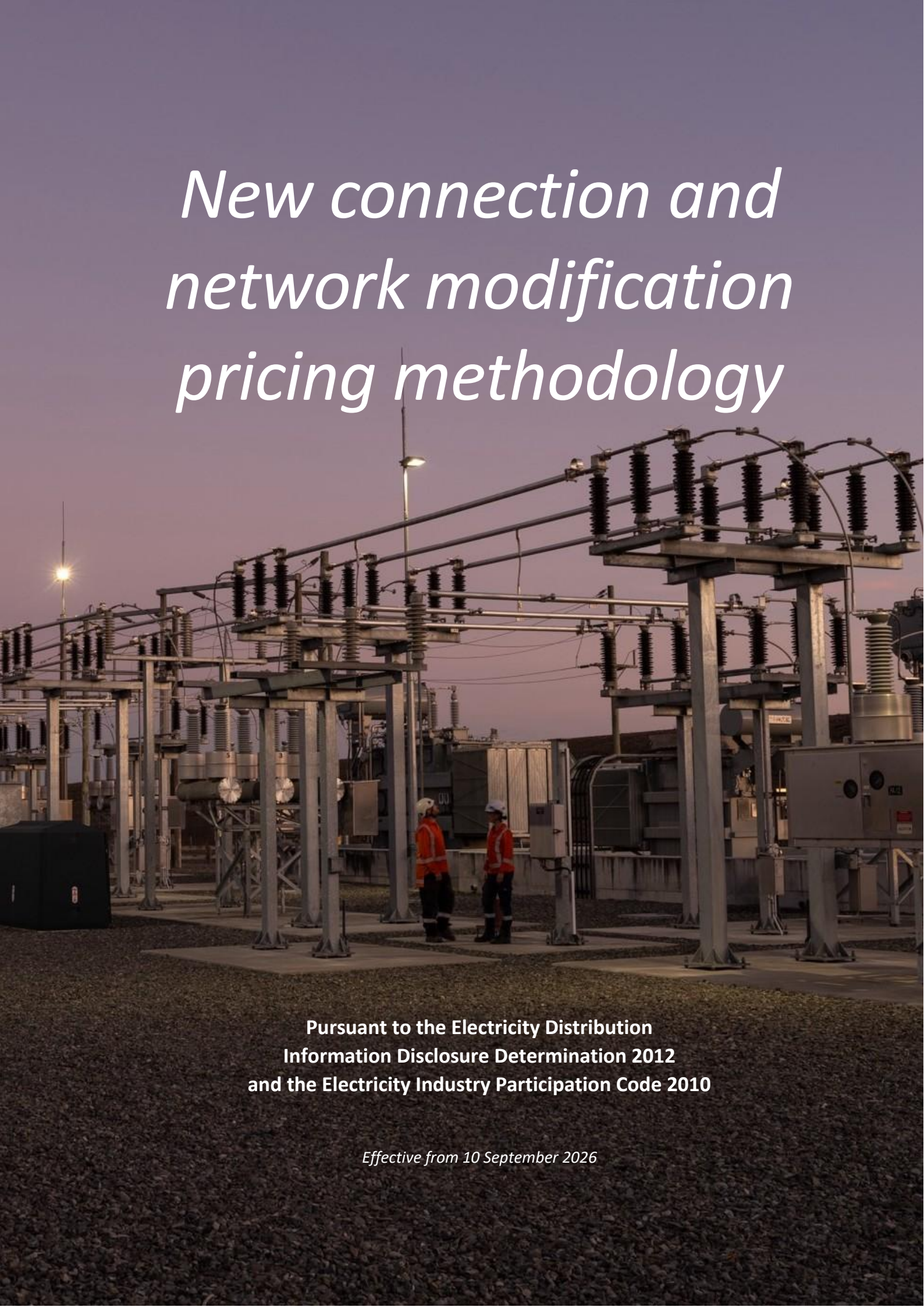




New connection and network modification pricing methodology

**Pursuant to the Electricity Distribution
Information Disclosure Determination 2012
and the Electricity Industry Participation Code 2010**

