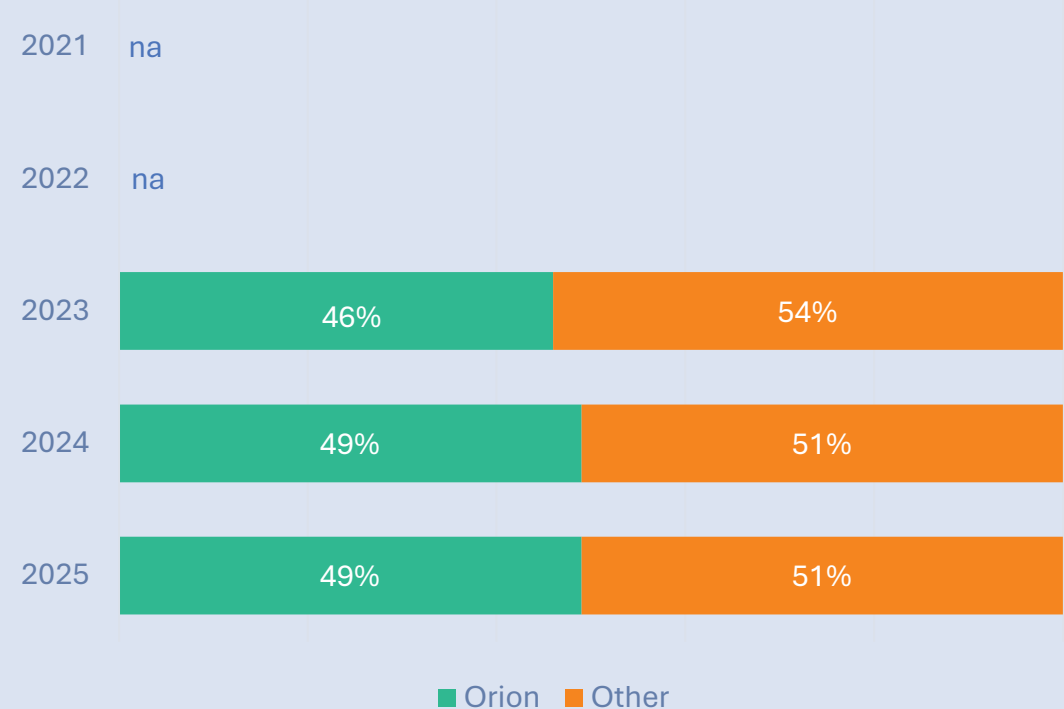
Business customers	2023	2024	2025
Brand reputation			
• agree that Orion is capable and effective	80%	79%	80%
• agree that Orion carries out its duties very well	78%	77%	83%
• agree that Orion acts in the interests of local residents	61%	66%	59%
• agree that Orion is well prepared for future natural disaster situations	49%	58%	62%
• agree that Orion is prepared for a very different future for electricity	40%	49%	50%
Customer experience (those that interacted in last 12 months)			
• Rating of service received	9.0	8.1	8.4
• Rating of ease of doing business with Orion	9.0	8.1	8.4

Awareness: Half of business customers correctly recall that their lines company as Orion. Orion should consider how to build awareness by showing how they help local communities and businesses and are prepared for the future.

Awareness of Lines company



Correct attribution to Orion



Question: Do you know the name of your local electricity LINES company? What is the company name?

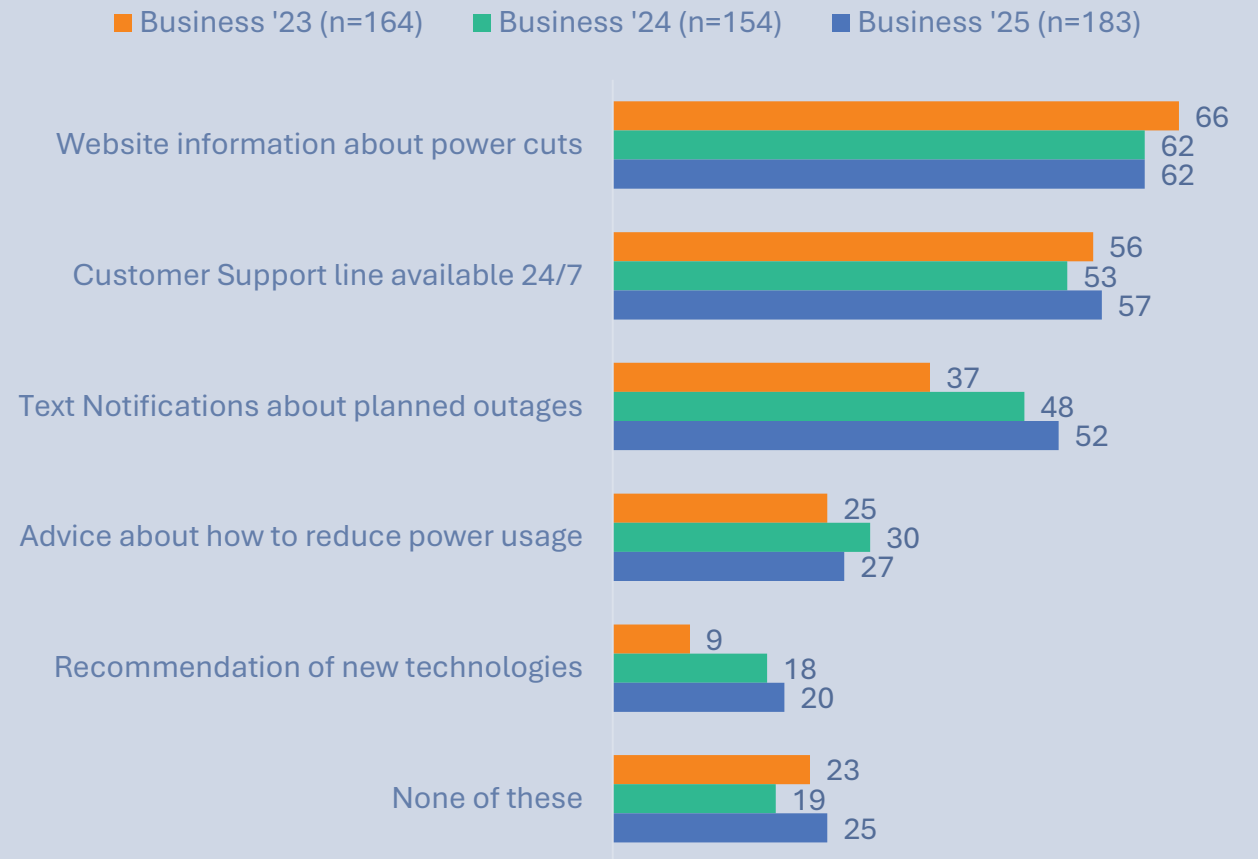
Base: Business customers 2025 (183), 2024 (154), 2023 (164)



The website information is the service with greatest awareness (2 in 3 business customers), with a growing number aware of text notifications.

1 in 4 continue to not know of any of these services, reflecting the low engagement nature of the sector

Awareness of Services

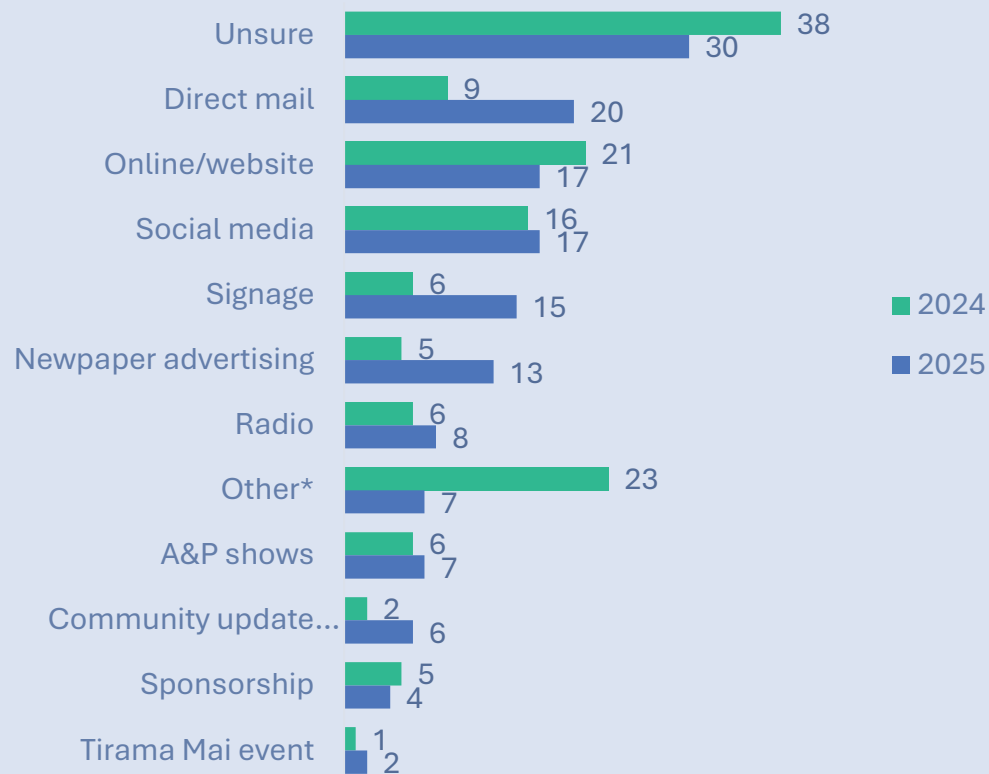


Question: Which of the following services do you know that Orion offer?

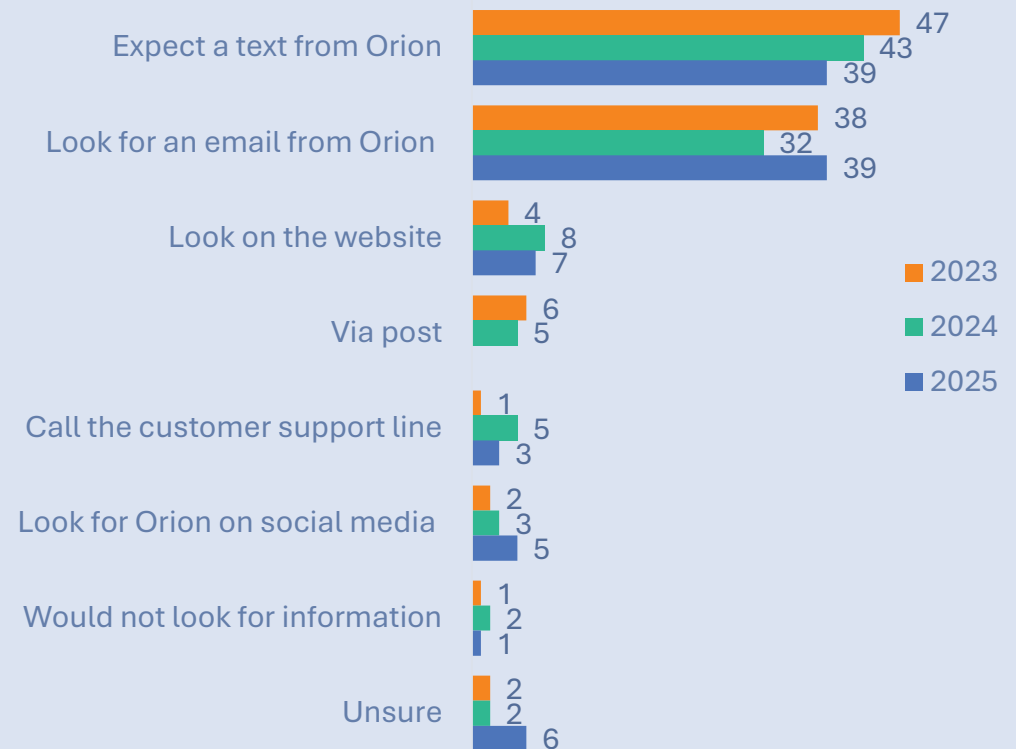
Base: Business customers 2025 (183), 2024 (154), 2023 (164)

Comms: Businesses recall information about Orion from direct mail and digital sources, but also are aware of above the line sources. Text and email are the preferred channels for information about outages for businesses.

Source of information



Information preferences about outages



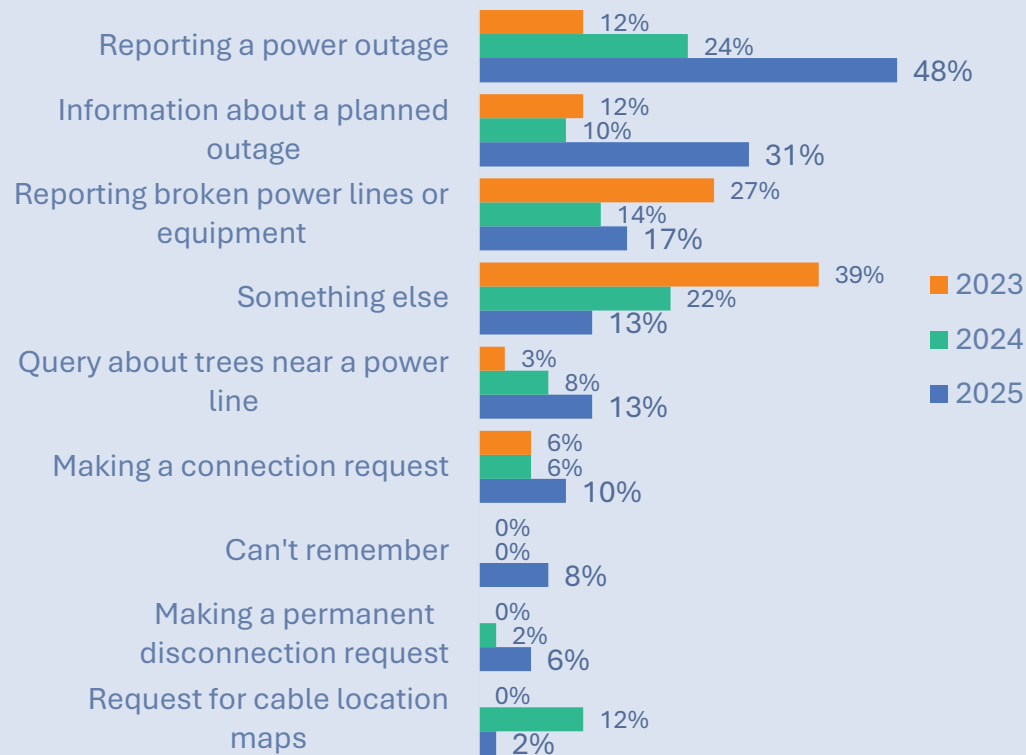
Question: How would you prefer to get information from Orion about planned outages (i.e. outages caused by work Orion is doing)? Where have you seen information about Orion over the last 12 months?

Base: Business customers 2025 (183), 2024 (154), 2023 (164)

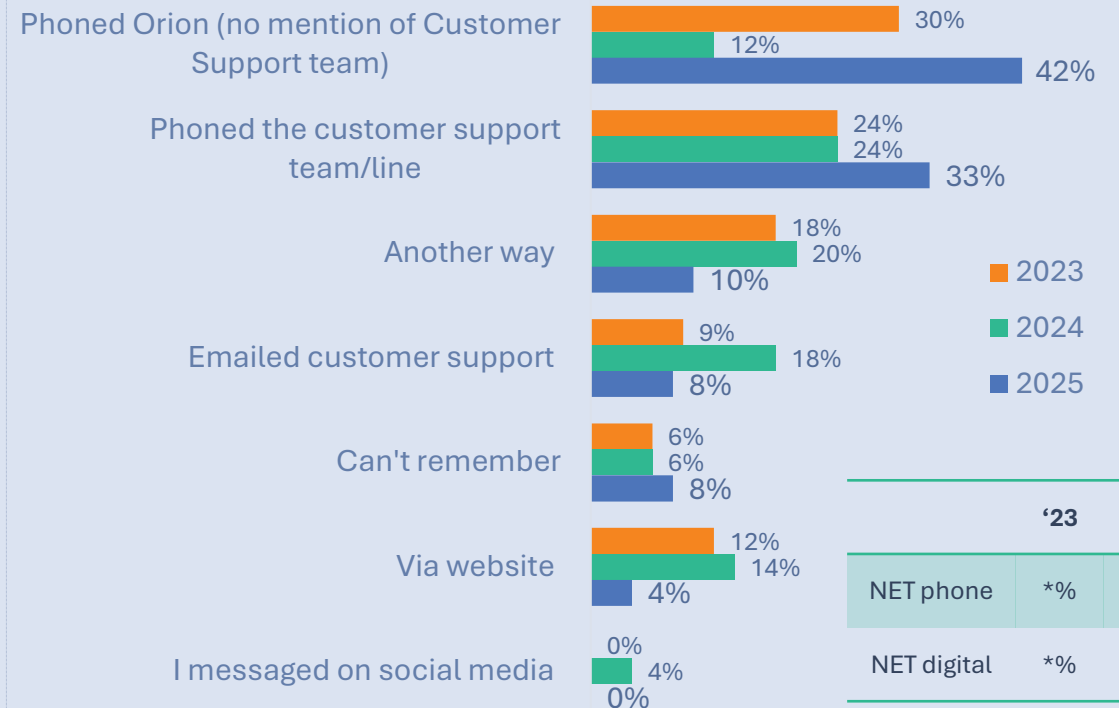
Customer experience

Service experience: 26% of business customers had contacted Orion in the last 12 months, mostly about power outages over the phone*

Reason for contacting Orion



Method for contacting Orion



* Low base – indicative only

	'23	'24	'25
NET phone	*%	37%	73%
NET digital	*%	37%	13%

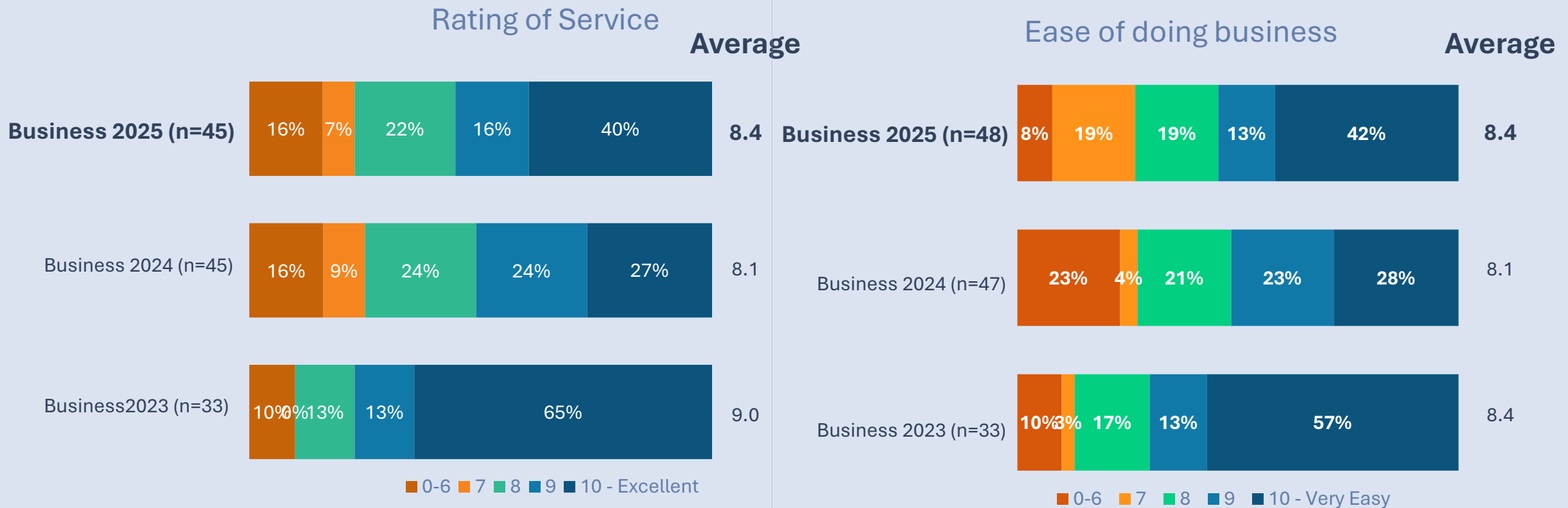
Question: Have you had any dealings with Orion in the last 12 months for any reason? Which of the following best describes your reason for contacting Orion? How did you contact Orion?

Base: Business customers who have contacted Orion in last 12 months: 2025 (46), 2024 (49), 2023 (33)



*Business sample contacted via telephone so likely sample bias towards this method

Service experience: For those business customers who have contacted Orion, overall satisfaction and ease of service have recovered following a decline in 2024



Question: On a scale of 0 to 10 where zero is awful and ten is excellent, how would you rate the service you received when you contacted Orion? On a scale of 0 to 10 where zero is very difficult and ten is very easy, how easy was it to do business with Orion? Chart excludes 'Don't Know' responses.

