



## EA Networks Consumer Discount Methodology

For the financial year ended  
31 March 2026

### Introduction

EA networks (the trading name of Electricity Ashburton Limited) is a consumer owned cooperative which has a policy of allocating a consumer discount to consumers connected to its network. This document describes the methodology used to make that allocation.

The discount is applied annually, and to qualify, consumers must be connected to the network at 5.00 pm on the last day of February.

The first \$100 of consumer discount ever paid to a consumer who is a shareholder of EA Networks will be used to purchase shares in EA Networks, after which the consumer discount generally appears as a credit on consumers' April or May monthly accounts from their electricity retailer(s).

For any questions on the consumer discount please contact EA networks (03) 307 9800 or email [shares@eanetworks.co.nz](mailto:shares@eanetworks.co.nz).

The consumer discount is applied as a deferred discount in accordance with the requirements of an Inland Revenue Department (IRD) ruling specific to EA Networks' situation. The IRD has also issued a product ruling (BR PRD 24/01) confirming that the discount does not amount to taxable dividend for consumers.

For completeness, we note that the consumer discount calculated and paid under this methodology is separate to any form of payment provided for in EA Networks' constitution. Payments made under this methodology are not made in relation to any shareholding relationship and are made only due to the relationship between EA Networks and its end electricity consumers.

### Paid to all consumers

The consumer discount will be paid to all qualifying consumers regardless of whether they own or do not own shares in the company.

### Allocation of consumer discount to consumers

Each consumer share of the consumer discount pool is calculated:

$$A/B * C$$

Where:

A: EA Networks distribution charges to qualifying consumer for the measurement period<sup>1</sup>.

B: The sum of all qualifying consumers charges for the measurement period.

C: The value of the consumer discount pool, set at \$5,000,000, excluding GST, for the financial year ended 31 March 2026.

The measurement period runs from 1 March 2025 to 28 February 2026.

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<sup>1</sup> Distribution Charges are calculated and applied on a monthly basis. For the purpose of calculating the consumer discount, the monthly charge for each supply point is assigned to the consumer that is reported to us as the retail consumer at the end of the relevant month.