

OPERATIONAL PERFORMANCE FOR THE 6 MONTHS ENDED 31 DECEMBER 2019

Operational performance highlights:

- **576,352** electricity network connections, up 1.6% on the same period last year
- **113,094** gas network connections, up 2.4% on the same period last year
- **1.7%** lift in 9kg LPG bottle swaps
- **10.9%** growth of smart meter fleet (1,642,635 installed across Aus/NZ)

Commentary:

Auckland city continues to grow at a pace which in turn continues to fuel Vector's strong network connection numbers. In the six-months to December 31, total ICP connection numbers grew by 1.6% compared with the same period last year.

Grid connection point (GXP) volume was up by 0.1% on the equivalent period – a welcome turnaround from the previous quarter which saw volumes drop due to an unseasonably warmer winter.

Auckland's rapid growth has also helped drive an uplift in gas network distribution customers, with a 2.4% increase compared with the same period last year. Gas distribution volume is also up on last year's corresponding period.

Vector's metering business continues to perform in an increasingly competitive market both here and in Australia. Connection numbers increased by 10.9% on the prior six-month period, bringing the total fleet number to 1,642,635.

There has been an uplift in 9kg LPG bottle swap sales, however natural gas, gas liquids and Liquigas LPG tolling sales are down on the corresponding period, with the reduction in natural gas volumes driven primarily by the loss of a large customer in 2019.

SAIDI minutes for the nine months ending 31 December are 13.7% lower than the comparable period which is primarily due to fewer extreme weather events and significant investments and other initiatives being undertaken to improve network resilience.

Vector remains committed to meeting its regulatory compliance targets with a continued focus on improving electricity network reliability in the 2020 calendar year.

	6 Months ended 31		
	December		
	2019	2018	% change
Electricity			
Customers ^{1, 6}	576,352	567,009	1.6%
New connections	6,625	5,160	28.4%
Net movement in customers ²	5,227	3,933	32.9%
Volume distributed (GWh)	4,396	4,390	0.1%
SAIDI (minutes) – 9 months to 31 December ³			
Normal operations	135.2 ⁴	156.7	(13.7%)
Extreme events	3.0 ⁵	361.4	(99.2%)
Total	138.2	518.1	(73.3%)
Gas Distribution			
Customers ^{1,6}	113,094	110,489	2.4%
New connections	1,863	1,669	11.6%
Net movement in customers ²	1,452	1,260	15.2%
Distribution volume (PJ)	7.9	7.7	2.6%
Gas Trading			
Natural gas sales (PJ) ⁷	7.9	8.7	(9.2%)
Gas liquid sales (tonnes) ⁸	39,401	44,020	(10.5%)
9kg LPG bottles swapped ⁹	364,304	358,208	1.7%
Liquigas LPG tolling (tonnes) ¹⁰	56,761	58,437	(2.9%)
Metering			
Electricity: smart meters ^{1, 11}	1,642,635	1,480,851	10.9%

1. As at 31 December.
2. Net number of customers added during the period, includes disconnected, reconnected and decommissioned ICPs.
3. SAIDI (minutes) for the 9 months ended 31 December 2019 is an unaudited value and subject to change.
4. Normal Operations SAIDI includes the impact of 1 Major Event Day (MED) at the cap of 3.37 SAIDI minutes for each event.
5. This is the amount over and above the MED cap.
6. Billable ICPs.
7. Excludes gas sold as gas liquids. These sales are included within the gas liquids sales tonnages.
8. Total of retail and wholesale LPG and natural gasoline.

9. Number of 9kg LPG bottles swapped and sold during the year.
10. 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.
11. The number of smart meters as at 31 December 2019 includes 164,343 meters managed but not owned by Vector (31 December 2018: 146,062).

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

ENDS

Investor contact

Jason Hollingworth, Chief Financial Officer, Vector
Jason.hollingworth@vector.co.nz, 021 312 928

Media contact

Elissa Downey, Senior Manager Corporate Communications, Vector
Elissa.downey@vector.co.nz, 021 866 146

About Vector

Vector is New Zealand's leading network infrastructure company which runs a portfolio of businesses delivering energy and communication services to more than one million homes and commercial customers across the country. Vector is leading the country in creating a new energy future for customers and continues to grow and invest in the growth of Auckland, and in a wide range of activities and locations. 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