Effective from 10 September 2026

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Definitions and common acronyms

Assets	The hardware, equipment and plant that is part of our electricity distribution network.
Code	The Electricity Industry Participation Code, available at https://www.ea.govt.nz/code-and-compliance/the-code/ . These are the regulations that govern electricity industry participants obligations and responsibilities.
Electricity Authority	The “Authority” is an independent Crown entity that regulates and oversees New Zealand’s electricity industry. Its core purpose is to promote competition, ensure reliable supply, and support the efficient operation of the electricity market for the long-term benefit of consumers.
GXP	Grid exit point, the point where EA Networks’ electricity distribution network connects to Transpower’s transmission network.
ICP	Installation control point or “connection”, a point of supply or connection to our network, which is represented by a unique ICP number in the format 0000026335EA378.
ID	The Electricity Distribution Information Disclosure Determination 2012 available at https://www.comcom.govt.nz/regulated-industries/electricity-lines/information-disclosure-requirements-for-electricity-distributors/current-information-disclosure-requirements-for-electricity-distributors which sets out the requirements for this disclosure document.
kVA	Kilovolt amperes, a measure of apparent demand

1. Introduction

1.1. Purpose

This document explains how we derive the initial up-front pricing for customer requested works, including:

- Administration and processing fees
- New connections and network extensions
- Supply upgrades
- Downgrades and network modifications

Together with ongoing delivery pricing, this pricing makes up an important part of the overall service charges that we apply in the lifecycle of a power supply.

We aim to ensure that our charges are equitable. Customers seeking new or upgraded supplies should not face excessive costs that might deter development, but equally, existing customers should not be burdened with the cost of new connections. Further, once connected, all customers should make a contribution to shared assets and common costs.

Underpinning our approach is an assessment of the difference between lifetime costs and revenues associated with new connections and upgrades. Where the costs exceed revenues, this is balanced with an up-front capital contribution. This is referred to as a “net present value” approach.

This document is published to comply with requirement 2.4.6 of the Electricity Distribution Information Disclosure Determination 2012 ([Electricity-Distribution-Information-Disclosure-Determination](#)). Our framework, terminology and approach is aligned with the regulated requirements set out in Part 6B, of the Electricity Industry Participation Code 2010 (<https://www.ea.govt.nz/code-and-compliance/the-code/>).

1.2. About EA Networks

EA Networks is the trading name of Electricity Ashburton Limited. We own and operate the electricity distribution network located in Mid Canterbury. We are a consumer owned cooperative, with every connected customer entitled to own shares in the company.

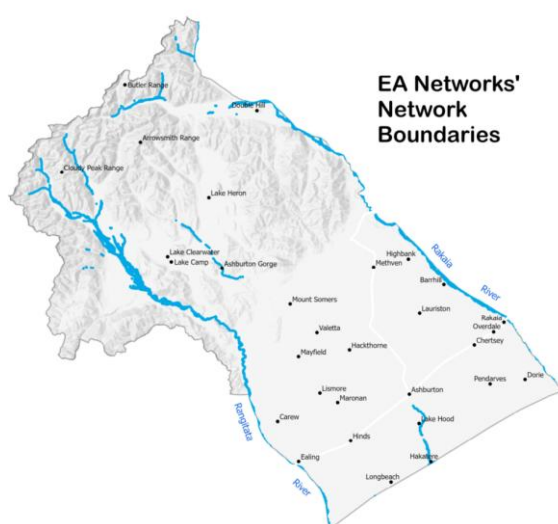
Our network delivers electricity to households and businesses across an area of about 3,500km², between the Rangitata River in the south, the Rakaia River in the north, and the foothills of the Southern Alps in the west. Distribution lines also run into three river gorges through the foothills.

From a network engineering perspective there are two general network designs: rural and urban.

