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[Draft] Orion CPP Electricity Distribution Information Disclosure Determination 2027

[2027] NZCC [XX]

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Date of decision: [XX] 2027

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Under section 52P of the Commerce Act 1986, the Commerce Commission makes the following determination:

PART 1 GENERAL PROVISIONS

1.1 TITLE

1.1.1 This determination is the Orion CPP Electricity Distribution Information Disclosure Determination 2027.

1.2 COMMENCEMENT AND REVOCATION

1.2.1 This determination comes into force on [1 April 2027] and is revoked on 1 April 2035.

1.3 APPLICATION

1.3.1 This determination applies to **Orion**'s supply of **electricity lines services**.

1.4 OVERVIEW

1.4.1 This determination sets information disclosure requirements for **Orion** in addition to the requirements that apply to **Orion** under the **EDB ID determination**. The requirements in this determination focus on **Orion's** performance and delivery under the **CPP**.

1.4.2 Part 1 relates to preliminary matters, including the interpretation of terms used in this determination and the application of certain provisions from the **EDB ID determination**.

1.4.3 Part 2 specifies the information that **Orion** must **publicly disclose** each **disclosure year**, being:

(1) an annual delivery plan, an annual delivery report, and a summary of each annual delivery report (together, the 'annual **CPP** reporting documents');

(2) specific internal documents that reflect good business practices; and

(3) associated audit assurances and director certificates.

1.4.4 The information disclosed under Part 2 will help stakeholders understand **Orion's** progress in delivering the following five strategic priorities identified in its **CPP proposal**:

(1) Maintain safety and reliability;

(2) Support population and demand growth;

(3) Strengthen resilience;

(4) Prepare for future energy needs; and

(5) Enhance efficiency and capability.

1.4.5 Schedules A and B set specific requirements for annual delivery plans and annual delivery reports, including—

(1) the financial information that **Orion** must **publicly disclose;**

(2) the metrics that **Orion** must report against, which are specified in Schedule C; and

(3) the targets that **Orion** must report its progress against in each **disclosure year**, which reflect long-term targets specified in Schedule D.

1.4.6 This clause is intended only as a guide to the general scheme and effect of this determination.

1.5 APPLICATION OF THE EDB ID DETERMINATION

1.5.1 The following provisions from the **EDB ID Determination** apply to this determination with any necessary modifications:

(1) Clause 2.7, explanatory notes to disclosed information;

(2) Clause 2.8, assurance reports;

(3) Clause 2.10, retention and continuing disclosures;

(4) Clause 2.11, exemptions; and

(5) Clause 2.12, disclosure of errors in previously disclosed information.

1.6 APPLICABLE INPUT METHODOLOGIES

1.6.1 **Orion** must apply the requirements set out in the following subparts of the **IM determination** as applicable, when complying with this determination:

(1) Subpart 1 of part 2, cost allocation;

(2) Subpart 2 of part 2, asset valuation; and

(3) Subpart 3 of part 2, treatment of taxation.

1.7 INTERPRETATION

1.7.1 In this determination, unless the context otherwise requires—

(1) terms in bold type in this determination have the meaning given to those terms in this clause or in clause 1.4 or Schedule 16 of the **EDB ID determination**;

(2) terms used in this determination that are defined in the **Act**, but not in this determination or in clause 1.4 or Schedule 16 of the **EDB ID determination**, have the meaning given in the **Act**;

(3) terms used in this determination that are defined in the **IM determination**, but not in this determination or in the **Act** or in clause 1.4 or Schedule 16 of the **EDB ID determination**, have the meaning given in the **IM determination**;

(4) terms used in this determination that are defined in clause 1.4 or Schedule 16 the **EDB ID determination** but not in this determination or the **Act** or the **IM determination**, have the meaning given in the **EDB ID determination**;

(5) a reference to a 'Schedule' is to a Schedule of this determination;

(6) financial items must be measured and disclosed in accordance with **GAAP** unless otherwise required by this determination or the **IM determination**;

(7) non-financial items must be measured and disclosed in accordance with standard industry practice unless otherwise required in this determination; and

(8) materials incorporated by reference into this determination, including standards promulgated by other bodies, are incorporated under Schedule 5 of the **Act**.

1.7.2 If there is any inconsistency between this determination and the **EDB ID determination**, this determination prevails.

1.7.3 In this determination, unless the context otherwise requires,—

CPP period means the period beginning on 1 April 2027 and ending on 31 March 2032

CPP proposal means the application dated 9 June 2026 made by **Orion** for a customised price-quality path under s 53Q of the **Act**

EDB ID determination means the Electricity Distribution Information Disclosure Determination 2012 [2012] NZCC 22

Orion means Orion New Zealand Limited

Orion CPP determination means the **Commission's** customised price-quality path determination made under section 52P of the **Act** that applies to **Orion** from 1 April 2027 to 31 March 2032

resilience principles means the following principles for resilient infrastructure investment decision-making in Chapter 2 of the *Resilience Principles: Decision-making framework for critical infrastructure providers* (3 July 2026), as incorporated by reference into this determination:

(a) multi-hazard risk awareness;
(b) understanding risk at different scales;
(c) accounting for interdependencies;
(d) consideration of distributional impacts;
(e) risk tolerance and risk-bearing capacity;
(f) clearly defined asset criticality;
(g) structured optioneering;
(h) comprehensive costs and benefits evaluation;
(i) options effectiveness;
(j) investment prioritisation; and
(k) dealing with uncertainty.

