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Electricity Distribution Services Default Price-Quality Path (Horizon Energy Distribution Limited Foreseeable Large Project) Amendment Determination 2026

[2026] NZCC 45

The Commission: Nathan Strong
Dr John Small
Bryan Chapple
Dr Derek Johnston

Date of decision: 18 November 2026

[redacted]

Robert Cahn, Chief Legal Counsel – Infrastructure Regulation

Dated at Wellington this 18th day of November 2026

COMMERCE COMMISSION

Wellington, New Zealand

Determination history		
Determination date	**Decision number**	**Determination name**
20 November 2024	[2024] NZCC 28	Electricity Distribution Services Default Price-Quality Path Determination 2025
25 November 2025	[2025] NZCC 28	Electricity Distribution Services Default Price-Quality Path (Aurora transition) Amendment Determination 2025
5 March 2026	[2026] NZCC 4	Electricity Distribution Services Default Price-Quality Path (Network Tasman Merger) Amendment Determination 2026
26 March 2026	[2026] NZCC 5	Electricity Distribution Services Default Price-Quality Path (Quality Incentive Adjustment Correction) Amendment Determination 2026
2 April 2026	[2026] NZCC 7	Electricity Distribution Services Default Price-Quality Path (Wellington Electricity Lines Limited Unforeseeable Large Project) Amendment Determination 2026
18 November 2026	[2026] NZCC 45	Electricity Distribution Services Default Price-Quality Path (Horizon Energy Distribution Limited Foreseeable Large Project) Amendment Determination 2026

Electricity Distribution Services Default Price-Quality Path (Horizon Energy Distribution Limited Foreseeable Large Project) Amendment Determination 2026

Under s 52P of the Commerce Act 1986 (**Act**), the Commerce Commission makes the following determination:

1. TITLE

1.1 This determination is the Electricity Distribution Services Default Price-Quality Path (Horizon Energy Distribution Limited Foreseeable Large Project) Amendment Determination 2026.

2. DETERMINATION AMENDED

2.1 This determination amends the Electricity Distribution Services Default Price-Quality Path Determination 2025 [2024] NZCC 28 (**principal determination**).

3. COMMENCEMENT

3.1 This determination comes into force on 18 November 2026.

4. PRINCIPAL DETERMINATION AMENDMENTS

4.1 In Table 1.1A.1 of Schedule 1.1A of the **principal determination**, insert the following row in the appropriate alphabetical order:

Non-exempt EDB	Reopener event number	First reopener assessment period (year ending)	Reopener revenue increment ($000)
Horizon Energy Distribution Limited	1	31 March 2028	1,577

4.2 Replace paragraph (1) of Schedule 2.2 of the **principal determination** with:

"(1) Paragraph (1A) applies for the purposes of calculating, in the next **regulatory period**, the **forecast opex** for each **non-exempt EDB** for each **assessment period** of the current **regulatory period**.

"(1A) The **forecast opex** is as set out in Table 2.2.1 and modified by the following formula:

$$(Nominal\ opex_{Yt} + Nominal\ opex\ increment_{Yt}) \div \Delta FCPI_{Yt} \times \Delta CPI_{Yt}$$

where–

Yt	is the **assessment period**;
$Nominal\ opex$	is the value for the **non-exempt EDB** and **assessment period** in Table 2.2.1;
$Nominal\ opex\ increment$	is any value for the **non-exempt EDB** and **assessment period** in Table 2.2.1A, being the increment from one or more **reopener events**;
$\Delta FCPI_{Yt}$	is the change in **forecast CPI** set out in (a) Table 2.2.3 for each **non-exempt EDB** other than Aurora Energy Limited and (b) Table 2.2.3A for Aurora Energy Limited; and
ΔCPI_{Yt}	is the change in **CPI** between the **first assessment period** and the current **assessment period** calculated in accordance with paragraph (3) of this Schedule."