Base: Business customers who have had dealings with Orion in the last 12 months 2025 (48), 2024 (47), 2023 (33)



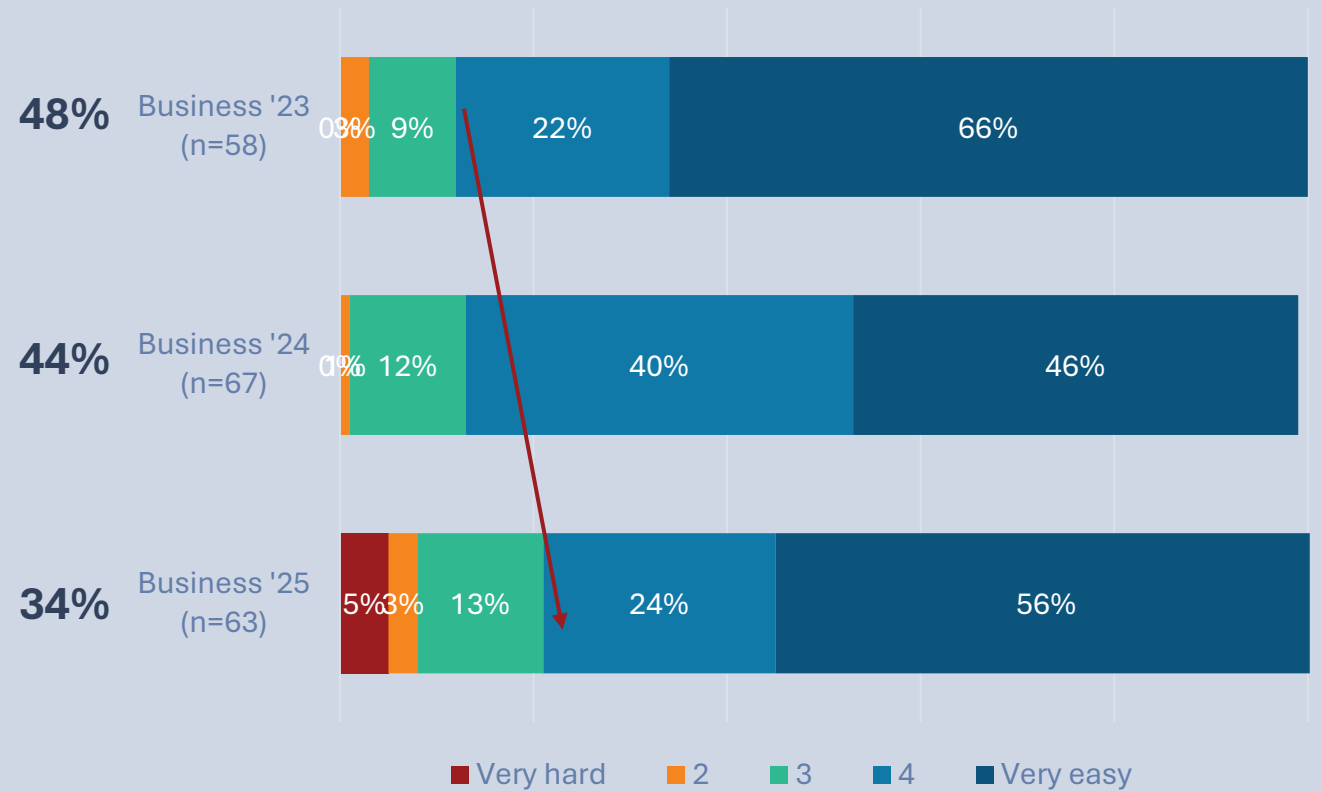


Similar to residential customers, the ease of finding information on the website remains positive but is on a downward trend, so should be reviewed for the CPP.

Website experience

Usage

Ease of finding information

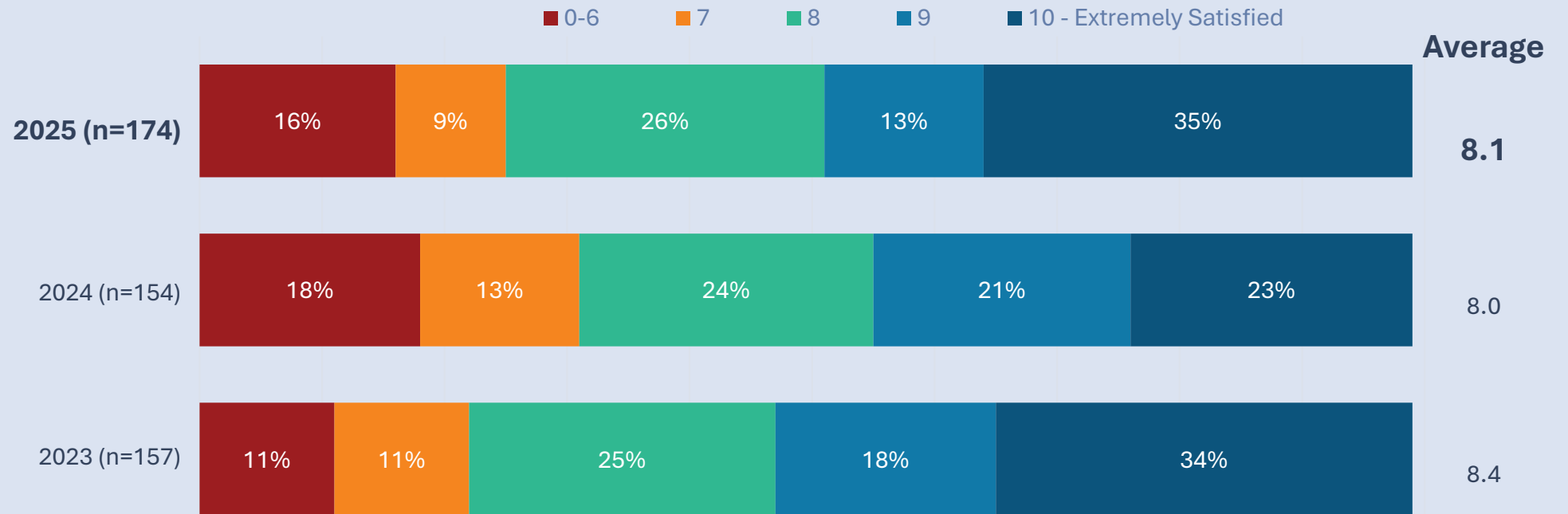


Question: Have you used the website to find out any of this information? On a scale of 1 – 5 where 1 is very hard and 5 is very easy, how easy was it for you to find the information that you needed? Chart excludes “Don’t Know” responses

Brand reputation

Overall satisfaction: *(Despite the economic context)* satisfaction levels remain largely steady for business customers, with more 10/10 than 9/10 ratings this year.

Satisfaction with Orion's performance



Question: On a scale of 0 to 10 where zero is extremely dissatisfied and ten is extremely satisfied, how satisfied are you with the performance of Orion as your electricity **LINES** company? Chart excludes "Don't Know" responses

Base: Business customers 2025 (174), 2024 (154), 2023 (157)



Overall satisfaction: A reliable supply drives higher satisfaction for business customers too.

9-10 ratings were due to:

- A very reliable supply, and good communication for any problems or outages.

“They are really consistent with power supply, notifying residents when there's a power outage and getting the power back on as quick as they can when there's an outage”

Those scoring Orion a 7 or 8 were due to:

- Consistent power supply with minimal outages/disruptions.

“We get power outages here and they are reasonable at attending to it.”

- Fast at resolving problems.

“When power goes out they try to get the power on as quickly as they can.”

Lower satisfaction ratings (0-6) were:

- Largely down to cost and price increases

“The recent high-cost increases and charges, along with the inefficiency I see in their operations, are concerning.”

Question: What are the main reasons for giving that score?

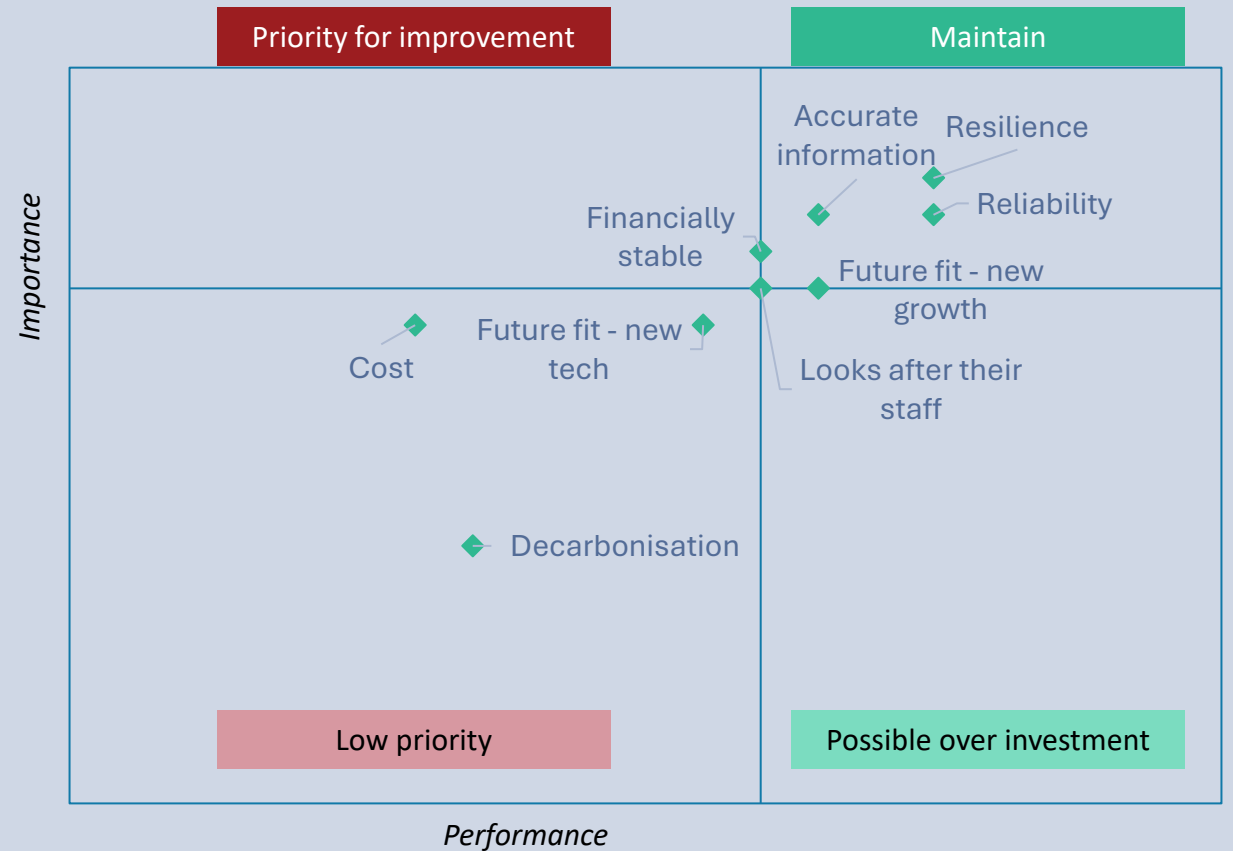
Base: Business customers 2025 (174)



As with residents, Orion is delivering well on areas of reliability and resilience for businesses, along with the provision of accurate information.

Orion being financially stable is an area that businesses might want more reassurance on.

Service expectations and performance



Question: Using a scale from one to five, where one is very unimportant and five is very important, how important are each of the following in terms of your electricity and how you use it? ... and how satisfied you are with Orion's performance on each of the following. Note chart excludes don't know

Base: Business customers 2025 (183), 2024 (154), 2023 (157)

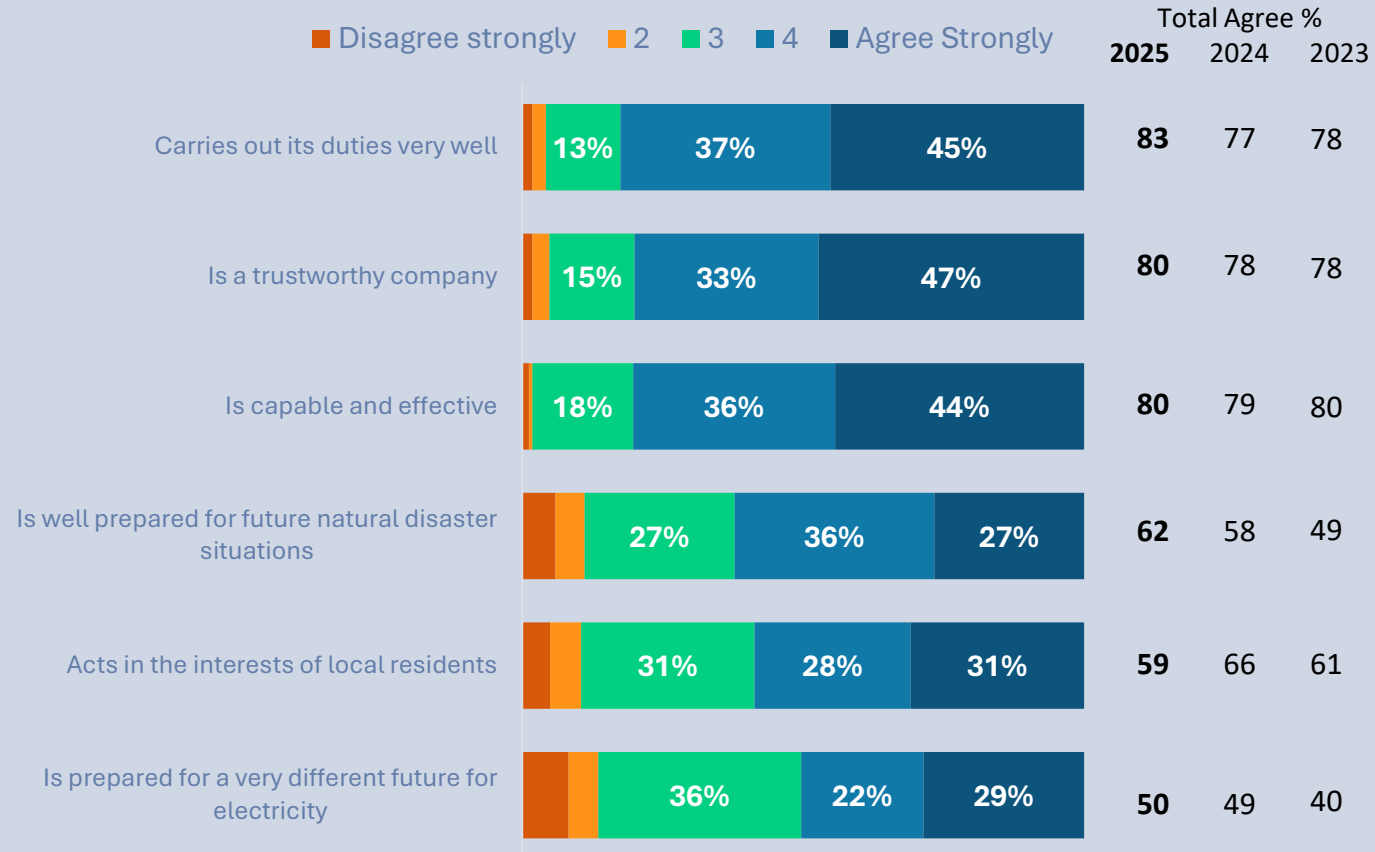




Business customers continue to rate Orion highly as trustworthy and performing its duties well and effectively. There is also a slight increase in ratings of ‘preparedness’ for natural disasters



Brand reputation



Question: Using a scale from one to five, where one is strongly disagree and five is strongly agree, how much do you agree or disagree with the following statements? Note chart excludes don't know



Base: Business customers 2025 (183), 2024 (154), 2023 (157)



Lower satisfaction ratings are often down to lack of awareness, or a feeling that Orion is profit driven rather than customer driven

Reasons for lower satisfaction

17% of business customers (N=31) disagreed with 1 or more brand reputation measures from the previous slide

The main concerns these customers flagged were:

- Often not knowing enough about Orion

“Don't deal with them and never use them”

- Being commercially driven

“They have no interest in supporting businesses, and the entire electricity company keeps increasing its prices.”

“By increasing line charges and overcharging their consumers, they show little to no empathy for their customers.”

Question: What are the main reasons you disagree with the statement(s)?

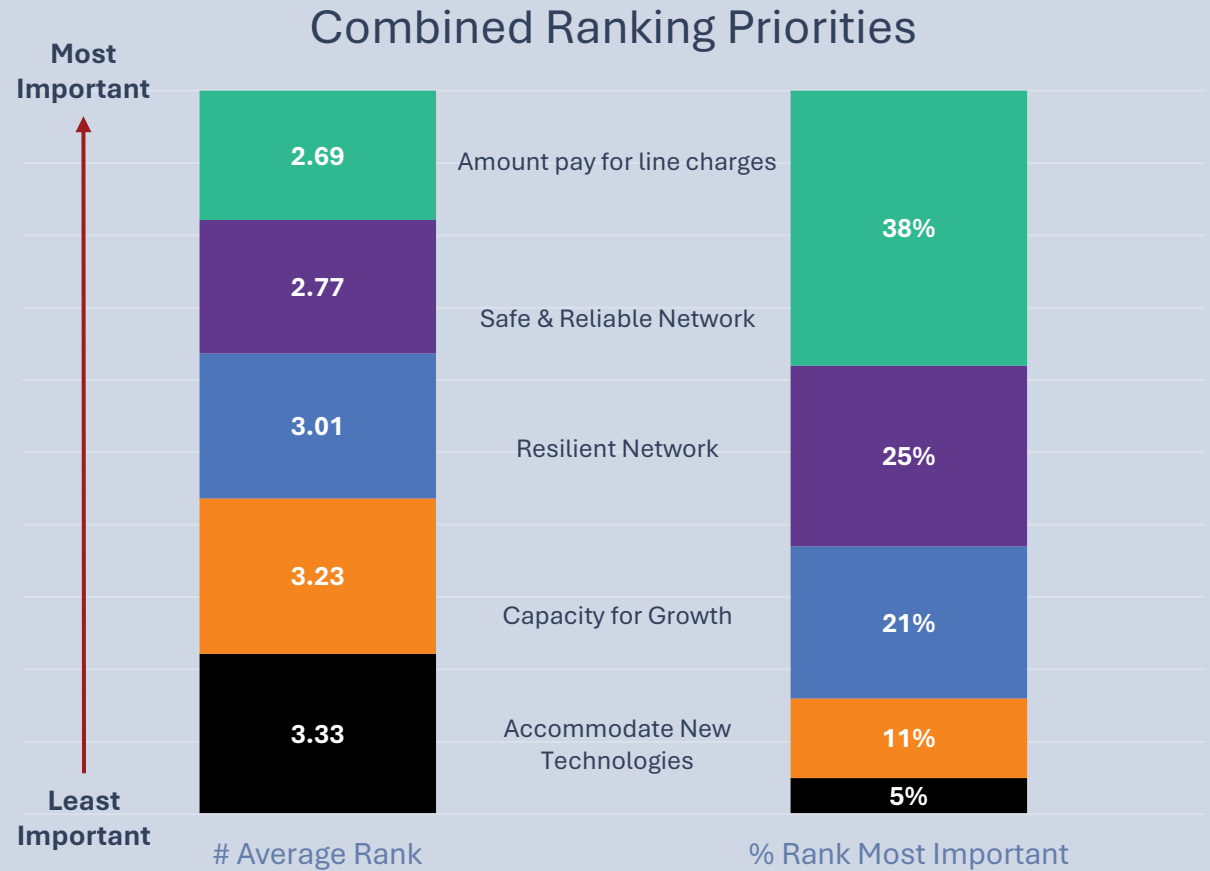
Base: Business customers 2025 (31)

CPP section



- ❖ In 2025, affordability was the dominant priority.
- ❖ Reliability remained important, with Resilience following closely in third place.
- ❖ Overall, the data reflects strong cost sensitivity among businesses, alongside ongoing (though secondary) concerns about maintaining core network performance

2025 CPP Investment Option Priorities



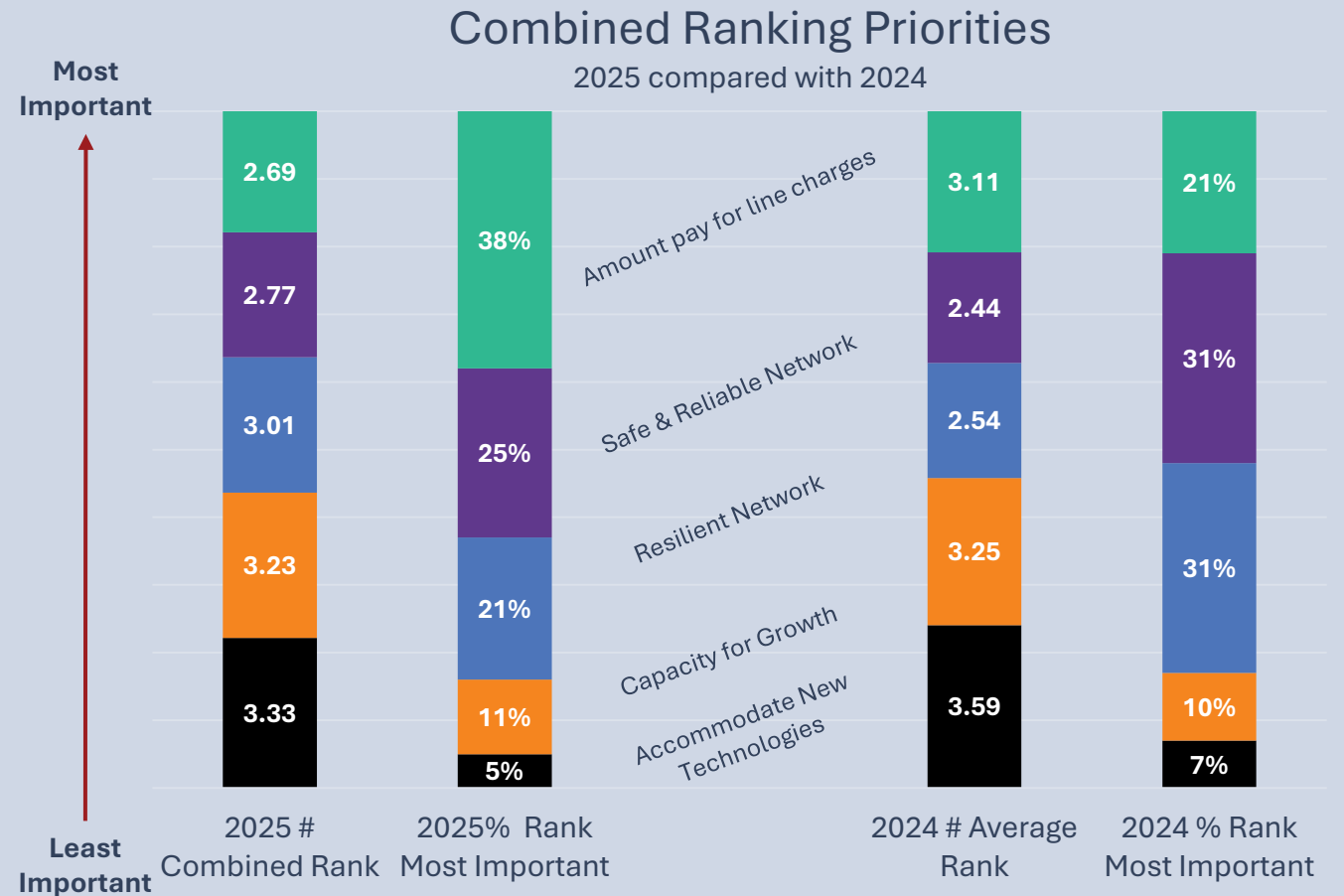
Question: And if you had to rank these in order of priority, where 1 is the highest priority and 5 is the lowest priority, how would you rank them?