PART 2 DISCLOSURE REQUIREMENTS

2.1 ANNUAL CPP REPORTING DOCUMENTS

2.1.1 **Orion** must **publicly disclose** the following annual **CPP** reporting documents for each **disclosure year**:

(1) an annual delivery plan;

(2) an annual delivery report; and

(3) a summary of the annual delivery report.

2.1.2 Clause 2.1.1 does not apply for a **disclosure year** after **disclosure year** 2032 if reporting against the long-term targets is no longer required under clause 2.1.9.

Disclosure of annual delivery plan

2.1.3 An annual delivery plan must:

(1) be **publicly disclosed** within 5 months of the start of the **disclosure year** to which the plan relates;

(2) be prepared using only the assumptions, forecasts, and information available to **Orion** at the start of the **disclosure year** to which the plan relates; and

(3) meet the content requirements specified in Schedule A.

2.1.4 **Orion** may **publicly disclose** the annual delivery plan as a standalone report or as part of **Orion's AMP**.

Disclosure of annual delivery report and consumer summary

2.1.5 An annual delivery report and a summary of the annual delivery report must be **publicly disclosed** within 5 months of the end of the **disclosure year** to which they relate.

2.1.6 An annual delivery report must include the content specified in Schedule B.

2.1.7 A summary of an annual delivery report must be in a form that **consumers** can readily understand and include:

(1) an explanation of the key features of the annual delivery report;

(2) a short statement of the reasons for **Orion's CPP**;

(3) the change in revenue per **ICP** for each **disclosure year** of the **CPP period** to date, with any breakdown or commentary that **Orion** considers useful for **consumers**;

(4) a prominent statement explaining that the summary provides an overview of **Orion's** progress in delivering the benefits of investments that justified increased **prices**;

(5) a dashboard summary of **Orion's** progress delivering each strategic priority and the associated annual targets and long-term targets, as applicable;

(6) a summary of **Orion's** commentary for any targets that have not been met or are not projected to be met;

(7) a summary of **Orion's** performance against reporting metrics;

(8) a summary of **Orion's** expenditure against forecast for each strategic priority; and

(9) any information that **Orion** considers useful to help **consumers** understand **Orion's** progress in delivering the benefits of its investments.

Requirement to report against long-term targets

2.1.8 In each annual **CPP** reporting document, **Orion** must report against the long-term targets specified in Schedule D.

2.1.9 Despite clause 2.1.8, in an annual **CPP** reporting document for a **disclosure year** after **disclosure year** 2032, **Orion** is not required to report against any of the following the long-term targets:

(1) 'network asset risk' target for each asset class;

(2) the long-term 'workforce and contractor capacity and capability' target; or

(3) any other long-term target that **Orion** has assessed as being met in **disclosure year** 2032, or in any subsequent **disclosure year**.

2.2 PUBLIC DISCLOSURE OF INTERNAL DOCUMENTATION

Disclosure of comprehensive evaluations of investments against approved documentation

2.2.1 Before 31 March 2035, **Orion** must **publicly disclose** a comprehensive post-project evaluation of each of the following investments from the **CPP proposal**, in accordance with clauses 2.2.2 to 2.2.6:

(1) Axos Billing and Registry Management;

(2) Geospatial Intelligence System;

(3) Data Centre Infrastructure;

(4) Finance System (Business Central);

(5) Integrated Asset Management;

(6) Integration Platform;

(7) Knowledge Management;

(8) Microsoft Licensing;

(9) P&C;

(10) User Devices;

(11) ADMS;

(12) Data Analytics Platform;

(13) Artificial Intelligence;

(14) Telephony System;

(15) Customer Engagement Platform;

(16) DERMS;

(17) LV Model;

(18) Network Sensors;

(19) IoT Telemetry;

(20) Third Part Data Acquisition;

(21) Central City 66kV Cable Renewal;

(22) Wildfire risk poles;

(23) Vegetation management; and

(24) Cyber security.

2.2.2 Within 5 months of the end of **disclosure year** 2027, for each of the investments specified in clause 2.2.1(21), (22) and (24), **Orion** must **publicly disclose** a forward-looking evaluation of the investment using the information that was available to **Orion** as at 1 April 2027.

2.2.3 The forward-looking evaluation must, as far as reasonably practicable, evaluate the investment against the **resilience principles**.

2.2.4 A comprehensive post-project evaluation under clause 2.2.1 must:

(1) evaluate, with reference to supporting evidence, the investment against the costs, benefits, outcomes, and outputs identified when **Orion** submitted its **CPP proposal** to the **Commission**;

(2) for each investment specified in clause 2.2.1(21), (22), and (24), also evaluate the costs, benefits, outputs, and outcomes of the investment against the forward-looking evaluation under clause 2.2.2;

(3) if it relates to the investment specified in clause 2.2.1(24), be prepared or reviewed by an independent person with demonstrated expertise in assessing the effectiveness of cyber security investments in critical infrastructure or regulated utility environments; and

(4) comprise the principal document and any attachments considered by **Orion's** Board (or delegated approval body) for the purpose of evaluating the performance of the investment.

2.2.5 Despite clause 2.2.1,—

(1) **Orion** is not required to **publicly disclose** the information required in respect of an investment if the investment does not proceed;

(2) before **publicly disclosing** information under that clause, **Orion** may redact information that is commercially sensitive; and

(3) if the case of the investment under clause 2.2.1(24), before **publicly disclosing** information under clause 2.2.1, **Orion** may redact information that could prejudice the security, resilience, or operation of its critical network infrastructure.

2.2.6 However, **Orion** must provide to the **Commission** the unredacted version of the information that is required under clause 2.2.1.