The rural distribution network configuration is predominantly long radial overhead feeders with some interconnection to adjacent feeders and substations.

The urban 11kV distribution network is based upon a similar principle to the rural arrangement, except the network is largely underground cable, the interconnections are more frequent, and the overall feeder lengths are significantly shorter.

In addition to receiving power from Transpower's grid, we also have a growing number of large-scale renewable embedded generators:



- Lauriston solar 47MW
- Highbank hydro at 28MW
- Gartartan solar 6.5MW
- Fairton Solar 4.3MW
- Montalto hydro is 1.6MW
- Cleardale hydro at 1MW
- Seafeld Solar at 0.99MW
- Lavington hydro at 0.5MW

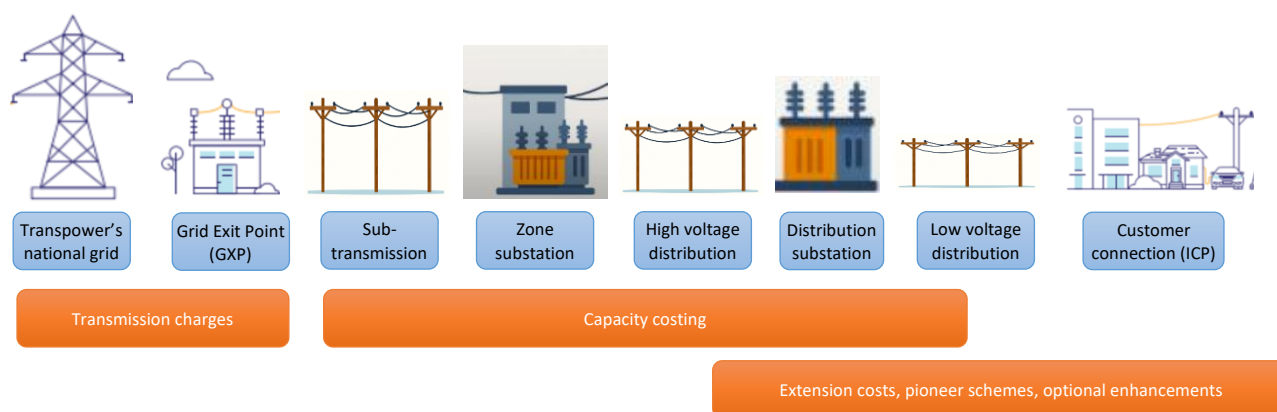
2. Overview

When assessing new connection and network upgrade proposals, we consider the full range of costs and revenues over the life of the investment. Our objective is to ensure that access seekers make an equitable contribution toward the costs they impose on the network. This includes contributions to network enhancements, the utilisation of shared assets, associated ancillary assets, and ongoing operating and maintenance costs.

This section outlines our approach to identifying and assessing the lifetime **costs** and **revenues** associated with new power supplies and network upgrades. It also describes the reconciliation framework used to align these costs and revenues, ensuring outcomes are consistent with principles of fairness, cost reflectivity, and long-term efficiency.

2.1. Costs

We assess costs for the various tiers of our network in different ways. The diagram below shows our generic network architecture and the approach we take for assessing costs.



In addition, we have a range of shared operating, maintenance costs and overheads:



Network costs (shared costs and overheads), administration and processing fees

Transmission charges

Our transmission charges are linked to electricity usage and increase following connection of new customers or where a customer increases capacity and uses more electricity. There can also be specific new costs where a very large customer connects and upgrades are required, or where an adjustment event is triggered under the Authority's transmission pricing methodology (TPM).

Capacity costing

New and upgraded connections make use of existing shared assets, and “use up” some of the capacity of that existing asset. We work out how much it costs to provide capacity at each level or “tier” in our network and assign a share of that cost to the new or upgrading customer. This ensures that all customers contribute to the next increment of capacity (when it is needed) rather than the unlucky customer that might arrive at the time a supply asset becomes fully loaded.