Base: Business customers 2025 (183)



- ❖ Business priorities shifted from service quality to affordability in 2025
- ❖ In 2024, reliability and resilience led; by 2025, line charges moved into the lead, while reliability and resilience remained important but slipped to second and third.
- ❖ As with residential, the data indicates strong cost sensitivity among businesses in 2025, alongside continuing emphasis on the core network

Year-on-Year CPP Investment Option Priorities



Question: And if you had to rank these in order of priority, where 1 is the highest priority and 5 is the lowest priority, how would you rank them?

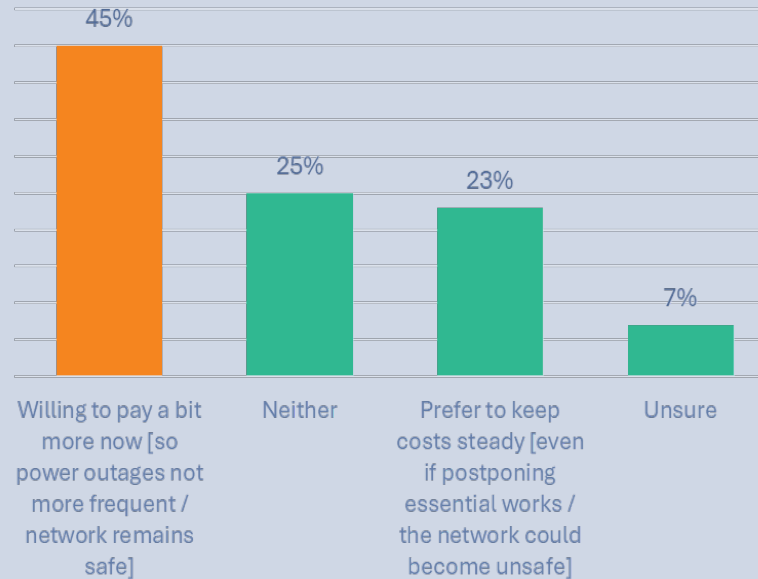
Base: Business customers 2025 (183); Business Customers 2024 (154)



- ❖ A significant minority are willing to pay a bit more now to maintain safety/reliability (45%) and to strengthen resilience (35%)
- ❖ At the same time, a sizeable minority prefer price stability, even if works are postponed, or restoration takes longer (23% safety/reliability; 23% for resilience), and around a quarter are neutral. (25% safety/reliability; 21% resilience).
- ❖ Overall, support is stronger for maintaining current safety/reliability levels than for additional resilience upgrades, but both attract meaningful support.

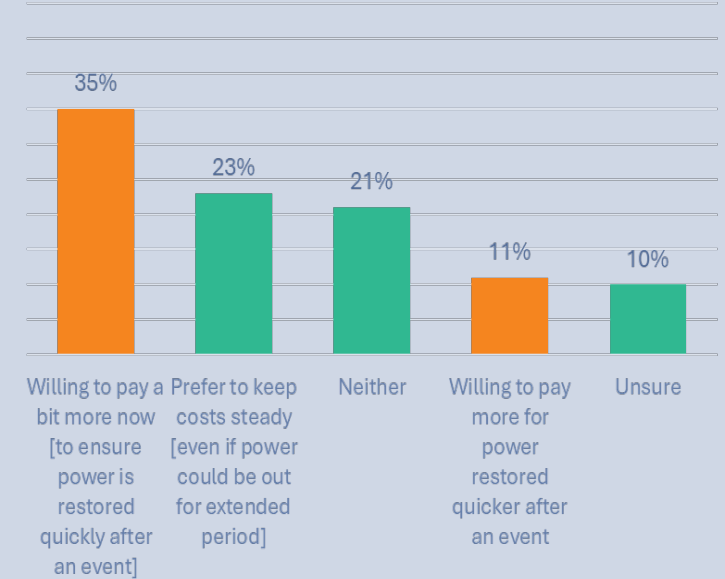
Businesses show pragmatic support for essential investment while remaining cost-conscious.

Investing to maintain **safety and reliability**



Question: Orion is planning additional investment to maintain the current levels of safety and reliability. Which of the following best describes your view? Base: Business customers 2025 (183)

Investing to **strengthen network resilience**



Question: Orion is planning additional investment to strengthen the resilience of the electricity network. Which of the following best describes your view? Base: Business customers 2025 (183)

Orion



Appendix



Regional Variation

Key measures – Region (1/2)



Customers	Christchurch	Selwyn	Banks Peninsula*
Overall performance			
• Satisfied with Orion’s performance	8.0	8.2	7.4
• 10/10 satisfied with Orion’s performance	27%	28%	18%
Awareness and perceptions of Orion			
• Claimed awareness of Orion	56%	61%	67%
• Correctly identified Orion as lines provider	77%	84%	71%
• Satisfied with reliability	90%	91%	79%
• Trustworthy	74%	79%	61%
• Aware of the Orion website	57%	70%	64%
• Aware of the Orion Customer Support team	39%	50%	50%

Base: Residential + Business customers 2025: Christchurch (726), Selwyn (231), Banks Peninsula* (34) low base, indicative only.

Measures have different base sizes due to routing or excluding don't know.



Key measures – Region (2/2)

Customers	Christchurch	Selwyn	Banks Peninsula*
Brand reputation			
• agree that Orion is capable and effective	76%	84%	67%
• agree that Orion carries out its duties very well	78%	82%	63%
• agree that Orion acts in the interests of local residents	61%	64%	55%
• agree that Orion is well prepared for future natural disaster situations	60%	65%	52%
• agree that Orion is prepared for a very different future for electricity	50%	51%	42%
Customer experience (those that interacted in last 12 months)			
• Rating of service received	8.4	8.6	7.8
• Rating of ease of doing business with Orion	8.5	8.6	7.8

Base: Residential + Business customers 2025: Christchurch (726), Selwyn (231), Banks Peninsula* (34) low base, indicative only.

Measures have different base sizes due to routing or excluding don't know.

Overall performance: Comparing rural and urban



❖ Business vs Residential

Businesses rate overall performance slightly higher than residential customers (averages are the same at 8.1, but businesses have a higher share of top scores *35% rating 10/10 compared to 25% for residential).

❖ Urban vs Rural.

Differences are small in average scores, but Christchurch City businesses lead with the highest average (8.2) and top-score share (40%).

Rural businesses score lowest among businesses (8.0, 32%).

For residential customers, scores are consistent across rural, urban and Christchurch City.

Overall performance

	Average	Rating 10/10
Rural business	8.0	32%
Christchurch City business	8.2	40%
Urban business	8.1	36%
Total business	8.1	35%
Rural residential	8.0	25%
Christchurch City residential	8.0	25%
Urban residential	8.1	25%
Total residential	8.1	25%

2025: "How satisfied are you with the performance of Orion as your electricity lines company?"

Rural: Arthurs Pass/Castle Hill, Coalgate, Darfield, Dunsandel, Kirwee, Leeston, Southbridge, Springfield, Akaroa, Lyttelton, Wairewa & Mt Herbert: Business n=45, Residential n=78

Christchurch City: Business n=124, Residential n=677

Urban: Christchurch City, Lincoln, Prebbleton, Rolleston: Business n=138, Residential n=816

Orion



Performance Over Time

Overall performance over time

Overall performance	2021-2023			Residential		Business	
	2021*	2022*	2023*	2024	2025	2024	2025
Average	8.2	8.3	8.3	8.1	8.1	8.0	8.1
Rating 10/10	38%	33%	28%	29%	25%	23%	35%

Note: Due to changes in methodology and survey question wording, a direct comparison of 2023/2024 to 2021/2022 is not advised:

2021 / 2022: [Brief description of Orion’s role] “..How would you rate Orion’s performance and service?”

2023 / 2024: “How satisfied are you with the performance of Orion as your electricity lines company?”

* Residential customers only in 2021-2023

2025 Residential n=894, Business n=183

2024 Residential n=954, Business n=154

Residential 2023 n=583, Residential 2022 n=806, Residential 2021 n=807

Awareness and perceptions over time

%				Residential		Business	
	2021*	2022*	2023*	2024	2025	2024	2025
Awareness of lines company	34%	37%	59%	51%	54%	63%	72%
Satisfied with reliability (4/5 rating) (a)	92%	93%	89%	88%	90%	83%	92%
Trustworthy (b)	84%	88%	78%	78%	74%	78%	80%
Aware of the Orion website	42%	47%	55%	50%	60%	62%	62%
Aware of the Orion Customer Support team	30%	35%	43%	37%	38%	53%	57%

* Residential customers only in 2021-2023
 2025 Residential n=894, Business n=183
 2024 Residential n=954, Business n=154
 Residential 2023 n=583, Residential 2022 n=806, Residential 2021 n=807



Note: Due to changes in survey and methodology, direct comparisons of 2023 and 2024 to previous years is not advised.

Brand reputation over time

% agree Orion...				Residential		Business	
	2021*	2022*	2023*	2024	2025	2024	2025
Is capable and effective	78%	80%	79%	81%	77%	79%	80%
Carries out it duties very well	76%	80%	78%	81%	78%	77%	83%
Acts in the interests of local residents	61%	64%	58%	66%	62%	66%	59%
Is well prepared for future natural disaster situations	45%	44%	51%	56%	60%	58%	62%
Is prepared for a very different future for electricity	40%	37%	41%	51%	50%	49%	50%

* Residential customers only in 2021-2023

2025 Residential n=894, Business n=183

2024 Residential n=954, Business n=154

Residential 2023 n=583, Residential 2022 n=806, Residential 2021 n=807



Note: Due to changes in survey and methodology, direct comparisons of 2023 and 2024 to previous years is not advised.

Sample profile over time

%	Residential			Business		
	2023*	2024	2025	2023	2024	2025
Urban*	309	687	816	84	106	138
Banks Peninsula**	88	42	25	28	8	11
Rural	150	151	139	22	20	14
Remote Rural	61	74	53	30	20	34
Total	608	954	894	164	154	183

*Excludes Lyttleton in 2023

**Includes Lyttleton in 2023, 2024 and 2025

* Residential customers only in 2021-2023

2025 Residential n=894, Business n=183

2024 Residential n=954, Business n=154

Residential 2023 n=583, Residential 2022 n=806, Residential 2021 n=807



Note: Due to changes in survey and methodology, direct comparisons of 2023 and 2024 to previous years is not advised.

The Curiosity Company

www.curiositycompany.co.nz

Contact: Ann Thompson

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The background is a solid teal color with a faint, semi-transparent image of utility poles and power lines. The lines are thin and dark, crisscrossing the frame. The poles are vertical, with cross-arms and insulators. The overall aesthetic is clean and modern.

Appendix P

Stakeholder Engagement Report

Orion CPP Stakeholder Engagement Report

March 2026



1. Executive Summary

- Stakeholders were broadly supportive of Orion’s proposed approach but expect prudent investment and clear communication, accompanied by clear expectations around transparency, affordability, and delivery.
- Affordability was the biggest concern, with strong interest in monthly bill impacts and customised price-quality path (CPP) vs default price-quality path (DPP) differences.
- Reliability and resilience were seen as non-negotiable, especially given seismic and weather-related risks.
- Stakeholders want confidence the network can keep pace with rapid regional growth and electrification.
- There was strong interest in how Orion will use technology, data, and non-network solutions to defer upgrades and manage new loads.
- Many emphasised the need for simple, transparent explanations of pricing, trade-offs, and investment rationale.
- Deliverability was a clear consideration, with stakeholders seeking reassurance that Orion can deliver an expanded capital programme.
- Stakeholders stressed the importance of aligning investment with wider regional priorities and long-term planning.

2. Purpose

Stakeholder engagement is a key part of the customised price-quality path (CPP) application process and plays an essential role in shaping Orion’s investment proposal.

In this report, the term ‘stakeholder’ is used to describe external stakeholders engaged as part of the CPP process, including business customers, industry associations, electricity retailers, Members of Parliament, and government organisations. Residential customers are not included within the scope of this report.

The purpose of this report is to summarise feedback from a range of different electricity sector stakeholders on Orion’s proposed investment plans. This feedback forms part of a wider programme of communications and engagement activity supporting Orion’s CPP application, including customer research, workshops, surveys, interviews, consultation advertising, and Customer Advisory Panel meetings.

This report focuses specifically on consolidating feedback from stakeholders and stakeholder organisations gathered through meetings and webinars. Orion’s CPP

Engagement Report provides the broader context, capturing wider insights and showing how the collective input informed the final CPP proposal.

3. Background

Orion is preparing to apply for a customised price-quality path (CPP) for the five-year period from 1 April 2027 to 31 March 2032 (FY28–32). Our final CPP proposal will be submitted to the Commerce Commission in June 2026. Through this process, the Commission will determine the revenue we are allowed to earn from lines charges and the minimum service quality standards we must meet. We are seeking a customised path to ensure we have the revenue needed to deliver a safe, reliable, resilient, and future ready electricity network for our customers.

Over the past two years, we have been engaging with customers and our wider community to understand what matters most as we plan for the future. In April 2025, we published our [Asset Management Plan Update](#) and asked for feedback on our future investment approach while asking what mattered most to customers. This feedback directly shaped the development of our investment plans.

After incorporating this input, updating forecasts, and refining our proposed work programme, we released a [Consultation Document for our FY2028-2032 Investment Plan](#) in November 2025. The plan reflects what customers have told us: safety, reliability, and resilience are top priorities. Customers also expect us to plan for growth, support a changing energy future, and keep electricity affordable.

Consultation ran from 5 November to 15 December 2025. A comprehensive programme of communications and engagement activities took place to raise awareness and encourage participation. The stakeholder engagement component of this included meetings, webinars, and email engagement with key business customers, organisations and individuals. Stakeholder engagement continued into early 2026, shifting in focus from consultation to information sharing.

Further detail on the regulatory process, CPP application timeline, the independent verification process, as well as the broader programme of communications and engagement can be found in the CPP Engagement Report.

4. Participation – our stakeholders and how they participated

Planning our engagement activity

At Orion, we regularly engage with customers and our community through a range of channels, including our Customer Advisory Panel, Powerful Conversations workshops, our

annual Customer Perceptions Survey, and ongoing communications such as our Community Update newsletter and website. These channels help us understand customer needs, gather feedback on our plans, and stay connected with households and businesses across our community.

Our customised path application needs to show how customer needs and preferences have been taken into account in our planning. Consultation is an important part of the process, and clear, well-documented engagement is needed to demonstrate how customer insights have helped shape our investment proposals. Therefore, we expanded on our business-as-usual engagement to ensure we are reaching a broad range of key stakeholders in a comprehensive and structured way.

Identifying and categorising stakeholders

We planned which organisations to engage with by first identifying stakeholders we already work with and mapping out the other important groups that we needed to reach. While we reviewed the CPP engagement approaches used by Powerco and Aurora Energy, we also looked closely at our own customer base and community profile to ensure the stakeholders we identified were representative of the people we serve.

This approach enabled us to identify and plan engagement with a broad and balanced range of stakeholders, including large business customers, industry representatives, rural organisations, local government, and community groups. We then prioritised these stakeholders using Mendelow's Matrix by mapping them into quadrants according to their degree of influence and interest. This guided the depth and type of engagement required and helped ensure our methodology was robust and well considered from the outset.

Stakeholders with both high interest in our plans and strong influence were prioritised for in-depth conversations, and we offered them 1:1 meetings - either in person for those based in Ōtautahi Christchurch, or online. Because these sessions were designed for detailed discussion, we aimed to keep the number to around 15–20 with a range of stakeholders represented. We also identified a wider group to keep informed through lighter touch updates, such as email communications with webinar invitations.

Together, this meant we used both participatory methods (webinars that stakeholders could choose to attend) and direct methods (interviews and meetings). This framework proved effective in generating meaningful customer insights that fed into the development of the draft proposal.

Broader activity to complement engagement

We sought to understand what matters most to business customers through fifteen in-depth interviews carried out by our research partner, Curiosity Company, in September and October 2025. In addition, a breakfast attended by a range of businesses - part of our

Powerful Conversations community workshop series - was held in December 2025 to test the proposed investment plan outlined in Orion's CPP Consultation Document.

This targeted engagement activity was supported by a communications programme to share our plans with the community, including updates on our company and consultation websites, social media channels, print and digital advertising, media coverage, and our Community Update newsletter, which is delivered with The Star newspaper to around 110,000 households across Christchurch.

This activity was further extended through partner channels. Electricity Networks Aotearoa (ENA) promoted our consultation via its industry consultation tracker, and we referenced Orion's CPP plans at an ENA communications working group. As a strategic partner of Business Canterbury, we also promoted our consultation through their email newsletters, website, and social media channels, helping to reach a broader business audience.

Who we engaged with

Meetings

We brought together a balanced mix of stakeholders connected to Orion, focusing on groups with different but relevant perspectives so we could hear a range of views. While not everyone we invited was available, most were keen to engage. In total, we held 26 meetings, exceeding the 15–20 meetings originally planned.

- **Business customers:** Christchurch International Airport, Lyttelton Port Company, University of Canterbury, Ngāi Tahu Holdings, Tait Communications, Woolworths, Akaroa Health, Business Canterbury
- **Electricity retailers:** Meridian Energy, Octopus Energy, Genesis Energy
- **Industry groups:** Electricity Retailers' and Generators' Association of NZ (ERGANZ), Major Electricity Users' Group (MEUG), New Zealand Lifelines Council, Federated Farmers, Sustainable Energy Association of New Zealand (SEANZ)
- **Community organisations:** Akaroa and the Bays Emergency Response Hub
- **Local government:** Christchurch City Council, Christchurch City Holdings (CCHL), Selwyn District Council - Orion is jointly owned by Christchurch City Council via CCHL (89.3%) and Selwyn District Council (10.7%), Environment Canterbury
- **Central government:** Transpower, Electricity Authority, Ministry of Business, Innovation and Employment (MBIE)
- **Local MPs:** Dr Hamish Campbell, MP for Ilam; Dr Vanessa Weenink, MP for Banks Peninsula; Matt Doocey, MP for Waimakariri; Dr Duncan Webb, MP for Christchurch Central; Reuben Davidson, MP for Christchurch East, with a briefing provided by email to Nicola Grigg, MP for Selwyn

Webinars

Uptake was reasonably low for the webinars, despite three rounds of email invitations being sent to 32 retailers and more than 350 other stakeholders. This may reflect a mix of factors - including not having the right contacts within some organisations, general meeting fatigue toward the end of the year when they were held, or the possibility that our branded email invitations may have had lower open rates than a regular email. However, the participants who did join were engaged and contributed useful insights.

- **General stakeholders:** AW Fraser, Bridgestone, Westland Milk, GIB, University of Canterbury Electric Power Engineering Centre, Lincoln University, Energy Efficiency and Conservation Authority (EECA), Kaikoura District Council
- **Retailers:** Sustain Trust, Simply Energy

For both the meetings and webinars, we generally invited business representatives in asset management, property, procurement, energy, or sustainability roles. In stakeholder organisations, we engaged with people who have a focus on energy, electricity distribution businesses, or Orion specifically (Account Managers, for example).

Engagement channels

- **Meetings:** These took place both in-person and online with business customers, retailers, industry groups, community organisations, local and central government organisations and MPs (November 2025 – March 2026).
- **Webinars:** Two webinars were held on 27 November 2025 – one mixed stakeholder session and one retailer-focused session – to present the draft investment plan and invite Q&A.
- **Email communications:** Sent to an extensive list of stakeholders, both as webinar invitations and as a way to share clear, accessible information about Orion's customised path plans. These emails included links to further resources so stakeholders could stay informed even if they did not participate in a webinar.

Orion participants

The meetings and webinars were led by a combination of Orion's leadership team members and subject matter experts. Most sessions were delivered by two core team members from Network Development and Engagement to ensure consistency, with additional team members joining specific meetings where an existing relationship was in place or if their expertise was needed (for example, Pricing, Finance, and Network Transformation).

A standard presentation pack was developed, but this was tailored for different audiences to reflect their interests, levels of technical knowledge, and the issues most relevant to them.

Notes from each discussion were captured and later analysed to identify key themes. Webinar recordings and transcripts were also reviewed to supplement the interview material, helping to consolidate the insights and feedback reflected in this report.

5. What we heard – key themes

For anonymity, individuals from specific organisations are not named or directly quoted in this report. Instead, feedback is grouped by stakeholder type.