Disclosure of other internal documentation that reflects good business practices

2.2.7 Within 5 months of the end of each **disclosure year**, **Orion** must **publicly disclose** the principal document and any supporting attachments—

(1) considered by **Orion's** Board (or delegated approval body) in relation to each of the matters specified under clause 2.2.8; and

(2) that informed a decision by **Orion's** Board (or delegated approval body) in relation to each of the matters specified under clause 2.2.9.

2.2.8 The matters about which **Orion** must **publicly disclose** the information under clause 2.2.7(1) are:

(1) any post-implementation evaluation of each of the following:

(a) a pricing change or pricing trial identified in **Orion's** pricing methodology;

(b) the outcomes and learnings from any engagement with commercial and industrial customers to support them to understand their flexible capability; and

(c) growth and connection activities shown in Table 10.3 on page 167 of its **CPP proposal**; and

(2) **Orion's** asset safety register; and

(3) any changes to **Orion's** methodology for assessing network asset risk.

2.2.9 The matters about which **Orion** must **publicly disclose** the information under clause 2.2.7(2) are:

(1) the preferred means of addressing a material network constraint or forecast network constraint, including any assessment of **non-network solutions**; and

(2) deferral a significant asset renewal, including any probabilistic risk assessment **Orion** completes during the **disclosure year** to inform the decision and any estimate of net present value associated with the deferment.

2.2.10 Despite clause 2.2.7, before **publicly disclosing** a principal document and any supporting attachments, **Orion** may redact any information that is commercially sensitive.

2.2.11 However, **Orion** must provide to the **Commission** the unredacted version of information **publicly disclosed** under clause 2.2.7.

2.2.12 **Orion** does not need to **publicly disclose** or provide information to the **Commission** under clauses 2.2.7 if **Orion** has submitted a closeout report to the **Commission** relating to an **innovation and non-traditional solution** with information that is the same or similar**.**

2.3 AUDIT AND CERTIFICATION OF INFORMATION

2.3.1 Information specified in clauses A7 and B18 is **audited disclosure information** for the purpose of clause 2.8 of the **EDB ID determination**.

2.3.2 **Orion** must **publicly disclose** a directors' certificate in respect of information that is **publicly disclosed** or provided to the **Commission** under this determination on the date the information is **publicly disclosed** or provided to the **Commission**.

2.3.3 The directors' certificate must be signed by 2 directors of **Orion** and certify that, having made all reasonable enquiry, to the best of their knowledge:

(1) the information in all material respects complies with this determination;

(2) historical information has been properly extracted from **Orion's** accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained (and if not, what records and systems were used); and

(3) forecast information is based on objective and reasonable assumptions which both align with **Orion's** corporate vision and strategy and are documented in retained records.

SCHEDULE A REQUIREMENTS FOR ANNUAL DELIVERY PLAN

Overview of requirements

A1. The matters that **Orion** must specify in each annual delivery plan include:

A1.1. the forecast and actual information about reporting metrics under clause A2;

A1.2. the targets that apply to the **disclosure year** under clause A5;

A1.3. a breakdown of forecast financial information under clause A7; and

A1.4. commentary to explain changes since previously disclosed forecasts under clause A12.

Actual and forecast information about reporting metrics

A2. For each reporting metric specified in clauses C2 to C4, the annual delivery plan must specify:

A2.1. the actual value for each **disclosure year** that is before the **disclosure year** to which the annual delivery plan relates;

A2.2. the forecast value for the **disclosure year** to which the annual delivery plan relates, as at the start of the **disclosure year**; and

A2.3. for an annual delivery plan for a **disclosure year** before **disclosure year** 2032:

(1) for reporting metrics specified in clause C2, the forecast values for each **disclosure year** after the **disclosure year** to which the annual delivery plan relates, up to and including **disclosure year** 2032; and

(2) for reporting metrics specified in clause C3, the forecast value for **disclosure year** 2032.

A3. Forecast values must reflect **Orion's** planned volume or sequencing of activities and expenditure at the start of the disclosure year to which the annual delivery plan relates.

A4. If there are any differences between **Orion's** planned volume or sequencing of activities compared to the information in the **CPP proposal**, **Orion's** annual delivery plan for **disclosure year** 2027 must provide a summary of, and explanation for, the most material of these differences.

Targets that apply to the disclosure year

A5. For each long-term target that **Orion** must report against, **Orion** must specify the annual and long-term targets for the **disclosure year** to which the annual delivery plan relates.

A6. For the purposes of clause A5:

A6.1. for the long-term target relating to workforce and contractor capacity constraints, the annual target is zero;

A6.2. for all other long-term targets:

(1) in the annual delivery plan for a **disclosure year** before **disclosure year** 2032, the annual target is the forecast value under clause A2.2 for the **disclosure year** to which the annual delivery plan relates; and

(2) in the annual delivery plan for **disclosure year** 2032, and in each subsequent **disclosure year**, the annual target is to meet the long-term target.

Breakdown of forecast financial information

A7. A breakdown of forecast financial information must be specified in each annual delivery plan that relates to a **disclosure year** in the **CPP period** in accordance with clauses A8 and A9.

A8. The annual delivery plan for **disclosure year** 2027 must provide, for each **disclosure year** in the **CPP period**, forecast **capital expenditure** and forecast **operating expenditure** that is attributable to:

A8.1. each of **Orion's** strategic priorities;

A8.2. under Strategic Priority 1 'Maintain Safety and Reliability', asset replacement and renewal for each asset class;

A8.3. under Strategic Priority 2 'Support Population and Demand Growth': major projects (total), reinforcement of 11kV feeders (total), and reinforcement of **low voltage network** constraints (total); and

A8.4. under the remaining strategic priorities, each of the investments specified under clause 2.2.1.