When allocating capacity, we use a “capacity demand assumption” to share the benefit of load diversity. For example, when a residential customer with a peak load of 14 kVA connects, we only need to allocate 3 kVA of capacity at the zone substation, because residential customers hit their peak load at different times, and one customer’s peak will be offset by another customer that is using less at that time.

Extension costs

Where we need to build new assets to service a new or upgraded connection, and these assets are initially only for that new or upgraded connection, then we assess the extension costs instead of capacity costing. For example, if we need to install a new distribution transformer for a customer, we’ll assess the cost of providing that transformer rather than assigning a capacity cost.

For the extension costs, we provide a standard solution that meets our network connection standard and provides our normal levels of security, and we call this the “minimum scheme”. Against this minimum scheme we can assess the following alternatives:

- **Customer selected enhancements** - As part of a network extension or upgrade, customers might select enhancements that better suit their needs than our standard solution. This includes things like locating the connection point in a more convenient location, or providing a more secure supply. We assess the additional cost of any selected enhancements and include this in our charge reconciliation.
- **Flexibility options** – In some situations a customer might elect to have a non-standard solution that is cheaper than our minimum scheme, perhaps forgoing normal security levels or committing to lower load levels. In these situations we use this lower “minimum flexi scheme” cost in place of the minimum scheme cost.

Pioneer schemes

In some situations, a customer that funds an extension might provide capacity that can subsequently be shared by others. If this is a possibility, we’ll establish a “pioneer scheme”, and as further customers connect and use that capacity, we’ll charge them a share of the cost and refund the pioneer.

In some situations, we might have funded an extension and seek to recover a proportion of that cost as customers connect and use that capacity. This is similar to a pioneer scheme except the we have funded the asset. This is called a localised historic cost recovery scheme.

We publish all active pioneer schemes and localised historic cost recovery schemes on our website to provide transparency about the areas where these additional costs will be added.

Network costs

In addition to our capacity related costs, we maintain a range of other equipment, as well as operating and maintaining the network. These costs are variously referred to as common costs, overheads, or residual costs. We aim to fairly share these costs between all customers. We refer to the “balance point” as being target where new customers pick up a share that aligns with the amount existing customers pay toward these costs.

Administration and processing fees

To ensure that our existing customers are not burdened with our administrative costs associated with assessing, designing and processing new applications, we also apply a standard set of administration and processing fees. These are applied separate to and outside the regulated reconciliation formula. The fees are set out in schedule A.

2.2. Revenues

Before determining the up-front charges that apply to a new or upgraded connection, we first assess the extent to which ongoing monthly network charges are expected to recover the associated costs.

We estimate the network charges that can be applied in respect of a new connection (or the additional charges resulting from an upgrade) and discount these amounts to reflect their present value.

In some circumstances, changes over time may mean that charges cannot be applied for the full economic life of the assets. To account for this, we assign a revenue life based on the type of customer and any other factors that may shorten the charging period. For example, builders’ temporary supplies are assessed using a one-year revenue life.

Given this revenue uncertainty, where the present value of expected network charges exceeds the assessed costs, we do not make connection payments to customers, nor do we fund any customer-selected enhancements.

2.3. Reconciliation formula

The Charge Reconciliation formula brings together our assessment of costs and revenues. We follow the regulated approach in preparing this equation – this sets out a basis for establishing incremental cost and incremental revenue, but leaves the network cost contribution as the balancing component to align with the up-front network charge.

$$\begin{array}{ccccccc} \text{Connection} & & & & & & \\ \text{charge (CC)} & = & \text{Incremental cost} & - & \text{Incremental} & + & \text{Network cost} \\ & & \text{(IC)} & & \text{revenue (IR)} & & \text{contribution (NC)} \end{array}$$

In this equation, Incremental cost (IC) is the sum of:

- Extension costs (EC)
- Customer selected enhancements (CSE)
- Network capacity costs (NCC)
- Incremental transmission costs (ITC – usually nil, except for very large connections)
- Localised historical cost recovery (LHCR)
- Operating cost loading (OCL – usually nil, except for very large connections)

The Network cost contribution (NC) is the contribution to residual costs and overheads. Incremental revenue is the present value of expected future charges described in 2.2 above.