Affordability is a major pressure point

Across meetings, stakeholders consistently sought clarity on how the proposed CPP would translate into monthly bill impacts, how these costs accumulate over the five-year period, and how they would compare to remaining on the DPP.

All stakeholders emphasised the importance of clearly explaining the trade-offs between keeping prices as low as possible in the short term and investing now to maintain reliability, support growth, and prepare the network for the future. They highlighted the challenge of ensuring price increases are well understood by the public, noting that electricity pricing is difficult for consumers to navigate and that clear, simple messaging will be critical to public acceptability.

The impact on vulnerable customers was raised, with some stakeholders emphasising the importance of clear communication about how price increases may affect those already struggling. Others asked what support we offer. Electricity retailers highlighted the difficulty of explaining increases to customers and requested clearer ‘now versus future’ price benchmarks, while business customers asked for simple, practical explanations they could share internally.

Some stakeholders also sought greater transparency on how investment decisions are assessed for value and how efficiency is demonstrated. In addition, industry groups noted the importance of distinguishing CPP-related increases from those already occurring under the DPP, to avoid customers attributing all price movements to the CPP.

Common stakeholder views

- Affordability was front of mind, with strong expectations of scrutiny over any cost increases.
- Stakeholders emphasised the need for confidence that pricing remains as low as possible while still addressing long-term risks.
- They were particularly focused on the cumulative impact of price increases over time, rather than the monthly increase in isolation.
- Some stakeholders sought clearer benchmarks showing what customers pay now compared with what they would pay under the CPP, to help assess value for money.
- There was some tolerance for price increases, provided these are reasonable and clearly justified.

Quotes from stakeholders on affordability

“Is it affordable in isolation, and is it affordable when you line it up versus all the other things that consumers are grappling with?” – electricity retailer

“People might think, oh, \$6.50, that’s not so bad, but actually it’s \$6.50 on top of an already big increase.” – electricity retailer

“With 4,000 new connections per year, Orion’s proposed investment level feels light.” – business customer

“There’s an enormous amount of infrastructure build and technology development that we have to pay for over the next five to ten years, and that means it’s unlikely that we’re going to see costs go down.” – industry group

Reliability and resilience remain non-negotiable

Stakeholders broadly supported maintaining current reliability levels and improving resilience, particularly for higher-risk locations and ageing assets. Government organisations and industry groups highlighted seismic risk, landslips, fire risk, and climate-related exposures, and expressed interest in investment to replace vulnerable poles and older underground cables.

Several government stakeholders referenced recent national outage events and emphasised the importance of strengthening resilience to earthquakes and storms. MPs reinforced this, highlighting the importance of resilience investment for isolated and high-risk communities and noting the significant safety and wellbeing impacts of prolonged outages.

Business customers stressed that outages directly disrupt operations and essential services, and placed strong value on timely restoration, clear communication during faults, and advance notice of planned works. Some raised concerns about the impact of line work and traffic management on day-to-day activities, particularly in areas with limited road access. Across meetings, stakeholders reinforced that resilience improvements must keep pace with growing dependency on electricity for transport, digital systems, and core community services.

Common stakeholder views

- Reliability was described as essential for business operations, with outages having immediate and significant impacts.
- Advance notice of planned work was seen as critical to enable customers to plan and manage disruption.
- Resilience was emphasised as increasingly important, particularly in light of recent events and emerging risks.
- There was an expectation that reliability will remain consistent as electrification increases and demand on the network grows.

- There was strong support for maintaining current reliability levels, with limited appetite for paying more for further improvements beyond this.

Quotes from stakeholders on reliability and resilience

“Reliability is critical: we cannot function without power.” – business customer

“We’re all for anything you can do to make your network more resilient.” – community organisation

“There are certain investments that can be made now with immediate benefits, but there are also investments that could be made now with much longer-term outcomes.” – industry group

“We don’t want a big backward step in reliability, but we want it to be affordable too.” – electricity retailer

“If there’s a major earthquake, no one wants to lose power. I’d pay fifty cents extra a month to make sure that didn’t happen.” – electricity retailer

Capacity for growth

Stakeholders across all groups highlighted the scale and pace of growth in Greater Christchurch, Selwyn, and key commercial areas, and emphasised the need for Orion to keep ahead of this increasing demand. Business customers described significant expansion plans - including new facilities, increased production, electrification of fleets and equipment, and major long-term development programmes - and sought confidence that electricity capacity would be available when needed. Several businesses noted that delays in infrastructure could constrain their operations or investment decisions.

Government organisations also discussed strong regional population and housing growth, the impact of infill development on the low-voltage network, and the need for infrastructure planning to remain aligned with consenting pathways and long-term spatial strategies. They underscored the importance of future-proofing network upgrades to avoid repeated disruption or costly re-work.

Electricity retailers were interested in how changes in customer behaviour - including time-of-use response, load-shifting, electrification, solar uptake, and process-heat conversions - were being factored into Orion’s planning. They sought clarity on whether these dynamics are already embedded in demand forecasts, including the ongoing role of demand management and price-responsive behaviour in moderating peak demand.

Across meetings, stakeholders wanted assurance that Orion’s investment programme would keep pace with regional growth without overbuilding, and that the timing and scale of upgrades would be grounded in robust long-term planning.

Common stakeholder views

- Strong population growth was seen as needing to be clearly reflected in long-term network planning.

- Stakeholders noted that growth pressures are real, with an expectation that the network stays ahead of demand without over-investing.
- Rapid growth among business customers highlighted the need for assurance that the network can continue to keep pace.
- Stakeholders emphasised the importance of timely delivery of network upgrades, noting that misalignment with growth or consenting timelines could constrain development.

Quotes from stakeholders on growth

“This is a popular place to live now – people are coming to Canterbury both internally and internationally.” – industry group

“Everyone’s moving here, and that means the network has to cope with growth.” – electricity retailer

“Many electricity distributors are facing similar growth and renewal pressures, and you are not unique in needing to step up investment.” – government organisation

Orion’s priorities align with our focuses on growth, decarbonisation, resilience and climate adaptation. – government organisation

“Businesses will expect Orion’s plans to align with regional priorities.” – business customer

Technology and non-network solutions

Stakeholders were interested in how Orion is preparing the network for future technologies. This included questions about non-network solutions, flexibility services, solar export management, and the maturity of the emerging flexibility market. Retailers and industry groups sought clarity on how non-network options might defer traditional upgrades and how these opportunities would be signalled.

Government organisations asked about Orion’s data and system capabilities - including smart-meter visibility, analytics, operating envelopes, and the development of DERMS - and how these would evolve over the CPP period. Many linked these capabilities to wider decarbonisation priorities, such as transport and industrial electrification, and emphasised the need to enable new technologies without compromising reliability or affordability.

Across conversations, stakeholders generally supported Orion’s direction but stressed the importance of clear, early signalling of flexibility and non-network opportunities, strong data visibility, and a staged, practical approach to adopting new technologies. They noted that the flexibility market is still developing, and that improved analytics and operating envelopes will be essential foundations. Many highlighted the need to balance innovation with prudent investment, keeping costs manageable while ensuring the network can accommodate increasing levels of solar, batteries, EV charging, and new forms of distributed load.

Several stakeholders signalled that Orion may need to go further in developing non-network solutions, smart-meter visibility, and system capabilities such as DERMS. While supportive of the proposed investment, they encouraged Orion to consider whether additional investment in data, flexibility, and distributed energy integration may be required to keep pace with rapid technological change. At the same time, retailers and some business customers emphasised affordability and the need to avoid over-investment, highlighting the importance of balancing innovation with prudent spending.

Common stakeholder views

- Preparing for increasing uptake of solar, batteries and transport electrification was seen as essential, with these trends accelerating.
- Non-network solutions were supported where they can help avoid large step-changes in cost, provided they are practical for business operations.
- Stakeholders noted the flexibility market is still at an early stage, and that early signalling of opportunities will be important to enable provider participation.
- While supportive of nonnetwork solutions, some stakeholders noted these are unlikely to replace core network investment at scale and should be used in targeted, cost-effective ways.

Quotes from stakeholders on technology and non-network solutions

“We’re really at the start of intelligently managing demand.” – electricity retailer

“So long as everyone is trying to keep prices as low as possible and find innovations, that will help offset the need for big expenditure.” – industry group

“I think it’s going to become very common where customers will have a home battery or an electric vehicle because they’ll be the same price as the alternatives.” – industry group

“It is important that today’s infrastructure investments don’t become obsolete within 15 years.” – local MP

Transparency, communication, and customer understanding

Stakeholders noted that electricity pricing is complex and that many customers struggle to understand their bills, the drivers of price changes, and the rationale for Orion’s proposed investment. They emphasised the need for clear and accessible communication throughout the CPP process, including simple explanations of the difference between the CPP and DPP and the trade-offs between affordability, reliability and resilience.

MPs reinforced this, highlighting the political sensitivity of electricity pricing and the importance of clear explanations to support public understanding and respond to constituent concerns. They also emphasised the importance of clearly explaining Orion’s role beyond ‘keeping the lights on’, including how investment decisions support long-term resilience, growth and affordability outcomes for communities.

Several organisations also highlighted the importance of explaining cumulative price impacts, providing practical guidance for customers, and maintaining transparency during implementation, particularly around timing, outages, and coordination with essential or rural services.

Some stakeholders, including local MPs, questioned whether the CPP drivers could be perceived as business-as-usual activity. This reinforced the importance of clearly articulating why the DPP cannot accommodate the scale and timing of the required investment.

Common stakeholder views

- Stakeholders expect a clear explanation of why a CPP is needed instead of the DPP.
- Some stakeholders found it difficult to understand the trade-off between affordability and the scale of the proposed work.
- Stakeholders noted that customers often do not clearly understand the distinction between overall electricity costs and distribution (lines) charges.
- Clear explanations were seen as important not only for customers, but also for organisations and representatives responding to questions from boards, staff, and the public.

Quotes from stakeholders on transparency, communication, and customer understanding

“Customer consideration and impact are probably the most important aspects [of the CPP application] for us.” – electricity retailer

“It will be challenging for the public to understand price changes and communication will need to be clear.” – local MP

“When the bill goes out from the retailer with costs for generation, distribution, transmission, smart meters, and levies, and any one of those things goes up or down, we’ve got to be able to explain it.” – industry group

“People are going to look at what they pay now, not what they’re going to pay in two or three years’ time.” – electricity retailer

Other themes that came up

- **Resilience and emergency preparedness:** Many organisations emphasised the importance of strengthening the network’s ability to withstand seismic events, severe weather, and other natural hazards, noting the critical role electricity plays in essential services and emergency response.
- **Deliverability:** Stakeholders sought assurance that Orion can deliver a significantly expanded capital programme on time, given contractor capacity, cost volatility, and competing regional infrastructure demands.

- **Alignment with regional and national priorities:** Stakeholders wanted confidence that Orion’s investment plans align with wider regional growth, transport electrification, climate goals, and consenting processes to ensure efficient, joined up infrastructure planning.
- **Suitability of the DPP and CPP frameworks:** Some stakeholders questioned whether the current frameworks are fit for purpose, noting that the DPP has only recently been reset and querying whether it should be sufficient to meet investment needs. The time, cost, and complexity involved in preparing a CPP application were highlighted, with stakeholders seeking clarity on why this process is necessary despite the DPP reset.

6. Overall sentiment and key takeaways

Overall, the stakeholders we spoke with were broadly supportive of Orion’s proposed direction. Across meetings with retailers, large businesses, industry groups, local government, and essential service providers, most agreed that investing in resilience, renewing ageing assets, preparing for growth, and enabling new technologies was appropriate and necessary. Many said the proposal aligned with their own organisational priorities, and several commented positively on the clarity of presentations and the rationale behind the investment programme.

That support, however, was paired with clear expectations. Stakeholders stressed the need for transparent communication about price impacts, strong justification for investment decisions, and confidence that Orion can deliver an expanded programme effectively. They also highlighted the importance of balancing innovation with affordability and maintaining reliability throughout the transition. In short, while stakeholders were generally comfortable with the proposed direction, they expect Orion to communicate clearly, invest prudently, and demonstrate strong delivery capability.

7. Appendix 1: Stakeholder meeting pack

While this standard presentation pack was developed for use across stakeholder meetings, it was tailored for different audiences to reflect their interests, levels of technical knowledge, and the issues most relevant to them.

The **Orion** Group

Investing in the
future of our
electricity network



The **Orion** Group

Investing in the future of your electricity network

CPP Consultation Webinar - November 2025



Agenda

- Introductions
- Purpose
- About Orion
- CPP overview
- Questions
- Have your say

Purpose

1. Share our draft customised price-quality path plan and process
2. Invite feedback on our draft investment plans

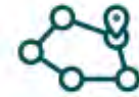


About Orion

From the Rakaia to the Waimakariri, and Banks Peninsula to Arthur's Pass, Orion owns and operates the electricity distribution network providing power to central Waitaha Canterbury.

Our network covers remote rural areas, regional towns and the city of Christchurch and extends over 8,000 square kilometres, delivering electricity to more than 229,000 homes and businesses.

8,000⁺



Square kilometres of network coverage

5,800



Distribution substations

14,300⁺



Kilometres of lines and cables

229,000⁺



Total customer connections

52



Zone substations

4,000⁺



New customer connections a year

90,000⁺

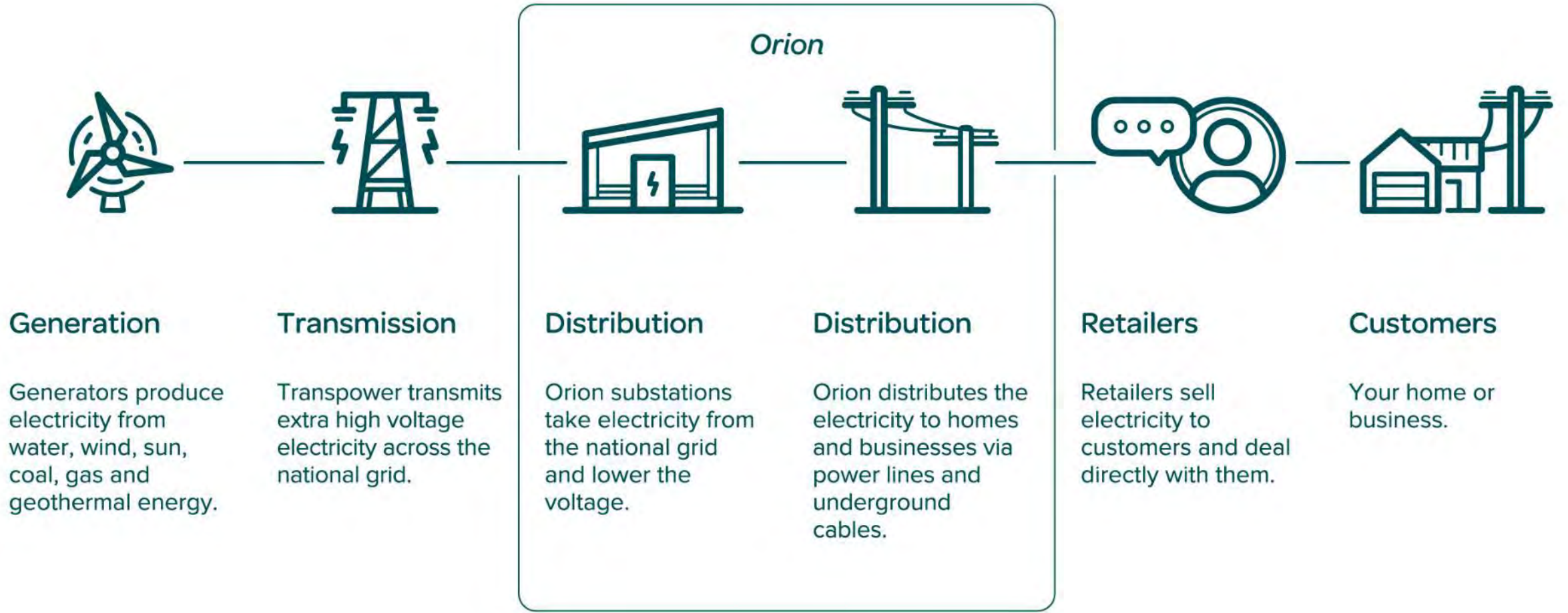


Orion power poles

About Orion: Our network area



About Orion: Orion's role in the electricity sector



CPP overview: Default and customised price-quality paths

Both types of price-quality path constrain the amount of revenue we can recover from our customers and set minimum standards for the service quality we must deliver. This creates incentives for us to manage our network efficiently and discourages us from reducing service quality to increase profits.

The key difference between the two paths is how the total revenue amount is determined. For a **default path**, the Commerce Commission uses a simpler, standardised approach. This amount is calculated based on our past expenditure and to some extent the forward investment proposed in our asset management plan.

For a **customised path**, the approach is more detailed and business specific. We are required to submit a proposal to the Commission, which includes detailed information about the challenges and opportunities our business faces, and our spending and investment plans over the period.

This proposal is then subject to in-depth audit, verification, stakeholder consultation, and review and evaluation processes. The Commission will only allow additional expenditure to be recovered through lines charges if our proposed spending is prudent and efficient and in the long-term interests of our customers.

CPP overview: Why we need a customised price-quality path



The need for prudent and efficient investment in our network is more critical than ever as we face significant challenges and opportunities. We must make decisions in the long-term interest of our customers, as what we do now will shape a positive future for us and for generations to come.

Following the earthquakes our priority was restoring the network and supporting regional recovery, with some renewal work deferred where safe and appropriate to do so. Now, it's critical to **address these renewals** to ensure we're ready to meet our community's electricity needs, today and in future.

We also need to **increase capacity** to support growth and **strengthen our network** to minimise the risk of significant power disruptions resulting from natural disasters.







CPP overview: What investing more involves

Our proposed investment plan reflects what customers have told us matters most: a safe, reliable and resilient electricity network that can support growth and adapt to future needs. These priorities form the foundation of our approach.

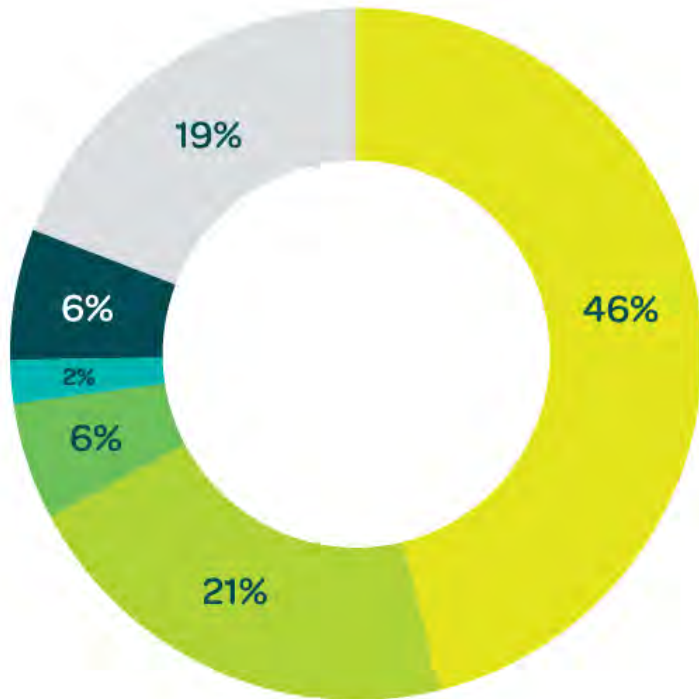
Table 1: Investing to keep your power safe and reliable
Customised path period

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	Expenditure/year over customised path period					
Capital expenditure	\$178mm	\$194m	\$213m	\$230m	\$224m	\$1.039 billion
Operational expenditure	\$108m	\$113m	\$116m	\$121m	\$118m	\$0.576 billion
Total expenditure	\$286m	\$307m	\$329m	\$351m	\$343m	\$1.615 billion

Notes:
 * Figures approximate to nearest million
 + Expenditure figures in constant FY26 dollars
 + Final proposed amounts subject to change based on forecast refinement and consultation outcomes

Proposed expenditure	What drives our expenditure	What we'll do	What it means for you
\$745m	 Providing a safe and reliable electricity network	Keep our network safe and reliable by proactively replacing ageing assets at the right time.	A safe and reliable network with unplanned outages remaining at current levels.
\$96m	 Building network resilience to reduce major outage risk	Strengthen the network to better withstand severe weather and natural disasters, keeping you connected when it matters most.	A stronger, more resilient network that keeps the power on and restores supply quicker after disruption.
\$343m	 Increasing our ability to support growth	Build a future-ready network that supports population growth and rising demand without compromising safety or reliability.	New customers can connect to the network, and the network can accommodate increasing demand while staying safe and reliable.
\$30m	 Preparing to meet future needs	Support two-way energy flows and integrate new technologies, enabling greater customer choice and delivering more flexibility in how we meet future needs and demand.	Customers gain more flexibility, choice, and control over how they use, generate, and store electricity. Smarter, flexible solutions help avoid more expensive upgrades.
\$93m	 Improving capability to drive efficiencies	Upgrade our systems and tools so we can keep the network running smoothly, respond faster to outages, plan ahead and better understand how you use electricity.	Smarter decisions enable the network to operate more efficiently, promoting sustainability and helping keep lines charges affordable.
\$308m	 Supporting network activities	Ensure we have the people and facilities to plan, operate and maintain our network, and to deliver our proposed investment plan.	An efficient and reliable service supported by the right people and resources.