A9. The annual delivery plan must specify for each matter listed in clause A9.1 to A9.4:

A9.1. the forecast **capital expenditure** and forecast **operating expenditure** for each **disclosure year** as specified in **Orion's** annual delivery plan for **disclosure year** 2027;

A9.2. the actual **capital expenditure** and actual **operating expenditure** for each **disclosure year** up to the **disclosure year** to which the annual delivery plan relates;

A9.3. the forecast **capital expenditure** and forecast **operating expenditure** for the **disclosure year** to which the annual delivery plan relates and each subsequent **disclosure year**, as at the start of the **disclosure year**; and

A9.4. any variance between the total amount under clause A9.1 and the total amount under clauses A9.2 and A9.3 for each of **capital expenditure** and **operating expenditure.**

A10. Clause A9.2 to A9.4 does not apply to the annual delivery plan for **disclosure year** 2027.

<u>Commentary to explain key changes to plan</u>

Explaining how annual delivery plan reflects changes when Orion's progress is behind schedule

A11. The annual delivery plan must include additional commentary if the most recent annual delivery report shows that one or more annual targets were not met or one or more long-term targets were not projected to be met.

A12. The additional commentary must summarise any changes **Orion** has made to previously disclosed forecast values to reflect changes in the volume or sequencing of activities required to ensure each long-term target will be met, including any changes to financial forecasts.

Explaining how annual delivery plan reflects any engagement with consumers

A13. The annual delivery plan must summarise any engagement **Orion** undertook with **consumers** to help inform its annual delivery plan, including the format of any events, participation levels, and a summary of the key points raised.

A14. The annual delivery plan must summarise any changes **Orion** incorporated into it based on any engagement with **consumers**.

SCHEDULE B REQUIREMENTS FOR ANNUAL DELIVERY REPORT

Overview of requirements

B1. **Orion's** annual delivery report must include the following information:

B1.1. an overall progress update from **Orion's** Board under clause B2;

B1.2. a summary of progress against its targets under clause B4;

B1.3. a summary of progress delivering its strategic priorities under clauses B9 to B13;

B1.4. the reporting metrics under clause B14; and

B1.5. a breakdown of financial information and variance commentaries under clauses B18 and B22.

Overall progress update from Board

B2. The overall progress update from **Orion's** Board must set out—

B2.1. an overview of the operating conditions for **Orion** in the **disclosure year** and how challenging they were compared to the assumptions that underpinned **Orion's CPP proposal**, with reference to the information under clause B3;

B2.2. a summary of the Board's view on **Orion's** progress delivering against its strategic priorities, including any areas that are behind schedule or that require improvement; and

B2.3. a summary of the Board's view on **Orion's** overall financial performance since 1 April 2027, in light of financial variances under clause B20 and the financial impact of operating conditions for **Orion** relative to forecasts included in **Orion's CPP proposal**.

B3. The progress update from **Orion's** Board must be accompanied by visual displays of quantitative information to provide a summary of operating conditions, including graphical representations of:

B3.1. a time series of actual changes in **maximum coincident system demand** compared to forecasts provided in **Orion's CPP proposal**;

B3.2. a time series of actual connection requests compared to forecasts provided in **Orion's CPP proposal**, broken down into new and upgraded connections; and

B3.3. a time series for the last seven **assessment periods** showing the sum of the **SAIDI values** excluded from the **unplanned SAIDI assessed value** as a result of **major external factors** under:

(1) paragraph 2 of Schedule 3.2 of the **DPP3 determination**;

(2) paragraph 2(c) of Schedule 3.2 of the **DPP4 determination**; and

(3) paragraph 2(c) of Schedule 3.2 of the **Orion CPP determination**.

Summary of progress against targets

B4. The annual delivery report must set out **Orion's** assessment of its progress against the targets that must be specified in the annual delivery plan for the relevant **disclosure year**, and any required commentary, in accordance with clauses B5 to B8.

B5. For each long-term target that **Orion** must report against for the **disclosure year**, the annual delivery report must specify:

B5.1. if the annual delivery report relates to a **disclosure year** before **disclosure year** 2032:

(1) a comparison of actual and forecast values for each annual target for the **disclosure year** to which the annual delivery report relates; and

(2) a comparison of the forecast value for **disclosure year** 2032 with the long-term target; and

B5.2. if the annual delivery report relates to **disclosure year** 2032 or a subsequent **disclosure year**, a comparison of the actual value for the **disclosure year** with the long-term target.

B6. Forecast values required under clause B5.1(2) must reflect **Orion's** planned level and sequencing of activities and expenditure in response to the latest available information, including any changes to the forecast value for **disclosure year** 2032 in light of the comparison under clause B5.1(1).

B7. In light of the comparisons under clause B5, **Orion** must specify:

B7.1. in an annual delivery report for a **disclosure year** before **disclosure year** 2032:

(1) whether each annual target is assessed as 'met' or 'not met'; and

(2) whether each long-term target is assessed as 'projected to be met' or 'not projected to be met'; and

B7.2. in an annual delivery report for **disclosure year** 2032 or a subsequent **disclosure year**, whether each long-term target has been 'met' or 'not met'.