We expect the reconciliation formula to inform revisions to our connection charges over time. Currently, connection charges are set to maintain our current pricing approach, and the reconciliation network cost contribution term (NC) effectively balances the equation. When the NC term is:

- negative, it means that existing customers would be subsidising the access seeker,
- nil, it means that existing customers would be no worse off, but the access seeker is not contributing to shared costs (the neutral point), or
- similar to what existing customers pay, it means that shared costs will be shared equitably (the balance point).

An NC term that is higher than this may be inefficient if it deters access seekers from connecting and using the network.

Pioneer scheme contributions and administration and processing fees sit outside this reconciliation, and are charged in addition to the connection charge.

2.4. How connection charges are set

We expect the reconciliation formula to inform revisions to our connection charges over time. Currently, connection charges are set based on an assessment of the cost of the works needed to extend the network for a connection, or an average of that cost for higher volume smaller connections (in all cases, excluding the cost of any distribution transformer that is required).

This assessment includes the cost of sole-use assets that will be dedicated to the customers use. It also includes the costs of assets that might subsequently be shared, and we operate a pioneer scheme framework aligned with the requirements in the Code to reallocate these costs where subsequent users utilise these assets.

This approach effectively takes the assumption that ongoing line charges (incremental revenue) will appropriately match upstream capacity costs, together with the network cost contribution and the funding cost for the distribution transformer. Our standard charges are set out in schedule A.

With the link to actual extension costs, this approach is consistent with the Electricity Authority's pricing principles.

We do not generally allow customers to use independent contractors to undertake works on assets that EA Networks will subsequently own and manage.

3. New connections and upgrades

For all new and upgraded connection quotes we prepare a “reconciliation formula”:

- we provide a representative reconciliation formula for standard connection categories, where set charges apply for all new connections and upgrades, and
- we prepare a specific reconciliation formula for applications that fall outside these standard connection categories.

This section details how we assess each attribute of the reconciliation formula (see section 2.3 above), and includes an example reconciliation.

3.1. Extension costs

The extension cost (EC) is the cost of additional works to provide a connection or upgrade a connection. It:

- includes the cost of providing and installing all new additional network,
- includes the cost of any assets commissioned by a customer that are subsequently vested to EA Networks
- excludes any upgrade costs to shared assets (except where the upgrade is “extension-like” because it will only serve the new or upgraded connection),
- excludes the cost of customer-owned works and revenue metering, and

For each quote or standard connection category, we assess the minimum scheme, which is the least-cost technically acceptable solution. Where this is for a standard connection category, we assess a notional minimum scheme, which represents the average extension cost solution for the category.

The design solution for the minimum scheme extension is based on our published Connection Standard. This ensures our network is built to appropriate safety standards, meets all local authority and regulatory requirements, and is efficient to maintain and operate once in service.

A customer may request a lower cost alternative to our minimum scheme solution, called a “minimum flexi scheme”. This will usually provide a reduced level of security or carry dynamic capacity limits. Where this solution is acceptable to EA Networks, we’ll use it (and the lower cost estimate) in place of the minimum scheme. Note that a minimum flexi scheme is not available in conjunction with a standard connection category. If a minimum flexi scheme is selected, then all parts of the reconciliation are specifically assessed.

In some cases, we may use refurbished assets when constructing an extension. In these situations, we still use an effective new price in our costing as this appropriately reflects the lifetime cost of an asset (that is, a refurbished asset might have a lower book value, but it must also be replaced sooner than the new alternative).

Our quote will generally include a diagram showing the extension and assets involved in providing that extension.