CPP overview: What we're investing in



- 🔧 **Maintaining safety and reliability**
 - Replacing aging assets
 - Poles and pole mounted hardware (excluding vulnerable poles)
 - Steel structures
 - Lines
 - Cables (exclusive 66kV cable replacement)
 - Zone substations
 - Distribution switchgear and transformers
 - Secondary systems
 - Equipment enclosures
 - Buildings and grounds
 - Reliability, safety and environment
 - Vegetation management
 - Maintenance
- 🌐 **Increasing our network capacity**
 - 11kV reinforcement
 - Low voltage reinforcement
 - Large growth projects
 - Customer connections
 - Asset relocations
- 🛡️ **Strengthening network resilience**
 - 66kV cable replacement programme
 - Vulnerable poles programme
- ⚙️ **Preparing for new technologies**
 - Network transformation
- 📄 **Improving capability to drive efficiencies**
 - Information communications and technology
- 🏢 **Supporting network activities**
 - Corporate property, tools and equipment
 - Support required to enable the business to operate
 - Systems operations network support

- Bulk of the investment is in maintaining safety and reliability:
 - Replacing ageing assets
 - Maintenance
- Accommodating population and demand growth is a key investment area:
 - Network reinforcement
 - Growth projects
- Strengthening network resilience:
 - Key investment is the 66kV cable replacement programme
- Network transformation:
 - Support two-way energy flows
 - Integrate new technologies
 - Enable non-network solutions and flexibility

CPP overview: How much will this cost our customers?

Table 6: Indicative lines charges over the customised path period (FY28-32)

Indicative Lines Charges (average/month)	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Under our proposed customised plan					
Residential	\$88	\$95	\$103	\$110	\$116
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Residential	\$82	\$90	\$101	\$103	\$104
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Difference resulting from our customised plan					
Residential	\$6	\$5	\$2	\$7	\$12
Small business	\$8	\$4	\$2	\$8	\$13

Notes:

- Indicative average monthly distribution lines charges in constant 2026 dollars
- Amounts are GST exclusive
- The CPP period runs from FY 2028 to FY 2032
- Financial years run from 01 April to 31 March, for example FY 2028 runs from 01 April 2027 to 31 March 2028

- Distribution lines charges make up approximately **24.5%** of power bills.
- Under a CPP, lines charges will increase, in addition to what customers are paying now.
- Over the five-year customised path period starting 1 April 2027, a typical residential customer is expected to pay, on average, around **\$6.50 more per month** in distribution line charges under CPP than they would under DPP.

CPP overview: Timeline

- **Aug 2024 - Mar 2025:** Early customer engagement
- **Apr-May 2025:** Consult on proposed investment approach
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The customised price-quality path will apply for a five-year period from FY2028 to 2032

June 2024

Customised path preparation

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August 2025 to March 2026

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The Commerce Commission evaluates our customised path proposal and asks for feedback.

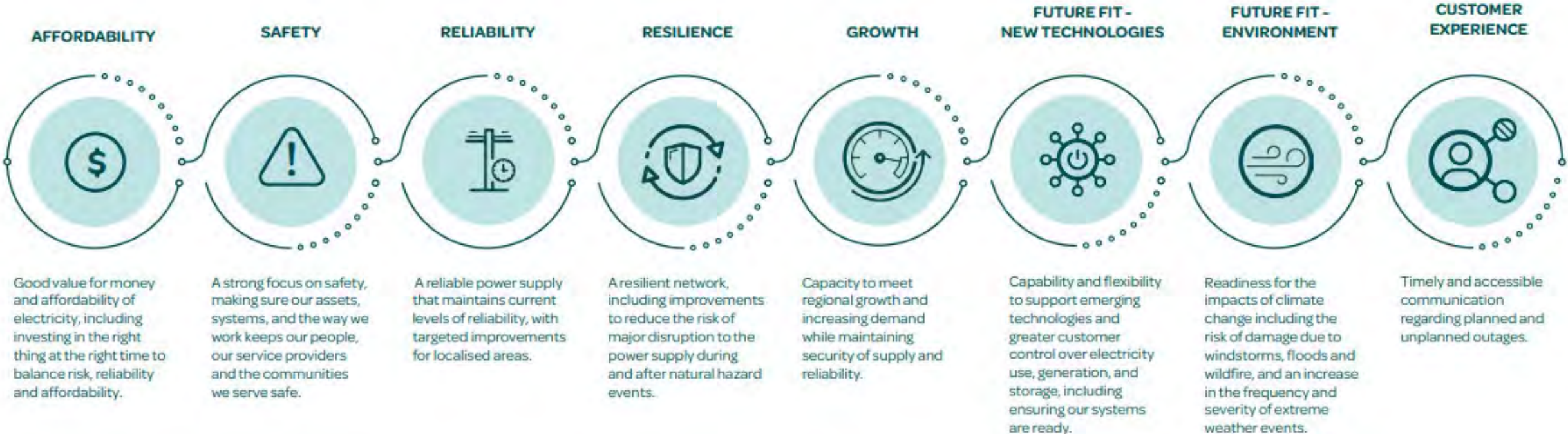
01 April 2027

Customised path commences

Once approved, Orion starts on its customised path from 01 April 2027.

CPP overview: Key customer insights so far

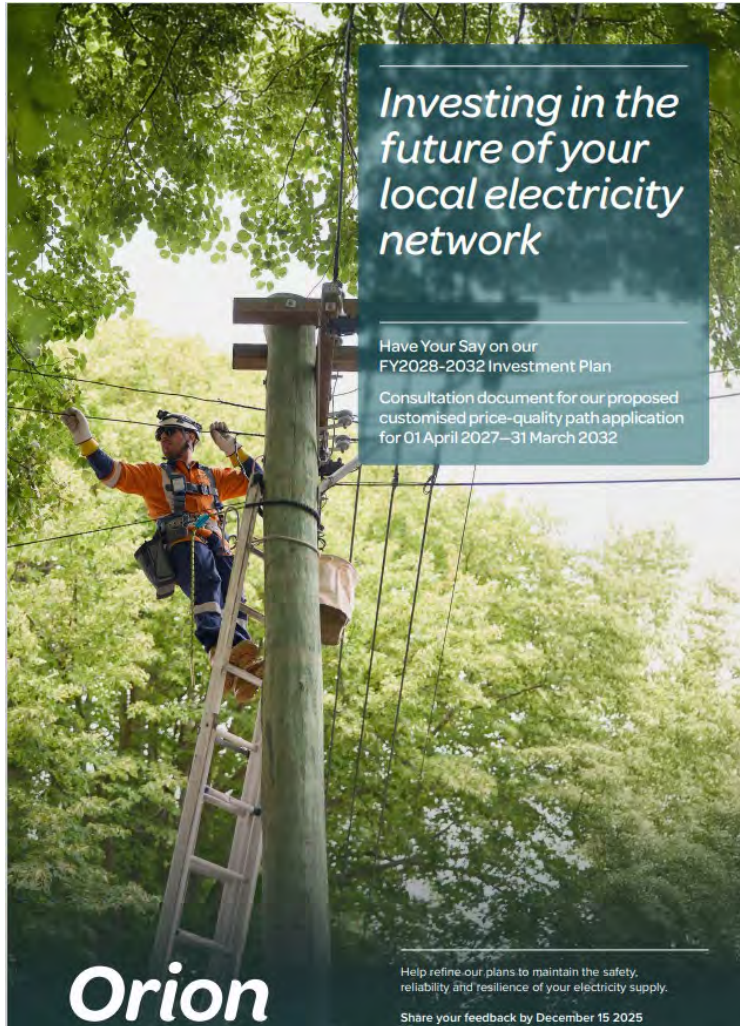
Our customers consistently tell us they want a safe, reliable and resilient network with power that remains affordable. They also expect us to plan for growth and be ready to support a changing energy future.



Questions



Have your say



We're currently seeking feedback on our proposed customised price-quality path plan, which we will submit to the Commerce Commission in June 2026.

You can view the Consultation Document summarising our draft investment plans at www.haveyoursay.oriongroup.co.nz/cpp

We are consulting on this until 15 December 2025.

You're welcome to make a formal submission by completing our online questionnaire at www.haveyoursay.oriongroup.co.nz/cpp, or you can provide feedback by emailing us at haveyoursay@oriongroup.co.nz.



Thank you

Agenda

- Introductions
- Purpose
- About Orion
- CPP overview
- Engagement and insights
- Wrap up

Purpose

1. Share our CPP plans
2. Explain the consultation undertaken and application process
3. Discuss our investment priorities and associated customer affordability
4. Understand whether there is anything else you need from us

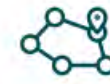
The presentation material should trigger a good discussion on the key aspects of our CPP but we are happy to flex the use of this meeting time to best meet your specific information requirements or questions.

About Orion: Our network area



8,000+

Square kilometres of network coverage



5,800

Distribution substations



14,300+

Kilometres of lines and cables



229,000+

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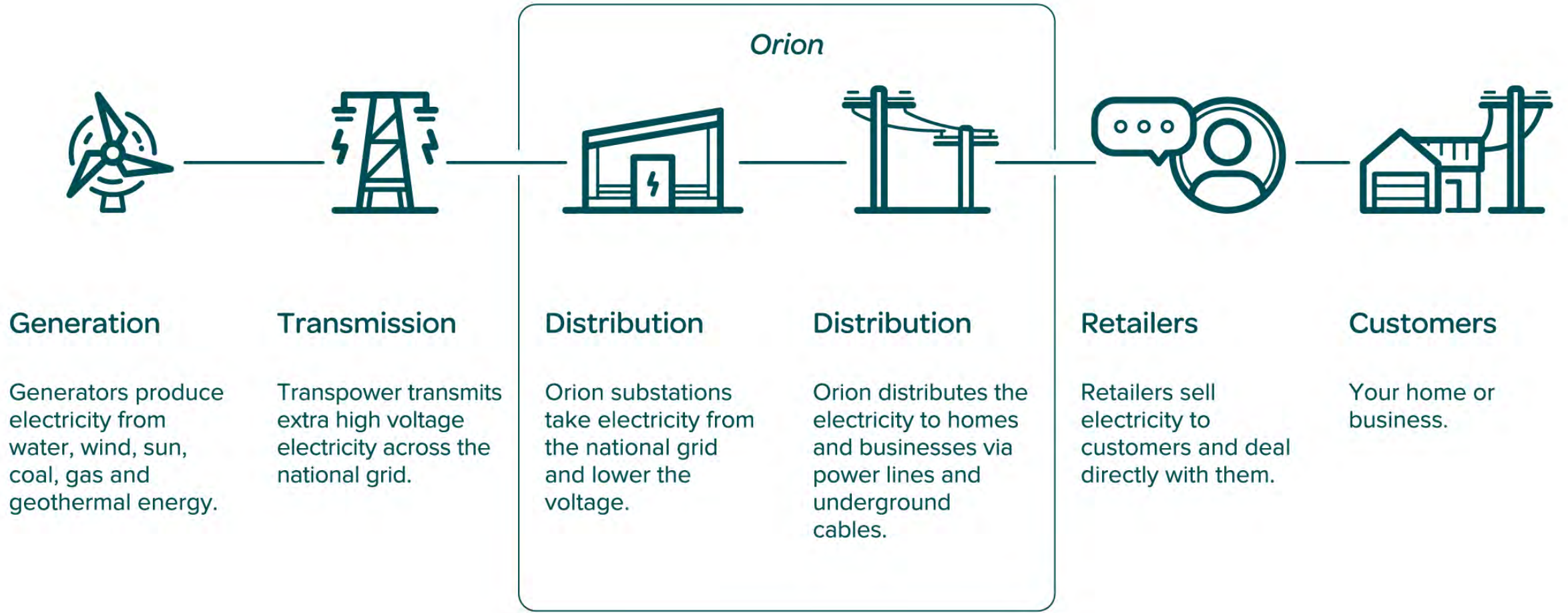


90,000+

Orion power poles



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Engagement: Workstreams and activities



Customer Advisory Panel

- Accelerated engagement
- Co-create
- 8 sessions
- 12 members
- Independent panel advisor



Powerful Conversations

- Community engagement
- Deeper dive
- Workshop series
- Curated group
- Research grade



Connected Conversations

- Stakeholder engagement
- Inform and learn
- Meetings and webinars
- Leverage existing connections

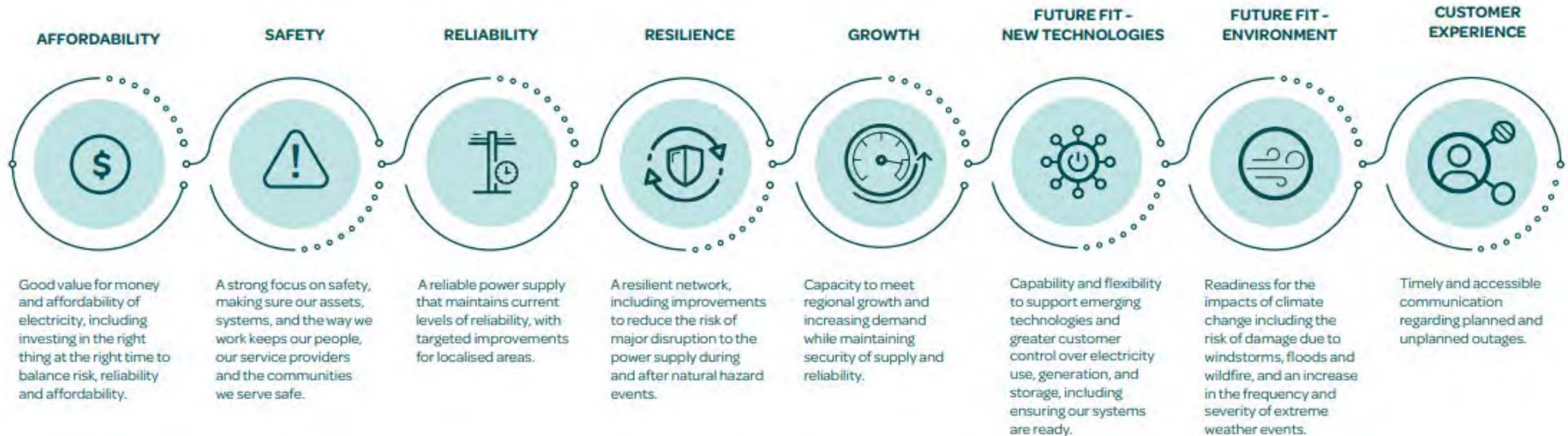


Community Conversations

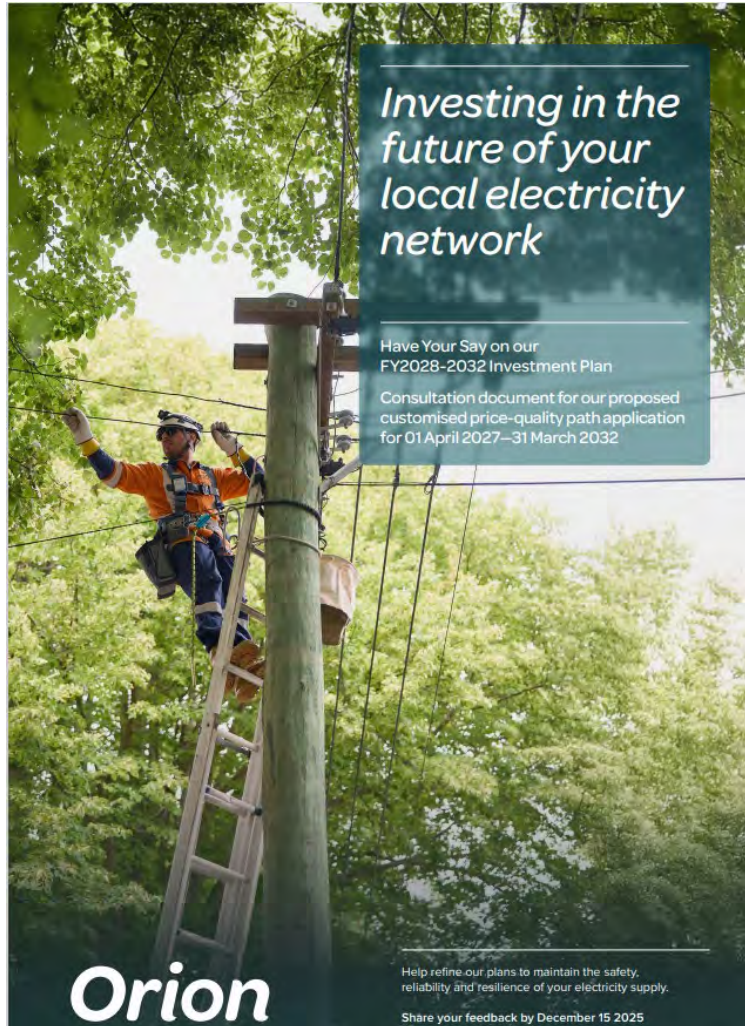
- Community engagement
- Broad view
- Online engagement
- Customer Perceptions Surveys
- Orion Community Update
- Extensive communications

Engagement: Key customer insights to date

Our customers consistently tell us they want a safe, reliable and resilient network with power that remains affordable. They also expect us to plan for growth and be ready to support a changing energy future.



Wrapping up



Our consultation has now concluded and we're finalising our proposal. However, you're still welcome to share feedback by emailing us at haveyoursay@oriongroup.co.nz.

Later in the year, the Commerce Commission will run its own consultation so there will be another opportunity for our community and stakeholders to have their say on our plans.

Find out more about our customised path plans and access our Consultation Document at www.haveyoursay.oriongroup.co.nz/cpp

8. Appendix 2: Webinar slides

Separate sessions were held for retailers and other stakeholders to allow for different types of questions, with the same core presentation pack used across both.

The background is a solid teal color with a faint, semi-transparent image of utility poles and power lines. The poles are vertical, and the lines are horizontal and diagonal, creating a grid-like pattern across the page.

Appendix Q

2026 Customer
Pulse Survey

Orion

Customer Pulse 2026

Research report
March 2026



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Key Metrics & Summary

Key Metrics

AWARENESS



2026 **59%** 45% correctly identify Orion
 2025 **48%** 24% correctly identify Orion

SATISFACTION - Reliability



2026 **8.1**
 2025 **8.5**

OPEN TO INCREASED INVESTMENT

61%

Support an increase in lines charges of \$6.50 per month for **network investment**

TRADE-OFFS

60%

Unwilling to tolerate **reduced service quality** if investment is **not** made in the network

63%

Willing to pay a little **more** now to ensure that power outages don't become more frequent

72%

Support increased investment in new **Digital Systems**

RISK TOLERANCE

68%

Prefer that Orion **proactively replace** equipment before it fails

INVESTMENT PRIORITIES

Option: Importance 4 - 5	2026	2025
Safe & Reliable network	1=	2
Resilient network	1=	1
Capacity for growth	3	3
Adopts innovative solutions	4	4
Accommodate new technologies	5	5
Amount for lines charges	6	n/a

Key Metrics Summary

Current Experience	Investment Trade-offs	Investment Priorities & Funding preferences
<ul style="list-style-type: none">❖ Just under half of customers are able to correctly identify Orion as their lines provider.❖ Customer satisfaction with the reliability of power supply is down on the levels seen in 2025. Whilst the numbers very satisfied (i.e. rating satisfaction a 9 or 10) have remained relatively stable, the numbers rating satisfaction at 0-6 has increased significantly.❖ The context of this 2026 should however be noted with a significant weather event causing disruption to the Canterbury region prior to survey launch.	<ul style="list-style-type: none">❖ Customers show greater levels of support for (61%) than opposition to (34%) increased investment in the network.❖ This also holds true for investment in Digital systems where support is at 72% vs opposition at 21%.❖ Most customers are actively unwilling to trade-off a reduced level of service in the network (60%).❖ For the 1 in 5 that are willing to make the trade-off, the most acceptable compromises are delays in connections (both new connections and connection of solar panels and batteries) and power quality issues.❖ Customer preference in the Essential Works price / quality trade-off is for paying a little more now to maintain network safety and reliability (57%) but still for 1 in 5 keeping line charges steady is a priority.❖ The majority of customers are risk averse with 68% preferring a proactive approach to equipment replacement .	<ul style="list-style-type: none">❖ Investment priorities remain consistent with those seen in 2025 – reliability and resilience continue to be of high importance to most customers.❖ However, when customers are asked for the single most important priority, reliability does have a marginal edge over resilience.❖ The preferred approach for funding increased investment is for smaller increases spread over time – 67% of customers overall prefer this approach, and the picture is consistent across customer groups.❖ 1 in 5 customers don't support any increase in lines charges.

Differences by Segment

Current Experience	Investment Trade-offs	Investment Priorities & Funding preferences
<ul style="list-style-type: none">❖ Claimed awareness of their electricity lines company is stronger among rural customers, but the percentages able to correctly identify as Orion are in line with urban customers.❖ Customer satisfaction with the reliability of power supply is stronger among urban customers; rural customers have significantly higher levels of dissatisfaction (i.e. rating satisfaction at 0 – 6).❖ Those who are financially struggling also have a higher level of dissatisfaction rating (0-6), suggesting this group have higher expectations for the financial stretch that paying their electricity bill represents.	<ul style="list-style-type: none">❖ Whilst support for increased investment in the network is directionally stronger for urban than rural customers, still rural customers are more likely to support increased investment (53%) than oppose it (37%).❖ More financially vulnerable customers (i.e. those who have struggled to pay their electricity bill to some extent) have higher levels of opposition to network investment and a greater willingness to trade-off on network service quality.❖ Financially struggling customers also demonstrate a stronger preference for keeping line charges steady in the Essential Works price / quality trade off, along with those aged 35-44. However, keeping power reliable is still the preferred option overall for these groups.❖ The more financially vulnerable and 35-44's also show a greater tolerance for risk, with a stronger preference for a reactive approach to equipment replacements than seen for other customer groups. Though a proactive approach is still preferred for the majority of these customers.❖ Higher income households demonstrate notably stronger support for investment in Digital Systems.	<ul style="list-style-type: none">❖ Although reliability is the most important CPP Investment priority among the total customer base, there is a directional difference between urban and rural customers, with resilience holding a marginally stronger position among rural customers.❖ Whilst the preference for customers who are financially struggling remains in line with other customer groups i.e. smaller increases spread over time to fund increased investment, still over a third of this group (36%) do not support any increase.❖ This is notably higher than the 21% of the total customer base who don't support any increase.