B8. Each annual delivery report must provide a short commentary that—

B8.1. for each annual target that is assessed as 'not met' when the long-term target is still assessed as 'projected to be met', explains why **Orion** considers the long-term target will still be met even though annual progress fell short of expectations, including a summary of any changes to forecasts under clause B6;

B8.2. for each long-term target that is not projected to be met,—

(1) explains why it is no longer possible to deliver the long-term target by increasing planned activity;

(2) explains when **Orion** expects to deliver the benefits that it had expected to deliver by **disclosure year** 2032; and

(3) provides an estimate of any financial benefit to **Orion** from not meeting the long-term target; and

B8.3. for each long-term target that has not been met in **disclosure year** 2032 or in a subsequent **disclosure year**,—

(1) specifies when **Orion** expects to meet the long-term target; and

(2) provides an estimate of any financial benefit to date for **Orion** from not meeting the long-term target by **disclosure year** 2032.

<u>Summary of progress delivering strategic priorities</u>

B9. The annual delivery report for a **disclosure year** before **disclosure year** 2032 must specify one of the following descriptors relating to the delivery of each strategic priority:

B9.1. 'on track';

B9.2. 'behind schedule'; or

B9.3. 'off track'.

B10. For the purpose of clause B9:

B10.1. 'on track' must be specified when **Orion** assesses all annual targets related to the strategic priority as being 'met' and all long-term targets related to the strategic priority as being 'projected to be met';

B10.2. 'behind schedule' must be specified when **Orion** assesses one or more annual targets related to the strategic priority as being 'not met' and all long-term targets related to the strategic priority as being 'projected to be met'; and

B10.3. 'off track' must be specified when one or more long-term targets related to the strategic priority have been assessed as being 'not projected to be met'.

B11. An annual delivery report for **disclosure year** 2032 or a subsequent **disclosure year** must specify one of the following descriptors relating to the delivery of each strategic priority for which a long-term target applies under clause 2.1.8:

B11.1. 'delivered'; or

B11.2. 'not delivered'.

B12. For the purpose of clause B11:

B12.1. 'delivered' must be specified when all long-term targets are assessed as 'met'; and

B12.2. 'not delivered' must be specified in any other case.

B13. If **Orion** specifies that a strategic priority is 'not delivered', **Orion** must provide an estimate of any financial benefit to date to **Orion** from not delivering the strategic priority in full by **disclosure year** 2032.

Reporting metrics

B14. For each metric specified in Schedule C, the annual delivery report must specify:

B14.1. the forecast value for the **disclosure year** to which the annual delivery report relates that was included in the annual delivery plan for **disclosure year** 2027;

B14.2. the forecast value for the **disclosure year** to which the annual delivery report relates that was included in the annual delivery plan for that **disclosure year**;

B14.3. the actual value for each **disclosure year** from **disclosure year** 2027 up to and including the **disclosure year** to which the annual delivery report relates; and

B14.4. any variances between the forecast and actual values under this clause.

B15. Despite clause B14:

B15.1. clause B14.1 only applies to the metrics specified in clause C2;

B15.2. clause B14.2 does not apply to metrics specified in clause C5; and

B15.3. clause B14 does not apply to metrics that relate to long-term targets that **Orion** is not required to report against under clauses 2.1.8 and 2.1.9.

B16. If, during a **disclosure year**, **Orion** decides not to proceed with an investment specified under clause 2.2.1, the annual delivery report relating to that **disclosure year** must include a summary of the reasons for that decision.

B17. If **Orion** does not replace a circuit in its Central City 66kV cable replacement programme in a **disclosure year** during the **CPP period**, the annual delivery report relating to that **disclosure year** must include a summary of the reasons for failing to meet the customer preferred time frames for this programme of investment.

Breakdown of financial information and variance commentaries

B18. A breakdown of financial information and variance commentaries must be specified in accordance with clauses B19 to B22 in each annual delivery report for a **disclosure year** up to and including **disclosure year** 2032.

B19. For each strategic priority, the annual delivery report must specify the following for each **disclosure year** in the **CPP period**:

B19.1. the forecast **capital expenditure** and forecast **operating expenditure** for each **disclosure year** in the **CPP period** as specified in the annual delivery plan for **disclosure year** 2027; and

B19.2. the actual **capital expenditure** and actual **operating expenditure** for each **disclosure year** up to and including the **disclosure year** to which the annual delivery report relates.

B20. If the total variance to date for either or both of **capital expenditure** or **operating expenditure** for a strategic priority exceeds 5% of the forecast disclosed in the annual delivery plan for **disclosure year** 2027, the annual delivery report must explain the reasons for the variance with reference to the information under clause B3, where relevant.

B21. For each area of expenditure for which a forecast is required under clause A8, the annual delivery report must specify for each **disclosure year** in the **CPP period**:

B21.1. **Orion's** actual **capital expenditure** and actual **operating expenditure** for each **disclosure year** up to and including the **disclosure year** to which the annual delivery report relates;

B21.2. **Orion's** forecast **capital expenditure** and forecast **operating expenditure** for each **disclosure** year disclosed in **Orion's** annual delivery plan for **disclosure year** 2027; and

B21.3. the variance between total expenditure to date under clause B21.1 and the corresponding forecast value under clause B21.2.

B22. If a variance under clause B21.3 exceeds 15% of total forecast expenditure attributable to the relevant area of expenditure specified under clause A8, the annual delivery report must explain the reasons for the variance with reference to information under clause B3 where relevant.

B23. An annual delivery report for a **disclosure year** after **disclosure year** 2032 does not need to include the information required under clauses B19 to B22.

SCHEDULE C REPORTING METRICS

Purpose and application

C1. This Schedule specifies the metrics that **Orion** must report against when preparing its annual delivery plans and annual delivery reports.

