

# Intention to Pay Discount

---

<b>Document type</b>	External Document
<b>Document owner</b>	Financial Controller
<b>Approved by</b>	CFO
<b>Effective from</b>	1 April 2026
<b>Next review</b>	1 April 2027

# Contents

What is the purpose of this document? .....	3
What is the network discount? .....	3
What are the key principles? .....	3
What is the 2026/27 discount amount?.....	3
Who is eligible for the discount?.....	4
What is the process to pay the discount? .....	4
What regulation does this relate to? .....	4
Definitions .....	5
When will this document be reviewed?.....	5



## What is the purpose of this document?

The purpose of this document is to outline the process and criteria Electra will use to allocate the budgeted discount to the households and businesses in the Kāpiti and Horowhenua districts that are connected to our network.



## What is the network discount?

Electra is a consumer-owned network as 100% of the shares in Electra Limited (Electra) are held by the Electra Trust. The Trust represents around 47,400 households and businesses connected to Electra’s network.

Electra provides a discount to the customers connected to its network. The discount is provided as a credit against customer power bills, reducing the amount to pay in the month the credit is applied.

Over the last 34 years, Electra has returned over \$242 million in discounts to its customers.



## What are the key principles?

The discount lowers the annual electricity costs for customers in our region.

Historically, the discount included a variable consumption rate (per kWh), but from 1 April 2026 the discount will be credited as a fixed amount. The fixed amount reflects the size of a customer connection and the number of days a customer is connected to the network.

This approach provides customers with more certainty around the amount they can expect to receive each year.



## What is the 2026/27 discount amount?

A network discount of \$9.147 million has been budgeted for the year ending 31 March 2027.

The discount amount excludes GST and is determined by the size of a customer connection (reflected by the pricing category assigned to a connection) and the number of days a customer is connected to the network. We are budgeting a \$185 discount for our residential customers.

Pricing category	Code	Discount (\$/year)	Discount (\$/day)	Estimated No. of ICP	Estimated total discount all ICPs (\$000)
<b>Low Users</b>	LF or LGF	\$185	\$0.5068	31,658	\$5,856
<b>Standard Users</b>	SF or SGF	\$185	\$0.5068	14,995	\$2,774
<b>Commercial &amp; Industrial</b>	Small	CISF	\$431	437	\$188
	Medium	CIMF	\$778	222	\$172
	Large	CILF	\$2,086	51	\$106
	Extra Large	CIXF	\$4,070	12	\$49
<b>Individual</b>	IND	-	-	-	
<b>Total</b>				<b>47,375</b>	<b>\$9,147</b>

Electra’s Pricing Schedule available on Electra’s website [Prices - Electra](#).



## Who is eligible for the discount?

To qualify for the 2026/27 discount, a connection must meet the following criteria:

<b>Active Status</b>	The connection must be recorded in the registry as 'active' on the Electra network as of 31 January 2027. This means that to be eligible, a customer must be connected and be able to use electricity on 31 January 2027.
<b>Minimum Consumption</b>	The connection must have consumed at least 1kWh over the prior 12-month period. This means that very low uses of electricity, like that used for pumps or infrequently used holiday homes, will not be eligible.
<b>Pro-rata Payment</b>	If a customer changes price category or is active for only a portion of the year, the discount will be prorated. The discount will be based on the number of days it was connected to the network (measured as the number of days the connection (ICP) was registered as active on the Electricity Registry for a pricing category).



## What is the process to pay the discount?

Electra calculates the discount that should be paid to each customer (i.e. connection) based on the published rate and eligibility criteria.

Amounts may be adjusted to ensure that the total discount Electra has budgeted for is distributed to consumers, even as the number of ICPs change.

Electra provides electricity retailers (Traders) with the discount amount that should be credited to each customer (i.e. connection) in the final week of February. This is applied as a credit to the consumer's electricity bill by their respective retailer.

Typically, consumers notice it appearing in their February or March invoice.



## What regulation does this relate to?

This policy has been developed with consideration given to:

- The [Electricity Distribution Information Disclosure Determination 2012](#), specifically clauses 2.4.23 and 2.4.24
- The [Electricity Distribution Services Input Methodologies 2012](#), specifically clause 2.3.3(6)

Related information on Electra's pricing and disclosure requirements is available on the website:

- [Prices - Electra](#)
- [Disclosures - Electra](#)



## Definitions

The policy contains terms that are used internally to Electra and across the industry and have a certain meaning that is important for understanding this document:

<b>Connection</b>	The point on the system network where the consumer is connected. In most situations this is also the point where the responsibility for the equipment that conveys electricity transfers from Electra to the consumer
<b>Customer</b>	The person who is responsible for the energy consumed at a Connection
<b>Consumption</b>	The measurement for use of electricity over time. Typically measured in kWh, it reflects the electrical energy consumed by a 1-kilowatt appliance in an hour
<b>Electra</b>	Electra Limited trading as Electra
<b>ICP</b>	Installation Control Point is the point at which a retailer is deemed to supply electricity to you. Each ICP is assigned a unique number. ICP numbers are shown on all electricity accounts
<b>Registry</b>	The database of record used by retailers, distributors and metering equipment providers to configure information about installation connection points (ICPs)



## When will this document be reviewed?

This document will be reviewed annually to capture updates in the annual discount amount, changes in legislation, system improvements and customer feedback.