Orion

Research
approach





Research Context

This is the final project in the customer engagement programme undertaken over the last nine months to ensure the customer voice is an integral part of the customised price-quality path (CPP) submission to the Commerce Commission.

This survey builds on the insights gained from the Powerful Conversations and Customer Perceptions programme, which ran in 2025.

This report also contains comparisons, where available, with the 2025 Customer Perceptions and Pulse surveys.



Research Design

This 2026 Customer Pulse report is based on an online survey completed by 508 customers who live (487) or operate a business (21) in the Orion electricity network area.

Surveying was completed between 18th February and 11th March 2026.

Quotas were set for interview numbers across regions within the Orion electricity network area, including customers in Christchurch (urban), Selwyn (residential and rural), and Banks Peninsula.

2026 interviews achieved	Residential	Business	Total
Christchurch	347	16	363
Selwyn	125	5	130
Banks Peninsula*	15	0	15
Total	487	21	508

Soft targets of a minimum of n=30 interviews were set on medically dependent and financially struggling customers and n=46 and n=44 interviews respectively were conducted with these customer groups.

* The response rate in Banks Peninsula (residential and business) was lower than hoped, but unfortunately, the fieldwork fell immediately after a period of severe flood damage to the region.



Orion

Current
Experience



Awareness levels are consistent with those seen in the last Perceptions survey.

Claimed awareness of the lines company is higher among Rural customers, but correct identification as Orion is similar between the two groups, suggesting confusion among Rural customers.

Increased advertising and media exposure by Orion, alongside the broader discussion of the energy sector, likely drove the higher attribution seen between the 2025 and 2026 Pulse Survey.

Awareness of Orion

% of total correctly identifying Orion



Not aware is higher among 18-34 's (44%)

Awareness of lines company is higher among: **Rural** (70%) than **Urban** (57%).
Correct identification No meaningful difference urban (45%) vs rural (42%)

Q5 / 6. Do you know the name of your local electricity Lines company? What is the company name?

Base: Total sample (Residential + Business customers). Pulse 2026 (508), Perceptions 2025 (1,077), Pulse 2025 (503)



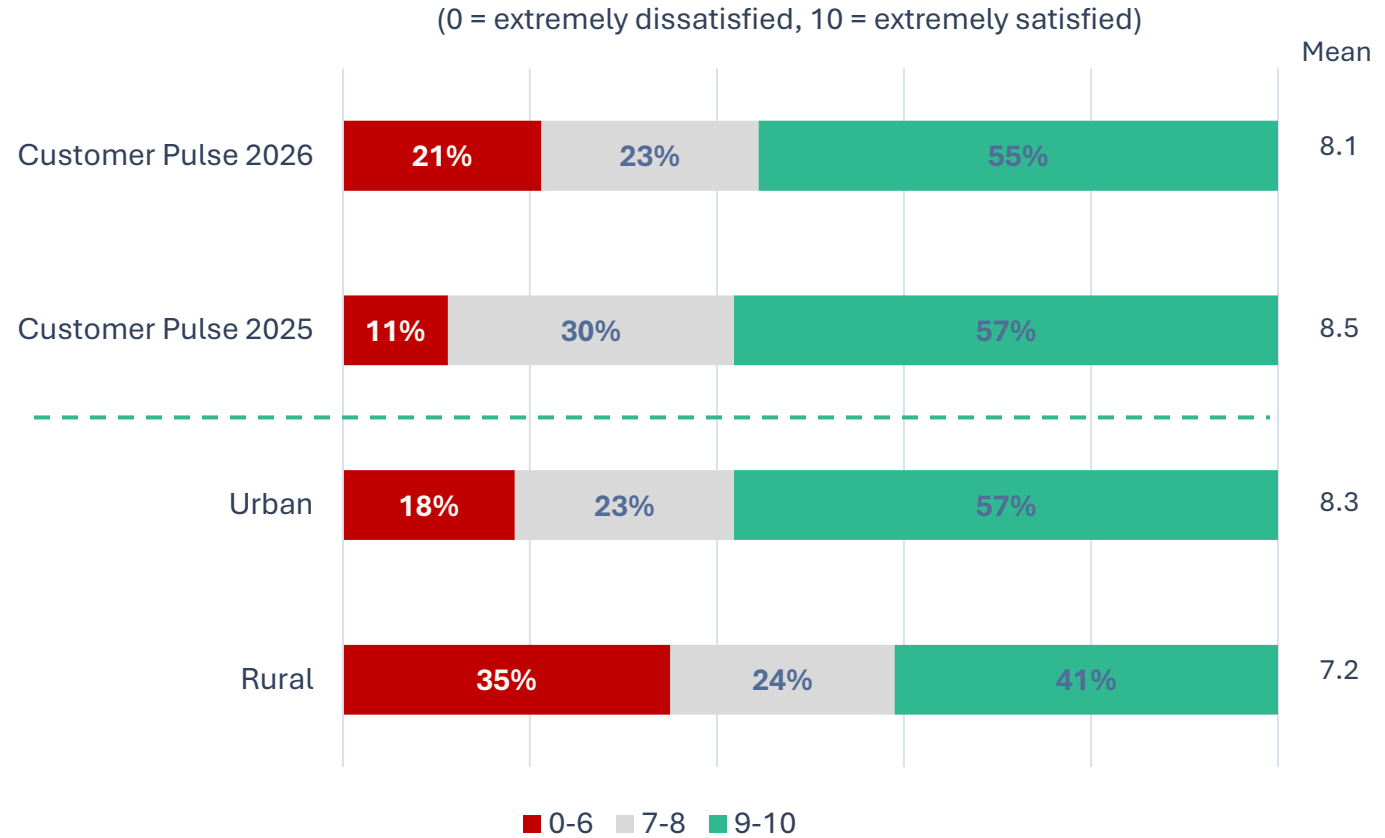
Dissatisfaction with reliability has increased for rural customers in 2026, compared with 2025.

But it should be noted that the 2026 survey was conducted after a major weather event impacted the Canterbury area.

Satisfaction remains significantly higher among urban customers than among rural customers, particularly in rural Selwyn.

Customers who are financially struggling are also less satisfied.

Satisfaction with current reliability



Dissatisfaction ratings (0 – 6) are higher among:
Rural (35%)
Rural Selwyn (40%)
Financially Struggling (41%)

Satisfaction mean score higher among:
Urban (8.3)
35 – 44's (8.7)

Q7. Thinking about unplanned power outages over the last few years, how satisfied are you with the reliability of your power supply?

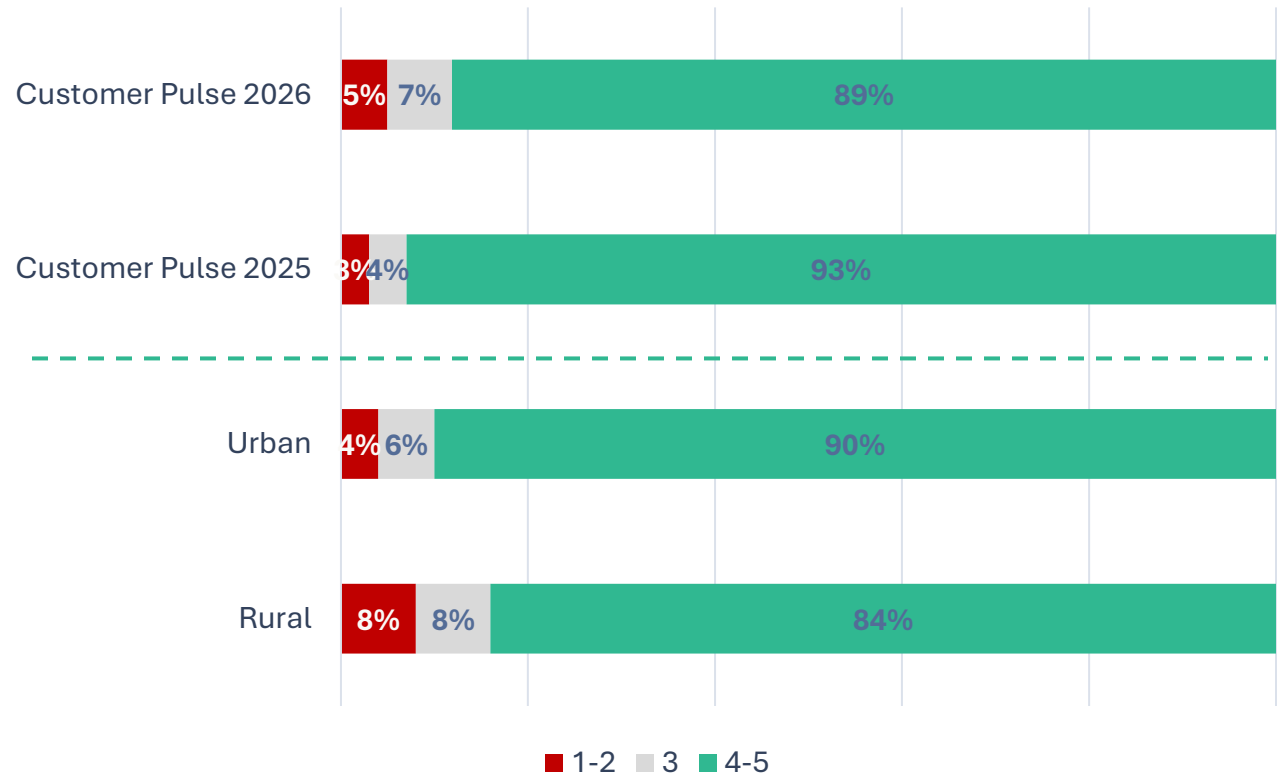
Base: Total sample (including don't know). Pulse 2026 Total (508), Urban (425), Rural (83). Pulse 2025 Total (503).



The perceived importance of a reliable power supply remains consistently high year on year, particularly among urban and younger customers.

Importance of a reliable power supply

(1 = very unimportant, 5 = very important)



Those rating Importance at 4 – 5 was significantly higher for:
Urban Selwyn (94%) vs Rural Selwyn (82%)
18 – 34's (97%) vs 35+ (88%)
Medically dependent (96%) vs not (88%)

Q8. Thinking about how you use power, how important is a reliable power supply to you?

Base: Pulse 2026 Total (508), Urban (425), Rural (83). Pulse 2025 Total (503).

Orion

Investment Trade-offs



Testing openness to increased investment - Network.

Respondents were shown the following information and asked if they supported or opposed it.

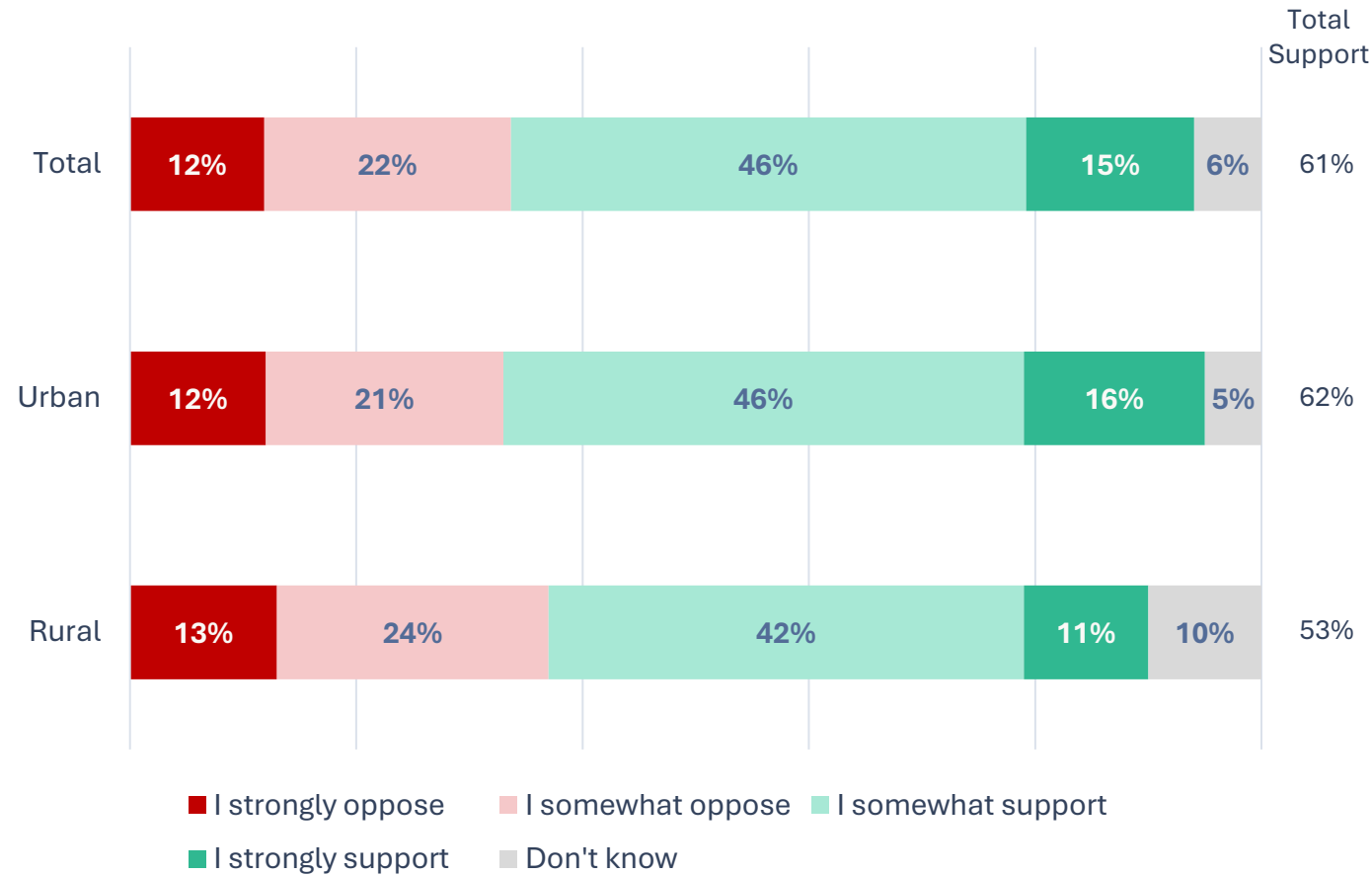
“Orion is planning to invest around \$1.61 billion in the electricity network to maintain a safe and reliable power supply, improve resilience, accommodate growth, enhance future business efficiencies, and prepare for new technologies. This is an increase of around \$350 million and will result in an increase in the lines charges component of your power bill of \$6.50 per month. Do you support this increased investment?”



Support for increased network investment is indicatively lower among rural customers (particularly rural Selwyn); however, overall, rural customers are more likely to support increased investment (53%) than oppose it (37%).

Opposition to increased investment is notably higher for financially vulnerable customers (those who report struggling to pay their electricity bill in the last twelve months).

Openness to increased investment - Network



Support significantly higher among:
Respondents who have never struggled with bill payment in the last 12 months (66%)

Opposition significantly higher among:
Those who have struggled with bill payments < or > 3 times in the last 12 months (45%)

Base: Pulse 2026 Total (508), Urban (425), Rural (83).

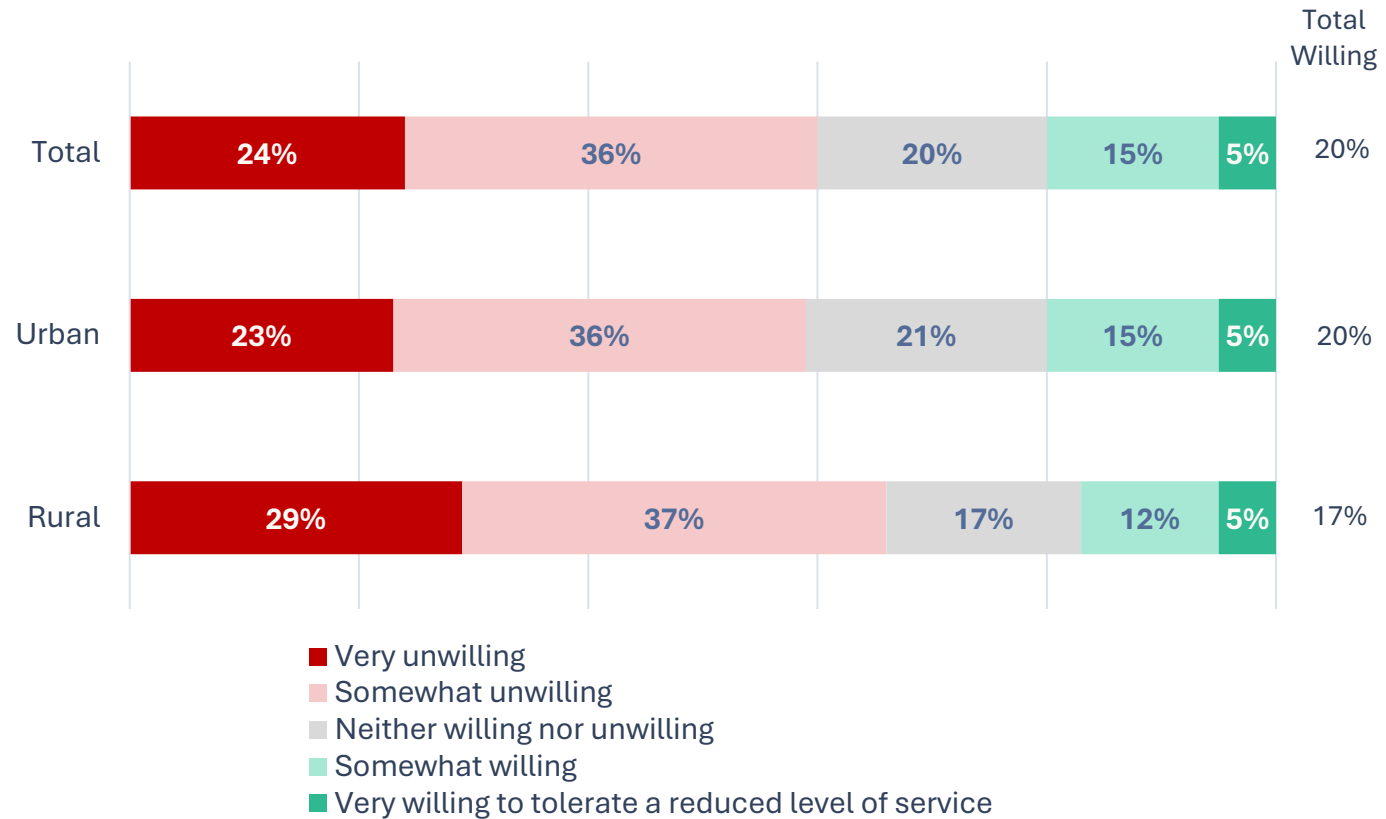


Overall, customers are unwilling to tolerate a reduced level of service caused by a lack of investment in the network.

Directionally, rural customers are less willing to tolerate reduced service levels.

The more financially vulnerable and those aged 35-44 are more willing to trade off service quality against increases in investment.

Network Price / Quality trade-off Willingness to accept reduced service



Willingness to tolerate a reduced level of service is significantly higher among:

- those who have struggled with bill payments < or > 3 times in the last 12 months (25%) compared to those who have never struggled (17%)
- 35 - 44's (32%) vs 45+ (17%)

Q10. If Orion did **not** increase investment in the electricity network, this could result in reduced service quality, such as more frequent or longer power outages. How willing would you be to tolerate this?

Base: Pulse 2026 Total (508), Urban (425), Rural (83).