Metrics for which forecast values are required

C2. Metric numbers 3, 4, 8, 10, 11, 12, 13, 15, and 18 – Type A in Table 1 – are the metrics for which a forecast value is required for:

C2.1. the **disclosure year** to which the annual delivery plan relates; and

C2.2. every year up to and including **disclosure year** 2032, if the annual delivery plan relates to a **disclosure year** before **disclosure year** 2032.

C3. Metric numbers 1, 2, 5, and 14 – Type B in Table 1 – are the metrics for which a forecast value is required for:

C3.1. the **disclosure year** to which the annual delivery plan relates; and

C3.2. **disclosure year** 2032, if the annual delivery plan relates to a **disclosure year** before **disclosure year** 2032.

C4. Metric numbers 16, 17, and 21 – Type C in Table 1 – are the metrics for which a forecast value is required for the **disclosure year** to which the annual delivery plan relates.

C5. Metric numbers 6, 7, 9, 19, 22, 23, and 24 – Type D in Table 1 – are the metrics for which no forecast value is required in an annual delivery plan.

Table 1: Annual reporting metrics

#	Type	Metric	Description
Strategic priority 1: Maintain safety and reliability			
1	B	Network asset risk score or value	Network asset risk score, or network asset risk value, by asset class
2	B	Asset health profile	Distribution of assets across health categories by asset class (percentage for each asset health category) and weighted average health score consistent with clause D6
3	A	Asset replacements	Number or kilometers of assets (as applicable) replaced under a replacement and renewal programme using the 'primary driver approach', by asset class
Strategic priority 2: Support population and demand growth			
4	A	Low voltage network constraints	In accordance with clause D14, the total number of each of the following: (a) unresolved **low voltage network** constraints; (b) new **low voltage network** constraints identified; (c) **low voltage network** constraints resolved; and (d) **low voltage network** constraints resolved without network reinforcement
5	B	Connection processing times	The percentage of connection applications for which **Orion** notified its initial decision on the application to the applicant within timeframes under clause D17, broken down by offer code, for the most common connection types. When calculating the percentages for an offer code, **Orion** may exclude information about application types for which a timeframe is required under the Electricity Industry Participation Code 2010.
6	D	Time to connect (median)	The median number of calendar days, broken down by offer code for the most common connection types, between the date on which the application was received by **Orion**, and the date on which: (a) **Orion** notified the applicant of its decision on the application; and (b) **Orion** completed and commissioned its assets (the applicant may not necessarily have completed and commissioned the installation)

#	Type	Metric	Description
7	D	Time to connect (90th percentile number of working days)	The 90th percentile number of calendar days, broken down by offer code for the most common connection types, between the date on which the application was received by **Orion**, and the date on which: (a) **Orion** notified the applicant of its decision on the application; and (b) **Orion** completed and commissioned its assets (the applicant may not necessarily have completed and commissioned the installation)
8	A	Connection applications	The number, broken down by offer code for the most common connection types, of completed connection applications: (a) received bv **Orion**; (b) for which **Orion's** initial decision notified to the applicant was to approve; and (c) for which **Orion's** initial decision notified to the applicant was to not approve
9	D	Customer complaints	Number of customer complaints, broken down by: (a) connection timeliness (expressed per 100 connection applications); (b) power quality (of which: voltage quality, and harmonics); (c) asset condition or public safety; (d) **distributed generation** or electric vehicles (e) planned outages; (f) frequency of outages; (g) duration of outages (h) contractors; (i) damage to customer assets/property; (j) pricing; (k) vegetation; and (l) connections
Strategic priority 3: Strengthen resilience			
10	A	Vegetation-related SAIDI	Total **unplanned SAIDI value** attributable to vegetation-related causes
11	A	Strengthen resilience: vegetation management activity volumes	Number of new overhead circuit sites— (a) identified as being at high risk from vegetation damage; and (b) that are no longer identified as being high risk because they have been managed.
12	A	Strengthen resilience: 66kV cable replacement	Number of 66kV oil-filled cable circuits replaced

#	Type	Metric	Description
13	A	Strengthen resilience: Wildfire poles	Number of wooden poles in zones with a Head Fire Intensity classed by Fire and Emergency New Zealand as extreme and above (>4000kW/m)
Strategic priority 4: Prepare for future energy needs			
14	B	Low voltage network visibility	In accordance with clause D14, the total number of **low voltage network** constraints first identified as a result of a customer complaint relating to power quality
15	A	Capacity added or released	Total MW of network capacity added or released at identified thermal capacity constraints, broken down by: (a) network augmentation; (b) ripple control (industrial and commercial); (c) ripple control (residential); (d) **distributed generation**; (e) battery storage; and (f) other non-traditional solutions
16	C	Non-network capacity available and used	Total MW of network capacity by month available, and used, broken down by: (a) network augmentation; (b) ripple control (industrial and commercial); (c) ripple control (residential); (d) **distributed generation;** (e) battery storage; and (f) other non-traditional solutions
17	C	Notification of constraints to flexibility providers	Total number of forecast constraints notified to flexibility providers, and the requested amount, with a breakdown of those notified: (a) ≥ 3 years before expected constraints at **subtransmission** and zone substation level; (b) < 3 years before expected constraints at **subtransmission** and zone substation level; (c) ≥ 2 years before expected constraints at 11 kV and **low voltage** level; and (d) <2 years before expected constraints at 11 kV and **low voltage** level
18	A	Distributed Energy Resources (DER)	MW of installed distributed energy resources (DER) connected to the network, broken down by: (a) visible DER – MW and % of connected DER capacity for which operating status/output is visible to **Orion**; (b) communicable DER – MW and % of connected DER capacity capable of receiving signals from **Orion** or an aggregator; (c) dispatchable DER – MW and % of connected DER capacity available for active dispatch or control; and (d) successfully dispatched DER – MW and % of connected DER capacity that has successfully responded to a dispatch instruction when called upon