3.2. Customer selected enhancements

Customer selected enhancements (CSE) represent the cost of enhancements that a customer might request over and above the minimum scheme.

We encourage customers to think about specific needs that might be better met with an alternative solution. In many situations, we can provide:

- enhanced security (to better limit outages, or improve restoration times when an outage does occur),
- alternative locations (placing things like transformers, poles or switchgears in a position that better suits a customer's needs), and/or
- more capacity for possible future use.

Where customer selected enhancements are to be included, we'll work out the additional cost of the enhancement, and include that as an additional cost in our charge reconciliation.

3.3. Network capacity costs

Where a new connection or upgrade is to make use of existing assets (rather than being provided as part of the extension cost assessment above) we take a "network capacity costing" (NCC) approach.

Capacity costing ensures that new and upgrading customers are assigned a proportion of the cost of all shared upstream assets that their supply will use. This means that every new or upgrading customer contributes a small amount towards the next increment of capacity. The intention is to avoid burdening the unlucky new customer with the entire cost of an upgrade if they arrive when shared capacity is already fully allocated.

We assess capacity costing in network tiers, and capacity costing applies when a connecting customer uses a network tier. Where the assets that relate to a network tier are fully provided as part of extension costs then a capacity cost for that tier will not apply.

The network tiers are:

- Low voltage mains (LV)
- Distribution substation (DS)
- High voltage feeder (HVF)
- Zone substation (ZS)
- Sub-transmission line (STL)

Posted capacity rates that we use to determine capacity costs are published over the following 5 years in Schedule A. From 1 April 2027, to provide certainty, capacity costs for the initial 2 years of that sequence are fixed, and we periodically update the remaining 3 years posted capacity rates to reflect changing costs and network architecture.

If a new connection or upgrade is going to:

- use more than 80% of a costed network tier increment (other than distribution substation tier and low voltage mains tier), or
- cost more than 150% or less than 80% of the posted capacity rate,

then we may instead apply an estimate of the actual cost of the upgrade for that tier.

Capacity costs are expressed as \$/kVA. For example, a rural zone substation might provide 10MVA, 7MVA of that is available to meet load (the rest is reserved for contingencies), and cost \$4m. In that situation the capacity cost is therefore \$4m/7MVA = \$571/kVA.

To calculate the capacity cost from the posted capacity rates we apply a capacity demand assumption. This effectively takes account of load diversity. For example, a residential customer might seek a 15kVA supply, but will only contribute 2.8kVA to a diversified load at the zone substation.

We determine capacity demand assumptions individually for each capacity costing assessment, but will generally utilise the diversity factors for common customer types that are set out in Schedule A.

The capacity cost is determined as:

$$\sum_{t \in T} (\text{PostedCapacityRate}_t \times \text{DiversityFactor}_t \times \text{ConnectionCapacity})$$

3.4. Incremental transmission costs

Specified incremental transmission costs (ITC) occur as part of very large new connections or upgrades, where we might need to get Transpower to make some changes to the national grid, or where an adjustment to Transpower's benefit-based charges is triggered.

For the vast majority of our new and upgrading connections, this component will be nil.

Where a charge does apply, we will set it to match the additional amount charged to us, or an estimate of that, and/or the net present value of ongoing additional charges (matching the revenue life used for the incremental revenue assessment).

The residual component of transmission charges does increase following connection of new customers or where a customer increases capacity and uses more electricity. However, this increase is not included as part of this reconciliation component.

3.5. Localised historic cost recovery

In some situations, we will provide an extension or upgrade that is specific to an area. Where this falls outside the normal recovery through capacity costing, we set up a localised historic cost recovery scheme (LHCR). This allows us to recover a proportion of the cost of the work as customers progressively utilise it.

We publish our localised historic cost recovery schemes alongside the pioneer schemes, so access seekers can see where these charges might apply.

3.6. Operating cost loading

The operating cost loading (OCL) is an alternative approach to including incremental operating costs. This approach is only used where the supply will be categorised as a large user with individually set prices. In these situations, the incremental cost estimate in the incremental revenue assessment is set to nil, and the operating cost loading is used instead.