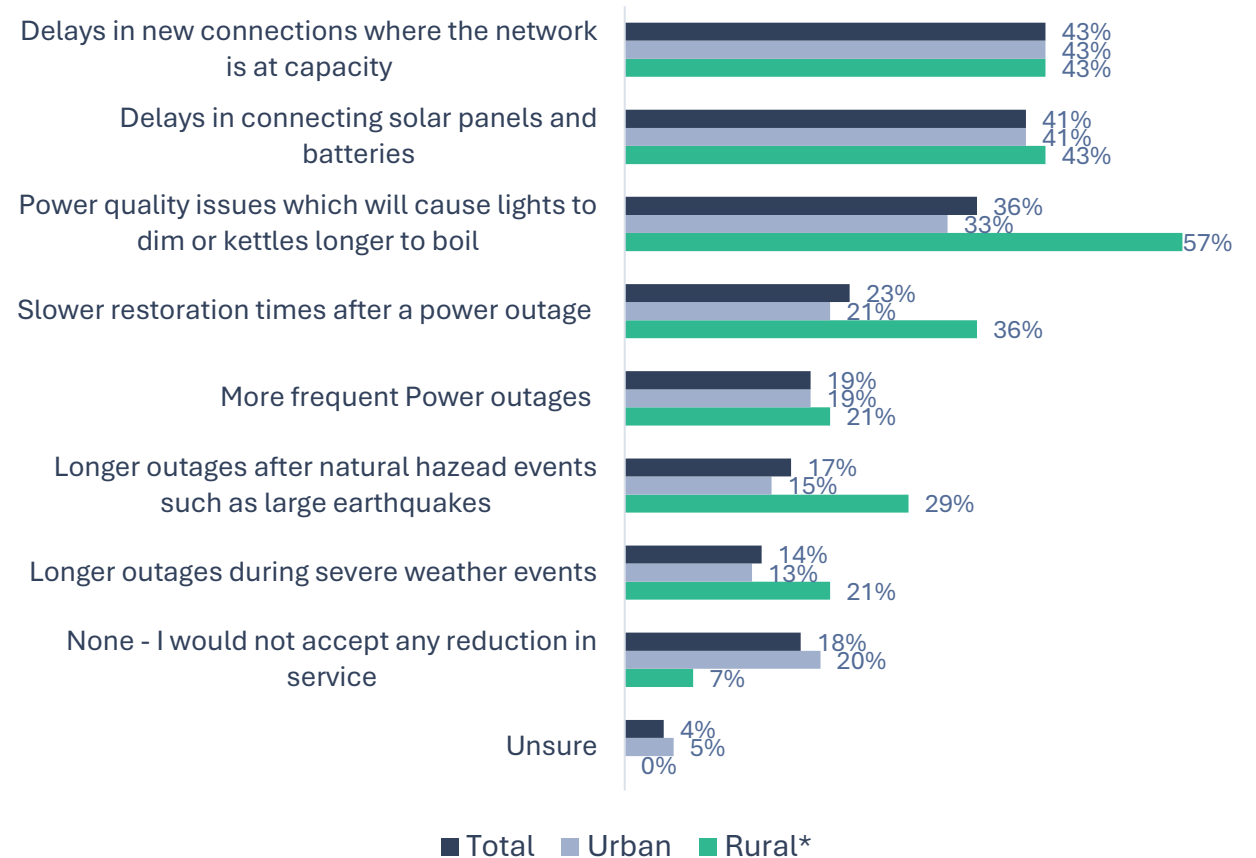


For those willing to make the price/quality trade-off, the most acceptable service compromises are connection delays and power quality issues.

However, nearly 1 in 5 are still unwilling to accept any reduction in service.

Indicatively, due to low base sizes, rural customers are more tolerant of power quality issues, longer outages overall, and slower restoration times.

Network Price/Quality trade-off Acceptable Service Compromises



Q11. If you are willing to accept a reduced level of service, which **three** of these would you consider acceptable?

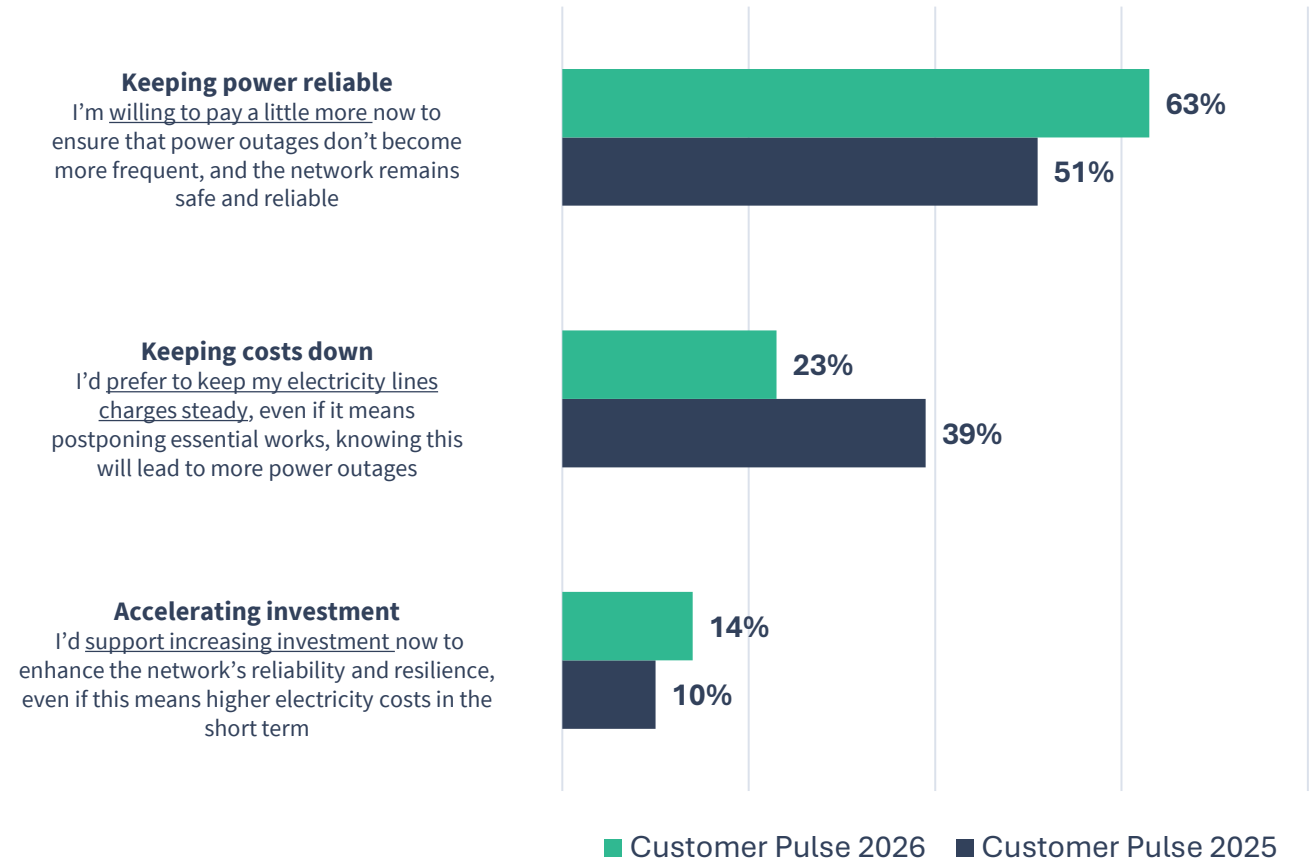
Base: Very or somewhat willing to accept a reduced level of service. Pulse 2026 Total (100), Urban (86), Rural (14)*low base, indicative only.



The price /quality trade-off for Essential Works indicates a customer preference to pay a little more now to maintain network safety and reliability.

Increases in willingness to pay more to retain reliability may have been influenced by the recent weather event in Canterbury.

Essential Works Price/Quality trade-off Preferred Investment Rate



Q12. A large part of Orion's proposed investment plan is based on essential works needed for safety and reliability, including replacing power poles and equipment, and doing essential maintenance and catering for growth. Which of the following best describes your view?

Base: Total sample. Pulse 2026 with "unsure" answers removed (460), 2025 (503).

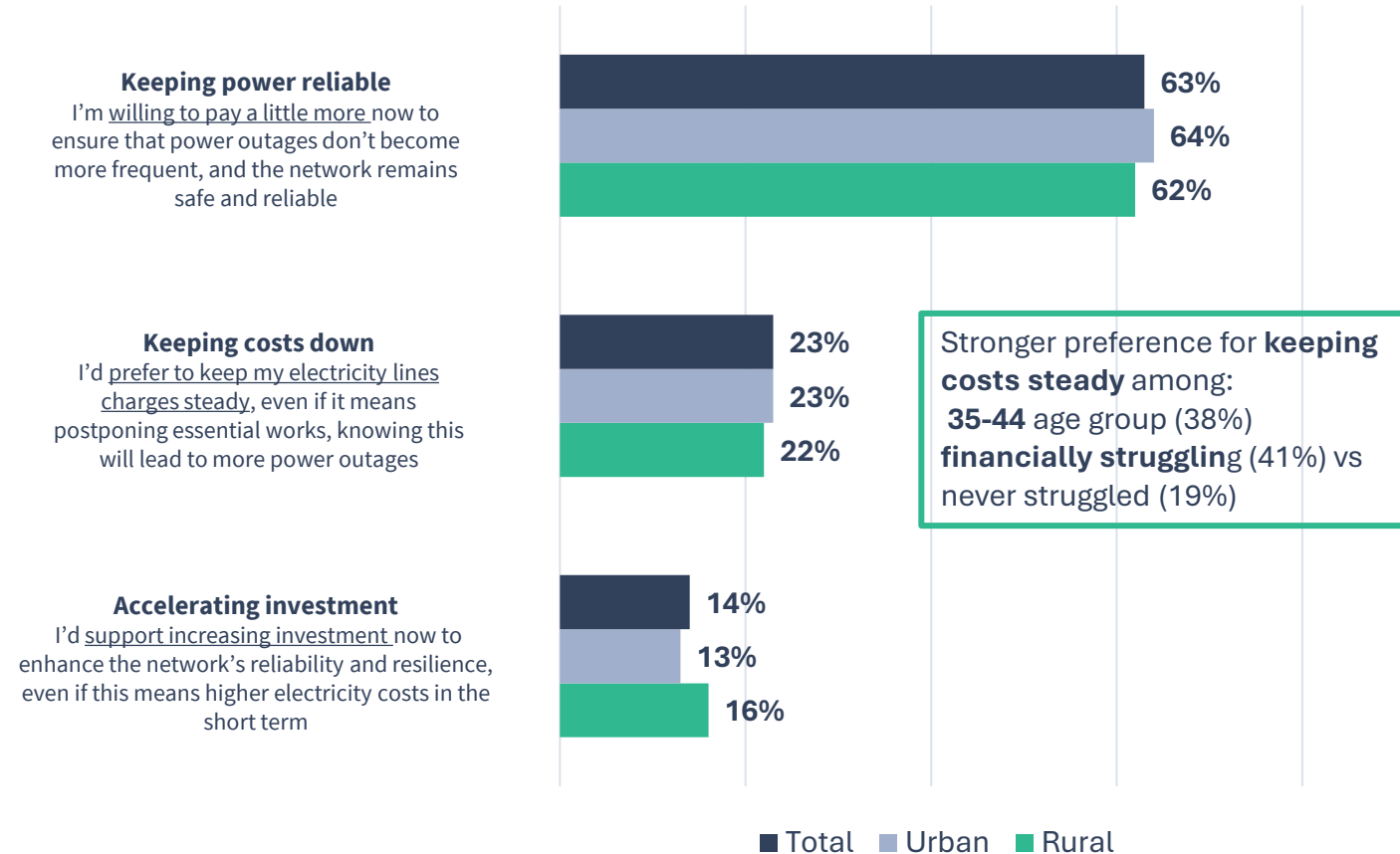


The majority of customers are willing to pay a little more now to maintain a safe and reliable network.

This is consistent across urban and rural customers.

Preference for keeping lines charges steady is stronger amongst 35-44-year-olds and those who are financially struggling. However, keeping power reliable is still the preferred option for these groups.

Essential Works Price/Quality trade-off Urban Rural split



Q12. A large part of Orion's proposed investment plan is based on essential works needed for safety and reliability, including replacing power poles and equipment, and doing essential maintenance and catering for growth. Which of the following best describes your view?

Base: Customer Pulse 2026 with "unsure" answers removed (460), Urban (384), Rural (76).

Testing openness to increased investment – Digital Systems.

Respondents were shown the following information and asked if they supported or opposed it.

Orion plans to invest in new digital systems to better capture network condition data, support more informed asset management decisions, and improve business efficiency. This would help Orion identify problems earlier, address the right issues at the right time, maintain reliability and performance, and reduce future data-processing and business-process costs. Do you support this increased investment?

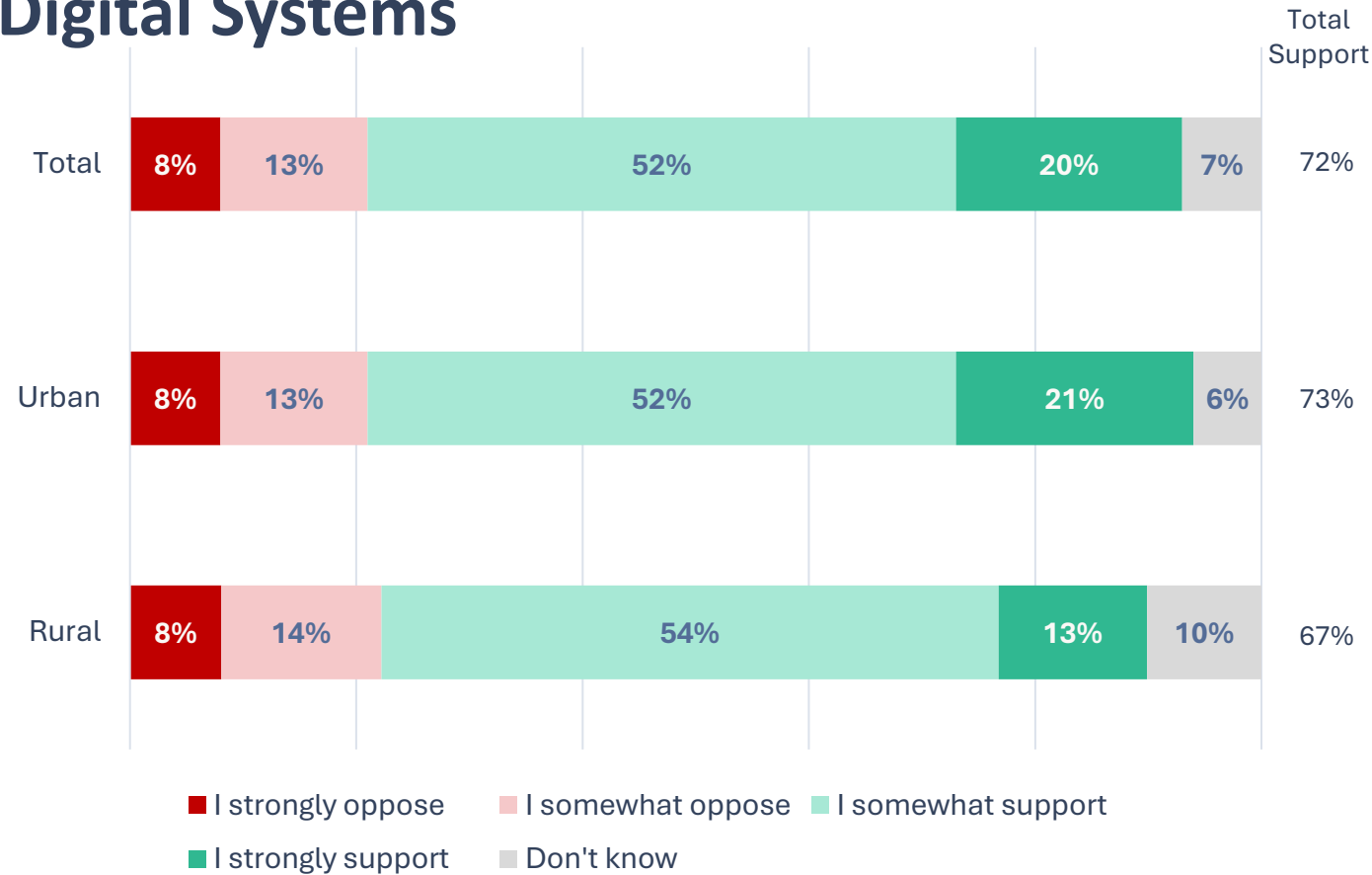


The majority of customers support increased investment in Digital Systems.

This is true for both urban and rural customers, although directionally, there is stronger support among urban customers than among rural customers.

Support is notably stronger among higher-income households.

Openness to increased investment – Digital Systems



Support higher among:
HHI \$100K+ (81%) vs HHI less than \$100K (67%)
While overall support was not significant, males tended to strongly support (27%), and females somewhat support (58%) at significant levels.

Opposition higher among:
HHI less than \$100K (25%) vs HHI \$100K+ (14%)

Base: Pulse 2026 Total (508), Urban (425), Rural (83).



Overall customer preference is for Orion to proactively replace equipment – and this is consistent across the urban and rural customer base.

This sentiment is particularly strong for older customers and those who are financially secure. Those who are less financially secure and those aged 35-44 are more likely to prefer a reactive approach.

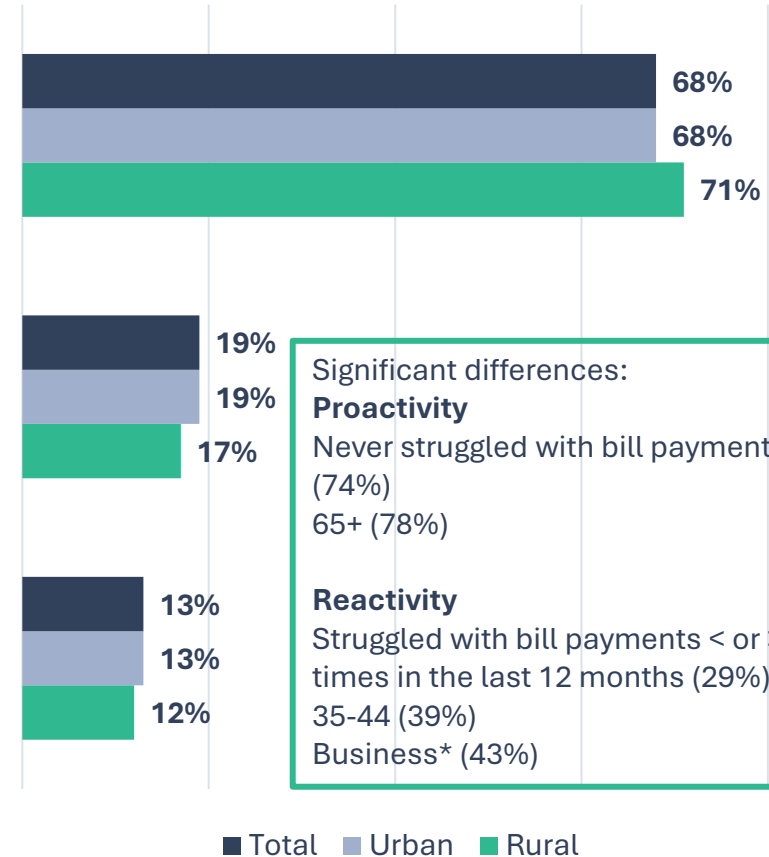
Indicatively, businesses have a stronger preference for a reactive approach than residential customers.

Risk Tolerance

I would prefer that Orion **proactively replace equipment before it fails**. This costs more in the short term but reduces the chance of asset failures, which can cause unplanned outages and safety risks

I would prefer that Orion **be reactive, only replacing equipment when it fails**. This costs less in the short term but can mean a higher chance of asset failures, leading to more frequent and / or longer unplanned outages.

I don't prefer either option.



Q14. Orion needs to decide how proactive to be in replacing and renewing ageing network assets (like power poles, transformers and switchgear). Which option best reflects your view?

Base: Customer Pulse 2026 (508), Urban (425), Rural (83). *Business (21) indicative only, low base

Orion

Investment Priorities





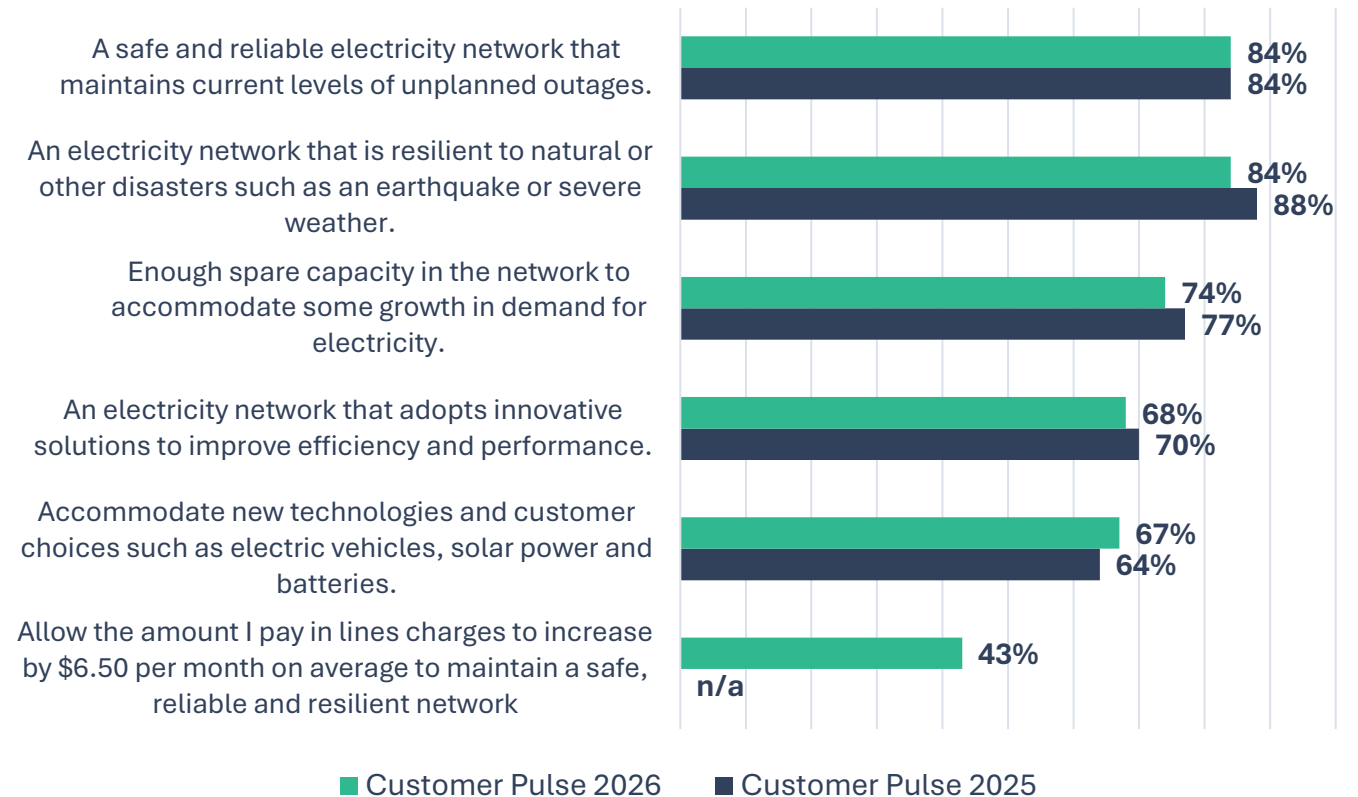
CPP Investment priorities align with those in 2025.