#	Type	Metric	Description
19	D	Peak demand and load duration curves	For each of the ten most congested 11 kV **feeders** and zone substations for which a capacity constraint exists or is forecast within five years: (a) the asset identifier; (b) firm capacity; (c) annual maximum demand; (d) annual hours for which demand exceeded 80%, 90%, and 100% of firm capacity; (e) a load duration curve based on hourly demand observations for the most recent **disclosure year**; and (f) in the case of forecast capacity constraints, a forecast of the information required in paragraph (e) for the first **disclosure year** in which each capacity constraint is expected to occur
Strategic priority 5: Enhance efficiency and capability			
20	B	Workforce and contractor capacity constraints	Quantification of the impact of constraints on workforce or contractor capacity, including: (a) dollar value of planned renewal activity not delivered due to workforce or contractor capacity constraints, by asset class (b) dollar value of planned **system growth** activity delayed by more than one year due to workforce or contractor capacity constraints, by asset class (c) number of months added to the forecast completion date for an ICT or network transformation project or programme when a completion date change was notified to **Orion's** Board owing to workforce or contractor capacity
21	C	Asset inspections and fault rates	Asset inspections and fault rates by asset class: (a) proportion of scheduled inspections completed; and (b) asset-related fault rates
22	D	Impact of data accuracy on health profiles	A statement about how asset condition is assessed for each asset class in *Schedule 12a: Report on asset condition* of the **EDB ID determination** and, for each condition grade for each asset class, an assessment of the percentage point change in the proportion of assets assigned to that grade that is attributable to improvements in data accuracy rather than changes in underlying asset condition
23	D	Restoration times - unplanned	For **unplanned interruptions**, the number and proportion of affected customer connections restored within each restoration time interval specified below: (a) 30 minutes or less; (b) more than 30 minutes but not more than 1 hour; (c) more than 1 hour but not more than 2 hours; (d) more than 2 hours but not more than 3 hours; (e) more than 3 hours but not more than 6 hours; (f) more than 6 hours but not more than 12 hours; (g) more than 12 hours but not more than 24 hours; and (h) more than 24 hours

#	Type	Metric	Description
24	D	Restoration times - planned	For **planned interruptions**, the number and proportion of affected customer connections restored: (a) on or before the communicated restoration time; (b) more than 0 hours but not more than 1 hour after the communicated restoration time; (c) more than 1 hour but not more than 3 hours after the communicated restoration time; and (d) more than 3 hours after the communicated restoration time.

SCHEDULE D LONG-TERM TARGETS

Purpose and application

D1. This Schedule specifies the long-term targets that relate to each strategic priority.

D2. For each annual delivery report for a **disclosure year** after **disclosure year** 2032, references in this Schedule to '**disclosure year** 2032' apply as if they are references to the **disclosure year** to which the annual delivery report relates.

Strategic priority 1: Maintaining reliability

Long-term 'network asset risk' target for each asset class

D3. Where **Orion** calculates actual and benchmark network asset risk scores (or network asset risk values) for an asset class, clause D4 applies. In all other cases, clause D5 applies.

D4. If this clause applies, for each asset class, the long-term 'network asset risk' target is that the network asset risk score or value in **disclosure year** 2032 is less than or equal to the benchmark network asset risk score or value.

D5. If this clause applies, for each asset class, the long-term 'asset health profile' target is that:

D5.1. the weighted average health score at the end of **disclosure year** 2032 is greater than or equal to the benchmark weighted average health score; and

D5.2. the percentage of assets in the lowest grade of asset condition at the end of **disclosure year** 2032 is equal to or lower than the benchmark percentage of assets in that grade.

D6. The 'weighted average health score' means, for an asset class, the average numerical grade assigned to the condition of all assets in that class, weighted by the percentage of units by grade disclosed in **Orion's** *Schedule 12a: Report on asset condition* under the **EDB ID determination**.

Calculation of benchmark values for network asset risk and asset health profiles

D7. As soon as reasonably practicable after the **Orion CPP determination** comes into force and then again after any amendment determination for a reliability risk reopener comes into force, **Orion** must determine a forecast of asset condition for each asset class in accordance with clause D8.

D8. The forecast of asset condition for each asset class must:

D8.1. specify, as at the end of **disclosure year** 2032, the percentage of units by grade consistent with the requirements applying to *Schedule 12a: Report on asset condition* under the **EDB ID determination***,* with any necessary modifications; and

D8.2. be consistent with the forecasts of asset condition for **disclosure year** 2032 included in **Orion's CPP proposal**, recalculated—

(1) to reflect a prudent and efficient programme of investment that has a value equivalent to the expenditure allowances for the asset class (or group of asset classes) used by the **Commission** in making the **CPP determination**; and

(2) holding all other material modelling assumptions, methodologies and inputs constant, as far as reasonably practicable.

D9. The benchmark weighted average health score for an asset class is the weighted average health score under clause D6 for the most recent forecast of asset condition for the asset class under clause D7.

D10. The benchmark percentage of assets in the lowest grade of asset condition for an asset class is the percentage of assets in the lowest grade of asset condition in the most recent forecast of asset condition for the asset class required under clause D7.

D11. The benchmark network asset risk score or value for an asset class is the network asset risk score or value, calculated in accordance with **Orion's** methodology for that asset class, using the most recent forecast of asset condition for the asset class required under clause D7.

