



Report to Entrust

The Energy Solutions Programme

Financial Year 2025/26

1 Purpose

To document the outcomes of Vector's investment in the Energy Solutions Programme for the 2025/26 financial year (FY26), in accordance with clause 4.2 of the New Deed Recording Essential Operating Requirements (NDREOR) between Vector Limited (Vector) and Entrust.

2 Executive Summary

Vector complied with clause 4 of the NDREOR in FY26 and exceeded its Energy Solutions Programme investment obligations.

Total FY26 Energy Solutions Programme investment was \$16.6 million, compared with the \$14.2 million target endorsed by Entrust and the \$12.8 million Base Amount required under the NDREOR. Accelerated Beachlands undergrounding and early commencement of the Maraetai Coast resilience project drove the increased investment, offsetting delays in the Onehunga resilience programme.

The programme delivered significant undergrounding and network resilience outcomes across priority areas, including major investment in Beachlands, completion of four resident-led undergrounding projects, and continued removal of overhead infrastructure through strategic partnerships.

All works were completed safely with no lost-time injuries, and community feedback remained positive.

The 2026/2027 financial year (FY27) NDREOR Base Amount expenditure obligation is \$13.2 million.

3 Background

The NDREOR requires Vector to invest annually in projects that deliver the following outcomes:

- Undergrounding of overhead network assets; and
- Resilience and safety improvements; or
- New or innovative technologies designed to increase energy/network efficiency, produce environmental benefits, or improve amenity value.

For FY26, the indexed NDREOR Energy Solutions Programme investment Base Amount obligation was \$12.8 million.

To address the \$1.4m programme underspend in FY25, Entrust endorsed an FY26 target spend of \$14.2 million.

4 FY26 Energy Solutions Programme Investment

FY26 investment performance

Vector invested \$16.6 million in the FY26 Energy Solutions Programme, exceeding the Entrust-endorsed target of \$14.2 million by \$2.4 million.

The higher than planned investment was due to:

- Accelerated Beachlands delivery, due to build efficiencies; and
- Earlier commencement of the Maraetai Coast resilience project, which helped offset delays in the Onehunga resilience programme;

FY26 Investment Summary

Project	Planned Investment FY26 (\$million)	Actual Investment FY26 (\$million)
Beachlands Urban Undergrounding	8.4	9.1
Papakura Urban Undergrounding	0.0	0.1
Resident Initiated Undergrounding	0.8	1.0
Maraetai Coast Resilience	2.0	4.9
Onehunga Resilience Program Stage 1	3.0	1.5
Total	14.2	16.6

FY26 obligation and compliance

Vector exceeded both relevant FY26 investment thresholds:

- The NDREOR minimum Base Amount requirement of \$12.8 million; and
- The Entrust-endorsed investment target of \$14.2 million.

Vector therefore met its FY26 Energy Solutions Programme obligations and complied with clause 4.3 of the NDREOR.

Four year investment history

Total investment across the four preceding financial years, FY22 to FY25, was \$42.6 million. This amount is required to be notified under clause 4.3, bullet 2, and is relevant to the clause 4.4 calculation if the annual investment target is not met.

As Vector's FY26 expenditure exceeds the required Base Amount, the four year expenditure is noted for completeness only.

Expected FY27 Investment benchmark

The Base Amount increases in FY27 to \$13.2M, as determined by clause 4.7(b)(ii) of the NDREOR.

5. FY26 Energy Solutions Programme Investment Outcomes

Undergrounding investment

Vector invested \$10.2 million in undergrounding projects during FY26. This investment supported the major Beachlands urban undergrounding programme and four resident-led projects.

The resident-led projects completed or supported during the year were:

- i. Rota Place, Parnell
- ii. Melford Street, St Marys Bay
- iii. Peacock Street, Glendowie
- iv. Hauraki Road, Waiheke

In FY26, residents contributed \$52,000 towards the Rota Place project. Contributions for the other resident-led projects were recognised in previous financial years.

Resilience investment

The Energy Solutions Programme invested \$6.4 million in FY26 to improve network resilience and reliability. This investment supported two ongoing initiatives:

- \$1.5 million to replace non-insulated conductors in Onehunga with insulated conductors.
- \$4.9 million to underground 33kV and 11kV circuits along Maraetai Coast Road.

Both projects remain ongoing.

Strategic partnerships

Strategic partnerships continued to support the reduction of overhead infrastructure. Chorus used Vector undergrounding projects to migrate customers from copper to fibre services and remove overhead assets. Auckland Transport funded replacement streetlighting infrastructure and worked with local communities to resolve streetlight placement issues with resident support.

These partnerships remain critical to successful programme delivery

Safety and community engagement

All programme works were completed without a lost-time injury.

Projects also continued to generate positive community engagement, supported by Entrust-branded signage, project communications, and social media updates .

6. Resident Initiated Undergrounding Projects

In FY26, Vector completed the following resident-led undergrounding projects::

- Three resident-led projects carried forward from FY25; and
- One new project at Rota Place, Parnell.

Demand for resident-led undergrounding has reduced compared with previous years, making it more challenging to convert enquiries into funded projects.

Despite this trend, Vector expects to commence at least two new projects in the first half of FY27; and develop additional opportunities later in FY27.

The photos on the following pages show the before-and-after outcomes of selected undergrounding works completed during FY26.



Peter Ryan

Chief Operating Officer, Electricity, Gas & Fibre



Entrance into Rota Place, Parnell



Rota Place, Parnell



Melford Street, St. Marys Bay



Melford Street, St. Marys Bay



Melford Street, St. Marys Bay



Hauraki Road/Queens Drive, Waiheke



Hauraki Road/Queens Drive, Waiheke



Beachlands (in progress)



Beachlands (in progress)