The largest proportion of customers rate reliability and resilience as highly important.

Note: caution should be applied to direct comparison with 2025 due to question wording changes (see appendix for details).

CPP Investment Option Priorities Total Sample

% scoring 4 – 5 importance



Q15. Using a scale from 1 – 5 where 1 is very unimportant and 5 is very important how important are each of the following to you?

Base: Total sample. Customer Pulse 2026 (508), Customer Pulse 2025 (503)

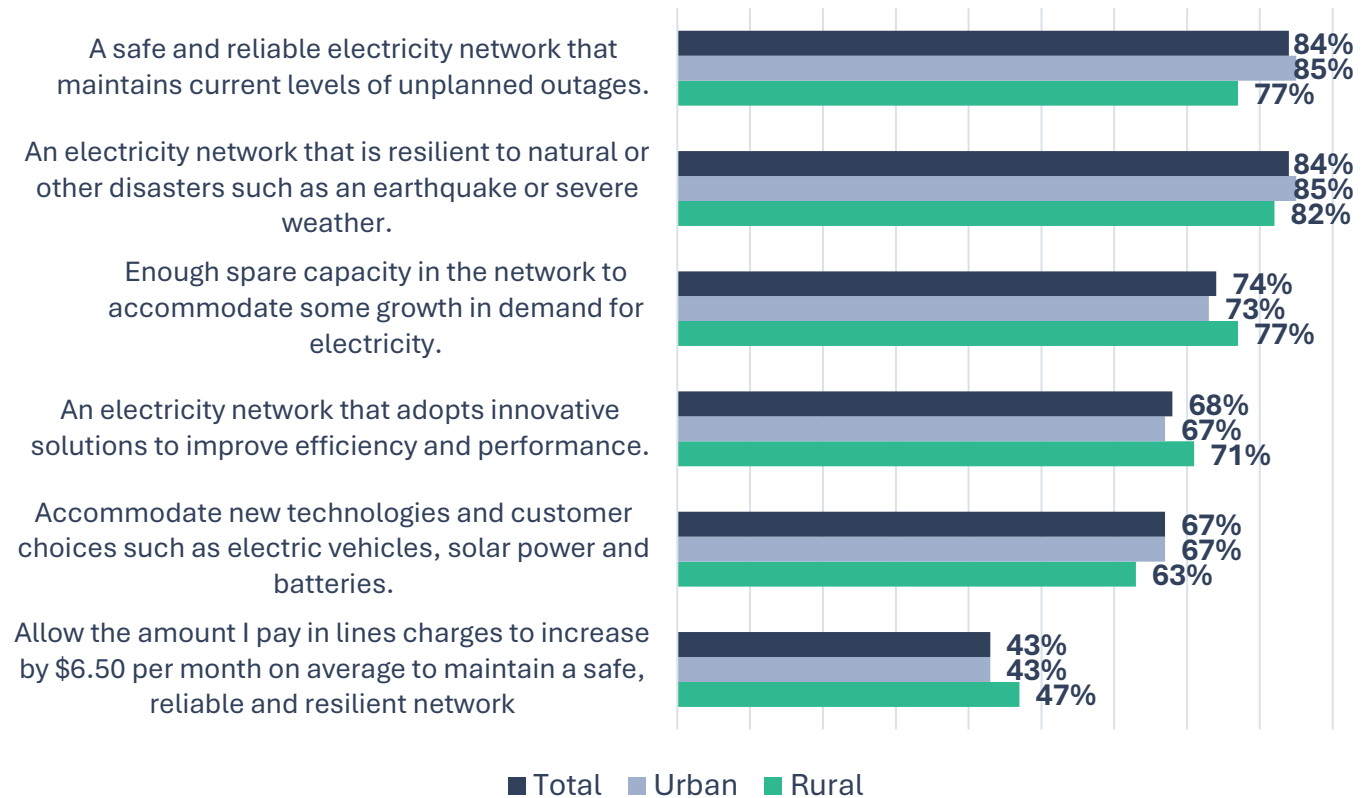


CPP Investment priorities are broadly consistent across urban and rural customers.

However, more rural customers prioritise resilience over reliability, whereas for urban customers, these are of equal importance.

CPP Investment Option Priorities Rural Urban Split

% scoring 4 – 5 importance



Importance 4 - 5 higher among:

HHI \$100K+ (90%) vs HHI less than \$100K (81%) for reliability and resilience (both reliability and resilience).

Q15. Using a scale from 1 – 5 where 1 is very unimportant and 5 is very important how important are each of the following to you?

Base: Total sample. Customer Pulse 2026 Urban (425), Rural (83)

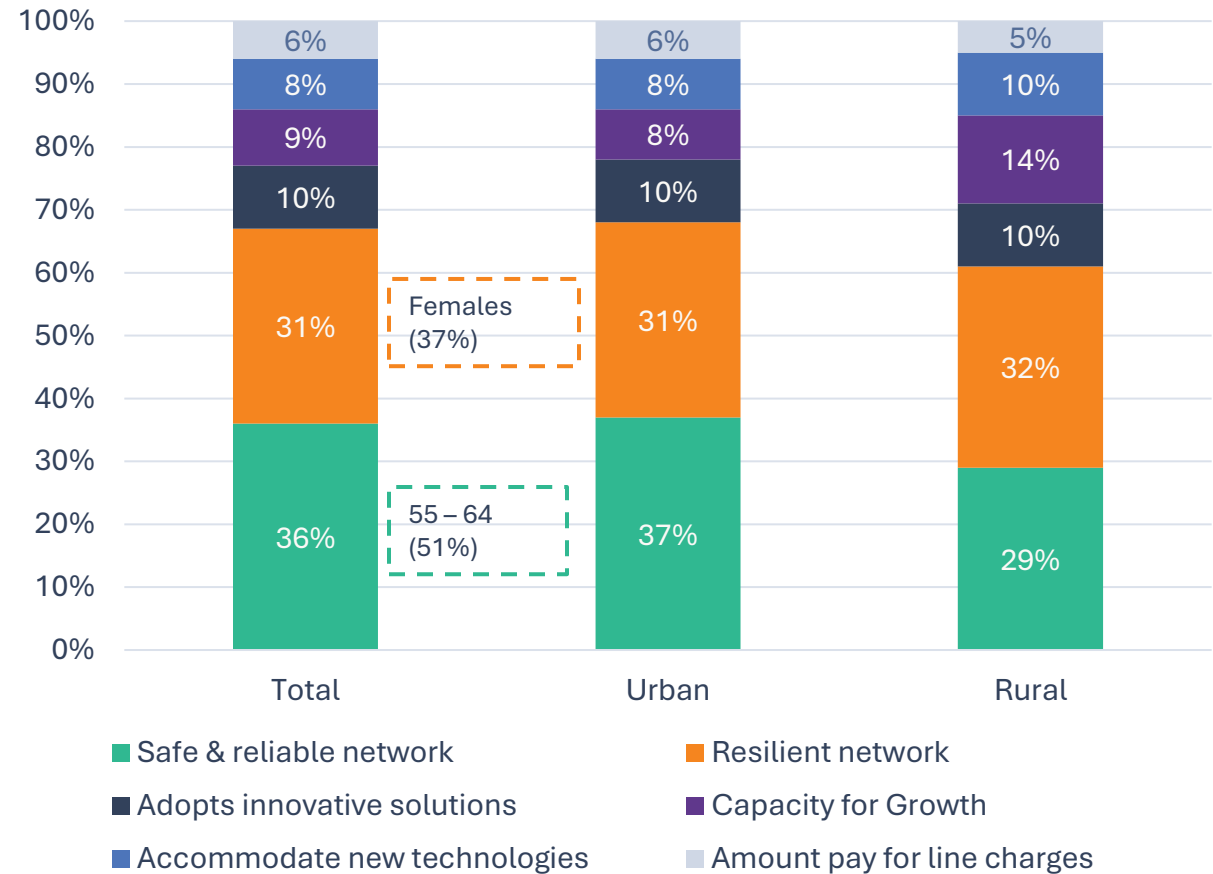


When asked which CPP investment option is most important to customers, reliability ranks highest across the total customer base.

But this does differ, albeit marginally, between rural and urban customers, with a slightly greater emphasis on resilience for rural customers.

Reliability is particularly important for the 55-64 age group, and resilience is particularly important for female customers.

CPP Investment Option Priorities Most important criteria



Q16. Which one of these investment options is **most** important to you?

Base: Customer Pulse 2026. Total (508), Urban (425), Rural (83)

Orion

Investment Funding Preferences





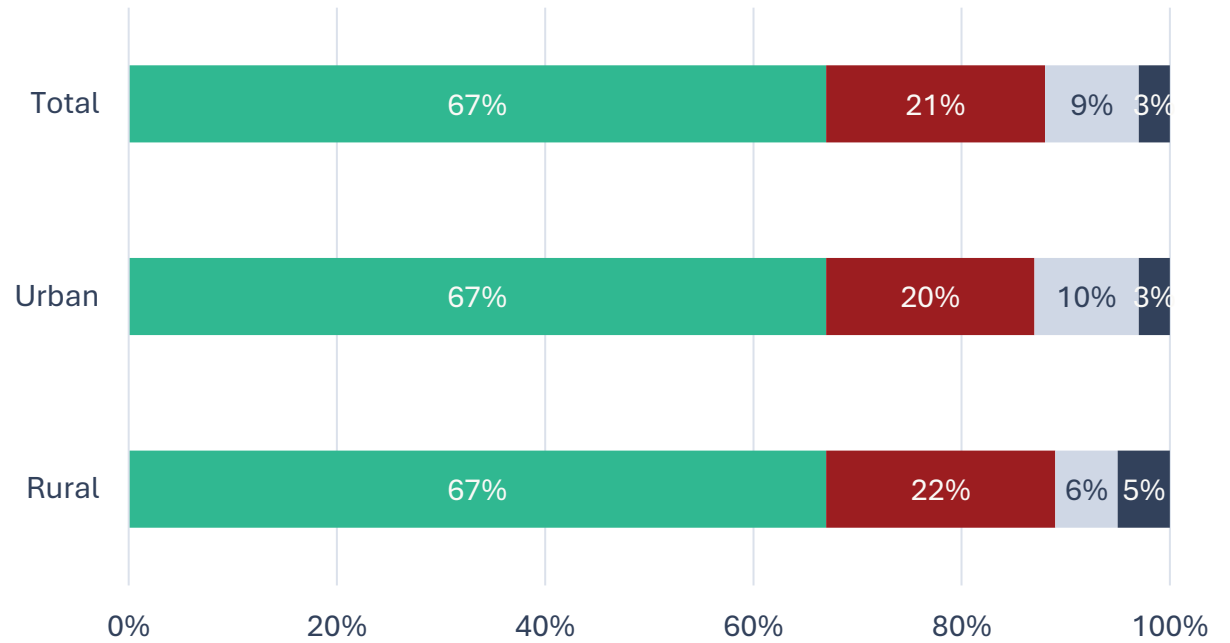
Overall, the strong preference is for smaller increases over time to fund investment.

This is consistent across customer groups.

Around 1 in 5 customers don't support increased investment, rising to just over a third among those who are financially struggling.

However, most of this group (64%) still prefer smaller increases over time.

Preferred Price Increase Distribution



■ Smaller increases spread over time ■ I don't support any increase
■ I don't mind how increases are applied ■ Larger increases over a shorter period

No significant differences by HHI or age, but **36%** of customers who are financially struggling do not support any increase compared with 19% who have not struggled to pay their bill in the last 12 months.

Q17. To fund increased investment, electricity lines charges would need to increase. Which option best reflects your view?

Base: Customer Pulse 2026. Total (508), Urban (425), Rural (83)



Orion

Summary

In summary.....

- ❖ Customer satisfaction with the reliability of their power supply has declined in comparison with 2025.
 - ❖ But, the significant weather event seen across the Canterbury region in early February is likely to be impacting perceptions in this area.
 - ❖ Potentially this experience could also be shaping a reassessment of investment in Essential Works, as we see a shift towards a stronger preference for keeping power reliable and a move away from keeping lines charges steady when compared with 2025.
- ❖ Overall, customers
 - ❖ Are more likely to support than oppose increased investment in the Network and Digital Systems.
 - ❖ Are largely unwilling to trade off price against quality of network service.
 - ❖ Prefer to pay a little more now to ensure a safe and reliable network through investment in Essential Works .
 - ❖ Are risk averse – with a preference for Orion to proactively replace equipment before it fails to mitigate against outages and safety risks.

In summary.....

- ❖ Whilst customers are largely aligned in their position on investment increases, 35 – 44-year-olds and the financially vulnerable do present a different standpoint, in that they show
 - ❖ Stronger opposition to investment in the Network.
 - ❖ Greater willingness to compromise service quality against increasing investment in the network.
 - ❖ Stronger preference for keeping lines charges steady, even with a risk of postponing Essential Works.
 - ❖ Stronger preference for Orion to take a reactive approach to replacement of equipment.
- ❖ Priorities for investment are also largely aligned by customer group – maintaining a reliable and resilient network is key across customer groups.
- ❖ The preferred price distribution method across customer groups is for small increases spread over a period of time.
- ❖ Whilst 1 in 5 don't support any increase in lines charges to fund increased investment (which rises to around a third for the financially struggling), the numbers preferring small increases over time still outweighs non-supporters.

Orion



Appendix



Regional Variation

Key measures – Region (1/3)



Customers	Urban	Rural	Christchurch	Urban Selwyn	Rural Selwyn	Banks Peninsula*	Business**
Overall performance							
• Satisfied with Orion’s reliability	8.3	7.2	8.2	8.5	6.9	8.7	7.6
Awareness and perceptions of Orion							
• Claimed awareness of Orion	57%	70%	58%	52%	69%	73%	62%
• Correctly identified Orion as lines provider	45%	42%	45%	44%	38%	60%	57%
Openness to Investment - % Support							
• NW	62%	53%	61%	66%	49%	73%	67%
• DS	73%	67%	72%	82%	60%	100%	76%

Base: Residential + Business customers 2026: Urban (425), Rural (83), Christchurch (363), Urban Selwyn (62), Rural Selwyn (68), Banks Peninsula* (15) low base, indicative only.

**Business (21) low base, indicative only

Overall performance measure has different base sizes due to excluding don't knows.

Key measures – Region (2/3)



Customers	Urban	Rural	Christchurch	Urban Selwyn	Rural Selwyn	Banks Peninsula*	**Business
Price / Quality trade off - NW							
• % Unwilling to tolerate reduced service quality if investment not increased	59%	66%	59%	58%	68%	60%	43%
Price / Quality trade off - EW							
• Keeping power reliable	64%	62%	62%	70%	61%	67%	62%
• Keeping costs down	23%	23%	24%	19%	26%	7%	33%
• Accelerating investment	14%	13%	14%	11%	13%	27%	5%
Risk Tolerance							
• % Prefer proactive replacement	68%	71%	69%	61%	69%	80%	43%
• % Prefer reactive replacement	20%	17%	20%	19%	18%	13%	43%

Base: Residential + Business customers 2026: Urban (425), Rural (83), Christchurch (363), Urban Selwyn (62), Rural Selwyn (68), Banks Peninsula* (15) low base, indicative only. Price / Quality trade off - EW has different base sizes due to excluding unswers.

**Business (21) low base, indicative only

Key measures – Region (3/3)



Customers	Urban	Rural	Christchurch	Urban Selwyn	Rural Selwyn	Banks Peninsula*	**Business
Investment priorities – % most important							
• Safe & reliable network	36%	29%	37%	32%	29%	27%	43%
• Resilient network	31%	33%	31%	35%	32%	33%	29%
• Adopts innovative solutions	10%	10%	10%	10%	10%	7%	5%
• Capacity for growth	8%	14%	8%	10%	16%	7%	5%
• Accommodate new technologies	8%	10%	9%	5%	6%	27%	10%
• Amount pay for line charges	6%	5%	5%	8%	6%	0%	10%
Investment funding preferences							
• Smaller increases spread over time	67%	67%	67%	66%	65%	80%	52%
• Don't support any increase	20%	22%	20%	21%	24%	13%	24%
• Don't mind how increases are applied	10%	6%	10%	6%	7%	0%	19%
• Larger increases over a shorter period	3%	5%	3%	6%	4%	7%	5%

Base: Residential + Business customers 2026: Urban (425), Rural (83), Christchurch (363), Urban Selwyn (62), Rural Selwyn (68), Banks Peninsula* (15) low base, indicative only.

**Business (21) low base, indicative only

Overall performance: Comparing rural and urban



❖ Business vs Residential

Indicatively residential customers rate satisfaction with reliability higher than Businesses, but caution is to be applied due to low base size for business.

❖ Urban vs Rural

Urban residential customers score reliability higher than rural residential customers.

There is a notable difference in scores between urban Selwyn residential customers (8.5, 37%) compared to rural Selwyn residents (6.8, 20%)

Satisfaction with reliability

	Average	Rating 10/10
Total business*	7.6	19%
Total residential	8.1	34%
Rural residential	7.1	25%
Urban residential	8.3	36%
Christchurch City residential	8.3	36%
Urban Selwyn residential	8.5	37%
Rural Selwyn residential	6.8	20%
Banks Peninsula residential*	8.7	47%

Q. Thinking about unplanned power outages over the last few years, how satisfied are you with the reliability of your power supply?

Base: Business* (21)* low base, indicative only. Residential (481), Rural residential (80), Urban residential (401), Rural (80), Christchurch City residential (342), Urban Selwyn Residential (59), Rural Selwyn residential (65), Banks Peninsula (15))* low base, indicative only.

Performance Over Time

Awareness and satisfaction over time

%	Residential		Business		Rural		Urban	
	2025	2026	2025	2026*	2025	2026	2025	2026
Awareness of lines company	46%	59%	61%	62%	52%	70%	47%	57%
Satisfied with reliability (9-10 rating)	59%	56%	37%	29%	39%	41%	63%	57%

In the 2026 pulse survey, we have a higher percentage of the total sample reporting awareness of their lines company, and a greater proportion of accurate attribution to Orion, than in Pulse 2025.

Base:

2026 Pulse: Residential (487), Business* (21) low base, indicative only. Rural (83), Urban (425)

2025 Pulse: Residential (454), Business (49). Rural (120), Urban (383)

Changes to metric wording 2026 vs 2025

Essential Works Investment Price / Quality Trade off

	2026	2025
Question	A large part of Orion’s proposed investment plan is based on essential works needed for safety and reliability, including replacing power poles and equipment, and doing essential maintenance and catering for growth. Which of the following best describes your view?	When thinking about your power supply and the service Orion provides, which of the following is most important to you?
Option:		
• Keeping costs down	I’d prefer to keep my electricity lines charges steady, even if it means postponing essential works, knowing this will lead to more power outages.	I’d prefer to keep my electricity costs steady , even if it means postponing essential works, knowing this could lead to more outages and higher costs in the future.
• Keeping power reliable	I’m willing to pay a little more now to ensure that power outages don’t become more frequent, and the network remains safe and reliable.	I’m willing to pay a little more now to ensure that power outages don’t become more frequent, and the network remains safe, reliable and resilient
• Accelerating investment	I’d support increasing investment now to enhance the network’s reliability and resilience, even if this means higher electricity costs in the short term.	I support increasing investment now to improve reliability and resilience, even if this means higher electricity costs in the short term
	Unsure	n/a

CPP Investment Priorities

	2026	2025
Question	Using a scale from one to five, where one is very unimportant and five is very important, how important are each of the following to you?	Using a scale from one to five, where one is very unimportant and five is very important, how important are each of the following to you?
Option:		
• Resilient network	Having an electricity network that is resilient to natural or other disasters such as an earthquake or severe weather.	Having an electricity network that is resilient to incidents such as equipment failures, earthquakes or severe weather.
• Safe & reliable network	Having a safe and reliable electricity network that maintains current levels of unplanned outages.	Having a safe and reliable electricity network with fewer unplanned outages.
• Adopts innovative solutions	Having an electricity network that adopts innovative solutions to improve efficiency and performance.	Having an electricity network that takes advantage of new innovations, systems and tools to improve efficiency.
• Capacity for growth	Having enough spare capacity in the network to accommodate some growth in demand for electricity.	Having enough spare capacity in the network to accommodate some growth in demand for electricity.
• Accommodate new technologies	Having an electricity network that can accommodate new technologies and customer choices such as electric vehicles, solar power and batteries.	Having an electricity network that can accommodate new technologies and customer choices such as electric vehicles, solar power and batteries.
• Amount pay for line charges	Allow the amount I pay in lines charges to increase by \$6.50 per month on average to maintain a safe, reliable and resilient network.	The amount you pay for the line charges component of your power bill.

Who did we speak to?

Demographic Profile

Customers	%	n
Age		
18 - 34	6%	32
35 - 44	15%	77
45 - 54	14%	70
55 - 64	24%	121
65+	41%	206
Prefer not to say	0%	2
Gender		
Male	40%	202
Female	60%	304
Another Gender	0%	2

Customers	%	n
Income		
Under \$50,000	25%	122
Between \$50,000 and \$100,000	33%	163
Over \$100,000	30%	149
Prefer not to say	12%	57
Vulnerable customers		
Medically dependent	9%	46
Financially Struggling*	9%	44

*Financially struggling defined as “It has been a struggle to pay electricity bill three times or more over the last twelve months”.

The Curiosity Company

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