D12. If **Orion** changes its methodology for calculating network asset risk scores or values after the start of the **CPP period**, **Orion** must recalculate the benchmark network asset risk scores or values as if the revised methodology had applied when those benchmark scores were originally calculated.

<u>Strategic priority 2: Support population and demand growth</u>

Long-term 'number of low voltage network constraints' target

D13. The long-term 'number of **low voltage network** constraints' target is that the number of **low voltage network** constraints in **disclosure year** 2032 is less than the benchmark number of **low voltage network** constraints.

D14. A '**low voltage network** constraint' is a constraint on a **low voltage network** asset arising from:

D14.1. a thermal constraint, which means the forecast or actual loading of the asset exceeds, or is expected to exceed, its rated capacity; and

D14.2. a voltage constraint, which means the forecast or actual voltages on the asset falls outside the voltage limits permitted under the Electricity (Safety) Regulations 2010.

D15. The benchmark number of **low voltage network** constraints is the average number of **low voltage network** constraints identified per **disclosure year** over the five **disclosure years** up to and including **disclosure year** 2026.

Long-term 'connection processing time' target for each basic and standard connection type

D16. The long-term 'connection processing time' target is that, for each of the most common connection types with offer codes that correspond to basic or standard connection offer types, in **disclosure year** 2032, the timeframe for **Orion** notifying its decision to the applicant on all applications associated with the offer code is within the timeframe that applies to applications associated with the offer code under clause D17.

D17. The timeframe that applies to applications associated with the offer code is:

D17.1. for application types for which a timeframe is prescribed in the Electricity Industry Participation Code 2010, that timeframe; and

D17.2. for application types for which no timeframe is prescribed in the Electricity Industry Participation Code 2010, the shorter of:

(1) the timeframe (if any) provided for the application type under **Orion's** internal connections policy; and

(2) 20 working days from the date on which the application was received by **Orion.**

D18. For the purpose of clause D16, the timeframe for **Orion** to notify its decision to the applicant from the date the application was received may be stopped and restarted in accordance with:

D18.1. for timeframes determined under clause D17.1, the requirements of Part 6 of the Electricity Industry Participation Code 2010; and

D18.2. in any other case, a clock stop/start mechanism that applies in the same situations to any clock start/stop mechanisms provided for under Part 6 of the Electricity Industry Participation Code 2010.

Strategic priority 3: Strengthen resilience

Long-term 'vegetation-related SAIDI' target

D19. The long-term 'vegetation-related SAIDI' target is that, in **disclosure year** 2032, the average **unplanned SAIDI value** attributable to vegetation-related causes for the previous five **disclosure years** (including **disclosure year** 2032) is below the benchmark **unplanned SAIDI value** attributable to vegetation-related causes.

D20. The benchmark **unplanned SAIDI value** caused by vegetation is the **unplanned SAIDI value** attributable to vegetation-related causes in **disclosure year** 2026 (18.4 minutes).

Strategic priority 4: Prepare for future energy needs

Long-term 'low voltage network visibility' target

D21. The long-term '**low voltage network** visibility' target is that in **disclosure year** 2032 the number of power supply issues identified through a **consumer** complaint that were not identified by **Orion** before **Orion** received the complaint is less than 5.

Strategic priority 5: Enhance efficiency and capability

Long-term 'workforce and contractor capacity and capability' target

D22. The long-term 'workforce and contractor capacity and capability' target is that in **disclosure year** 2032:

D22.1. the dollar value of renewal activity that was forecast to be delivered during the **CPP period** and that has not been delivered during that time period, due to workforce or contractor capacity constraints, is estimated by **Orion** to be less than 1% of average annual expenditure for **system growth** for the **CPP period**;

D22.2. the dollar value of **system growth** activity that was forecast to be delivered during the **CPP period** that has been delayed beyond the end of that time period, due to workforce or contractor capacity constraints, is estimated by **Orion** to be less than 1% of average annual expenditure for **system growth** for the **CPP period**; and

D22.3. no completion date for an ICT or network transformation project or programme specified under clause 2.2.1 is after the end of **disclosure year** 2032 due to constraints on workforce or contractor capacity.

D23. For the purpose of clause D22.1 and D22.2, the forecast of activity to be delivered during the **CPP period** is the forecast disclosed in the annual delivery plan for **disclosure year** 2027.

Explanatory Note

This note is not part of the determination but is intended to indicate its general effect.

This is secondary legislation issued under the authority of the Legislation Act 2019.	
Title	[Draft] Orion CPP Electricity Distribution Information Disclosure Determination 2027
Principal or amendment	Principal
Consolidated version	No
Empowering Act and provision	Commerce Act 1986 Section 52P
Replacement empowering Act and provisions	Not applicable
Maker name	Commerce Commission
Administering agency	Commerce Commission
Date made	[to add] 2027
Publication date	[to add] 2027
Notification date	[to add] 2027
Commencement date	[to add] 2027
End date (when applicable)	Not applicable
Consolidation as at date	Not applicable
Related instruments	Electricity Distribution Information Disclosure Determination 2012

Consistency Accountability Statement: [Draft] Orion CPP Electricity Distribution Information Disclosure Determination 2027

Agency Responsible	Commerce Commission
Portfolio	Commerce and Consumer Affairs
Date finalised	[to add] 2027
Identification number	N/A

Statement of Review

I confirm that the Commerce Commission has assessed the above legislation, and the process for developing it, for consistency with the principles of responsible regulation as set out in section 9 of the Regulatory Standards Act 2025. This assessment identified no inconsistencies with the principles of responsible regulation.

Suzanne Stew

Chief Executive Officer

Commerce Commission