

OPERATIONAL PERFORMANCE FOR THE 9 MONTHS ENDED 31 MARCH 2021

Operational performance highlights:

- **588,018** electricity network connections, up 1.7% on March 2020
- **116,014** gas network connections, up 2.1% on March 2020
- **8.7%** growth of advanced meter fleet since 31 March 2020 (total of 1,822,510 now installed across Aus/NZ)
- **More than 360,000** advanced meters now installed in Australian market

Commentary:

The nine months to 31 March 2021 have seen Auckland's growth continue, in turn driving strong network connection numbers across Vector's electricity and gas networks. In the year to 31 March 2021, total electricity connection numbers grew by 1.7% compared to a year earlier. Electricity volume for the nine-month period was down 1.6% compared with the same period to 31 March 2020, driven by reduced activity from the industrial and commercial sectors due to COVID-19.

Auckland's continuing growth helped drive an uplift in gas distribution network customers, with a 2.1% increase in total connections compared to 31 March 2020. Gas distribution volume over the nine months was down 2.8% compared with the corresponding period in the prior year, again driven by reduced activity from the industrial and commercial sectors due to COVID-19.

Vector's metering business continues to perform in an increasingly competitive market both here and in Australia. Advanced meter numbers increased by 8.7% on March 2020, with a total fleet of 1,822,510. We have now installed more than 360,000 advanced meters in Australia.

BottleSwap has seen a 2.1% decrease in the number of 9kg bottles swapped in the nine months compared with the prior period to 31 March 2020. This was driven by a significant spike in demand at the start of the COVID-19 alert level 4 lockdown in late March 2020.

Natural gas, LPG volumes and Liquigas LPG tolling are down on the March 2020 comparative period, with the 35.3% reduction in natural gas volumes driven primarily by the loss of a large customer in January 2020.

On 31 March 2020, Vector completed the sale of its interests in the Kapuni Gas Treatment Plant (KGTP) and co-generation facility. As a result of the sale of KGTP we have changed the methodology of calculating LPG volumes to reflect continuing activities only. LPG volumes include LPG sold by the group's OnGas business. LPG and natural gasoline sold by KGTP have been excluded as the plant is no longer owned. Comparatives have been restated.

SAIDI minutes for the twelve months ended 31 March 2021 are 21.5% lower than the previous year which is primarily due to significant initiatives to improve network resilience despite ongoing challenges caused by weather events, traffic congestion and vegetation.

COVID-19 has impacted Vector's business operations during the nine months to 31 March 2021, with New Zealand at alert level 2 and Auckland at level 3 for much of the first quarter as well as for shorter periods in the third quarter. In Australia, our teams have also been impacted by various levels of Government restrictions throughout the period. As a lifeline utility, Vector has continued to operate essential services during this period across its electricity, gas, fibre and metering businesses.

	9 Months ended 31		
	March		
	2021	2020	% change
Electricity			
Customers ^{1, 5}	588,018	578,106	1.7%
New connections	10,990	9,367	17.3%
Net movement in customers ²	7,958	6,981	14.0%
Volume distributed (GWh)	6,195	6,296	(1.6%)
SAIDI (minutes) – 12 months to 31 March ³			
Normal operations – unplanned	86.5 ⁴	116.7	(25.9%)
Normal operations - planned	47.5 ⁴	50.8	(6.5%)
Major network events	0.0	3.0	N/A
Total	133.9	170.5	(21.5%)
Gas Distribution			
Customers ^{1, 5}	116,014	113,578	2.1%
New connections	2,932	2,647	10.8%
Net movement in customers ²	2,054	1,936	6.1%
Distribution volume (PJ)	10.5	10.8	(2.8%)
Gas Trading			
Natural gas sales (PJ) ⁶	6.6	10.2	(35.3%)
LPG volumes (tonnes) ⁷	32,539	33,392	(2.6%)
9kg LPG bottles swapped ⁸	530,348	541,588	(2.1%)
Liquigas LPG tolling (tonnes) ⁹	76,934	86,393	(10.9%)
Metering			
Electricity: advanced meters ^{1, 10}	1,822,510	1,677,405	8.7%

1. As at 31 March.
2. Net number of customers added during the period, includes disconnected, reconnected and decommissioned ICPs.
3. SAIDI (minutes) for the 12 months ended 31 March 2021 is an unaudited value and subject to change.
4. SAIDI in relation to normal operations and major network events has been updated in accordance with the DPP3 regulatory guidelines.
5. Billable ICPs.
6. Excludes gas sold as gas liquids.
7. The group completed the sale of its interests in the Kapuni Gas Treatment Plant (KGTP) and co-generation facility on 31 March 2020. As a result, we have changed the methodology of calculating LPG volumes to reflect continuing activities only. LPG volumes include LPG sold by the OnGas business. LPG and natural gasoline sold by KGTP is now excluded. Comparatives have been restated to reflect this.
8. Number of 9kg LPG bottles swapped and sold during the year.
9. The group has revised the methodology for Liquigas LPG tolling to reflect new contractual terms and calculates product tolling domestic and exports. Product further tolled in South Island has been removed.
10. The number of advanced meters as at 31 March 2021 includes 175,058 meters managed but not owned by Vector (31 March 2020: 167,165).

The Excel version can be found at: <http://vector.co.nz/news>

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About Vector

Vector is an innovative New Zealand energy company which runs a portfolio of businesses delivering energy and communication services to more than one million homes and commercial customers across Australasia, and the Pacific. Vector is leading the country in creating a new energy future through its Symphony strategy which puts customers at the heart of the energy system. Vector is listed on the New Zealand Stock Exchange with ticker symbol VCT. Our majority shareholder, with voting rights of 75.1%, is Entrust. For further information, visit www.vector.co.nz