4.3 Replace the title of Table 2.2.1 with:

"Table 2.2.1: Forecast opex for non-exempt EDBs for the current regulatory period for the purposes of the incremental rolling incentive scheme in the next regulatory period"

4.4 After Table 2.2.1 of Schedule 2.2 of the **principal determination**, insert:

Table 2.2.1A: Nominal opex increment for non-exempt EDBs from reopener events in the current regulatory period for the purposes of the incremental rolling incentive scheme in the next regulatory period

Non-exempt EDB	Assessment period (All amounts in $000)				
	Assessment period ending 31 March 2026	Assessment period ending 31 March 2027	Assessment period ending 31 March 2028	Assessment period ending 31 March 2029	Assessment period ending 31 March 2030

4.5 Replace paragraph (2) of Schedule 2.2 of the **principal determination** with:

"(2) Paragraph (2A) applies for the purposes of calculating, in the next **regulatory period**, the **forecast aggregate value of commissioned assets** for each **non-exempt EDB** for each **assessment period** of the current **regulatory period**.

"(2A) The **forecast aggregate value of commissioned assets** is as set out in Table 2.2.2 and modified by the following formula:

$$(Nominal\ VCA_{Yt} + Nominal\ VCA\ increment_{Yt}) \div \Delta FCPI_{Yt} \times \Delta CPI_{Yt}$$

where–

Yt	is the **assessment period**;
$Nominal\ VCA$	is the value for the **non-exempt EDB** and **assessment period** in Table 2.2.2;
$Nominal\ VCA\ increment$	is any value for the **non-exempt EDB** and **assessment period** in Table 2.2.2A, being the increment from one or more **reopener events**;
$\Delta FCPI_{Yt}$	is the change in **forecast CPI** set out in (a) Table 2.2.3 for each **non-exempt EDB** other than Aurora Energy Limited and (b) Table 2.2.3A for Aurora Energy Limited; and
ΔCPI_{Yt}	is the change in **CPI** between the **first assessment period** and the current **assessment period** calculated in accordance with paragraph (3) of this Schedule.

4.6 Replace the title of Table 2.2.2 with:

"Table 2.2.2: Forecast aggregate value of commissioned assets for non-exempt EDBs for the current regulatory period for the purposes of the capex incentive in the next regulatory period"

4.7 After Table 2.2.2 of Schedule 2.2 of the **principal determination**, insert:

Table 2.2.2A: Nominal VCA increment for non-exempt EDBs from reopener events in the current regulatory period for the purposes of the capex incentive in the next regulatory period

Non-exempt EDB	Assessment period (All amounts in $000)				
	Assessment period ending 31 March 2026	Assessment period ending 31 March 2027	Assessment period ending 31 March 2028	Assessment period ending 31 March 2029	Assessment period ending 31 March 2030
Horizon Energy Distribution Limited	7,865	6,404			-

Explanatory note

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

This amendment determination amends the principal determination to increase Horizon Energy Distribution Limited's (Horizon) allowable revenue to provide for a foreseeable large project. The amendments include changes to Horizon's operating expenditure allowance and capital expenditure allowance for the current regulatory period for the purposes of calculating the incremental rolling incentive scheme in the next regulatory period.

The amendment is secondary legislation made under s 52P of the Commerce Act 1986.

This is secondary legislation issued under the authority of the Legislation Act 2019.	
Title	Electricity Distribution Services Default Price-Quality Path (Horizon Energy Distribution Limited Foreseeable Large Project) Amendment Determination 2026
Principal or amendment	Amendment
Consolidated version	No
Empowering Act and provision	Commerce Act 1986, s 52P
Replacement empowering Act and provisions	Not applicable
Maker name	Commerce Commission
Administering agency	Commerce Commission
Date made	18 November 2026
Publication date	18 November 2026
Notification date	18 November 2026
Commencement date	18 November 2026
End date (when applicable)	Not applicable

Consolidation as at date	Not applicable
Related instruments	Electricity Distribution Services Default Price-Quality Path Determination 2025 [2024] NZCC 28

Consistency Accountability Statement: Electricity Distribution Services Default Price-Quality Path (Horizon Energy Distribution Limited Foreseeable Large Project) Amendment Determination 2026

Agency Responsible	Commerce Commission
Portfolio	Commerce and Consumer Affairs
Date finalised	18 November 2026
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