Where applicable, we will derive an individual assessment of the incremental operating costs associated with the new connection or upgrade, and establish the net present value of this over a period that matches the revenue life used for the incremental revenue assessment.

For the vast majority of our new and upgrading connections, this component will be nil.

3.7. Incremental revenue

The ongoing network charges that we are able to apply in respect of a new or upgraded connection are an important part of how we fund our investment. The incremental revenue (IR) is an estimate of the net present value of this expected future cashflow.

Our approach aligns with the process set out in the Code and includes:

- an assessment of the chargeable quantities that we expect to be able to apply,
- an assessment of the price category that will be used,
- an assessment of the revenue life (generally 30 years for residential connections and 15 years for commercial, but adjusted where specific circumstances support a different duration),
- a discount rate which is tied to our regulated return,
- known pricing charges over the period, and
- a reduction for incremental operating costs that we expect to occur (called an opex scaling factor, which is aligned with the level of disclosed costs over the last few years)

We calculate a separate amount for the part of revenue that we expect to collect in respect of transmission charges that Transpower charges to us.

Where an upgrade is sought, we assess the additional revenue calculated as the difference between revenue foregone and the new revenue (and to the extent appropriate, we use the same underlying assumptions for each).

Alongside our connection reconciliation, we present indicative annual charge amounts that we expect to apply over the assessed revenue life. Actual charges may differ from these amounts due to a range of factors, and the figures provided do not constitute a quote. Annual charges are shown in real terms; nominal charges (the amounts actually applied) will increase over time in line with inflation.

3.8. Network cost contribution

In addition to the capacity-related incremental costs and incremental operating costs addressed elsewhere in the reconciliation formula, a range of other costs are incurred in providing our network service.

These costs are referred to as network costs (NC) and are sometimes described as common costs, overheads, or residual costs. They include costs associated with assets and activities such as head office functions, SCADA and load management systems, and the vehicle fleet. These costs do not increase directly as new customers connect to the network.

We consider it appropriate that all customers contribute to these costs, regardless of when they connect. Accordingly, our objective is for new customers to make a contribution that is consistent with the contribution made by existing customers, so that network costs are shared equitably across the customer base. This target level of contribution is referred to as the “balance point.”

While the regulated reconciliation formula treats the network cost contribution as the balancing term, we are adjusting connection charges (CC) over time to align the resulting network cost contribution with our estimate of the balance point.

3.9. Pioneer scheme

Pioneer schemes are established where a customer funds a significant extension or upgrade that can subsequently be shared by others. The schemes provide a mechanism for the subsequent customers to make a proportional contribution which is then refunded to the original pioneer.

Pioneer scheme payments are not part of the Charge Reconciliation and are applied separately to the connection charge.

We publish all active pioneer schemes on our website to provide transparency about the areas where this additional cost will be added. The amount of any contribution will be confirmed as part of our application assessment.

Our pioneer scheme framework is set out in a document called Pioneer Scheme Guidelines available on our website.

3.10. Subdivisions

While subdivisions are not eligible to initiate pioneer schemes, all other reconciliation provisions and our assessment of each component do apply. One distinction is that, for subdivisions, the connection charge assessment and associated commercial arrangements are undertaken with the developer, rather than with individual end customers.

We define subdivisions as a development that will create roads to be vested to ADC, or create 10 or more lots.

To avoid repeating the assessment and applying connection charges multiple times, new connections established as part of a subdivision are treated as prepaid connections. Customers who subsequently seek to connect to a prepaid connection are only required to pay the applicable application and processing fee. As the first step in that process, we confirm whether the application relates to an existing prepaid connection.

Where a customer seeks a level of capacity greater than that provided by the prepaid connection, the request is treated as an upgrade. In these cases, any connection charge applies only to the additional capacity requested over and above the level provided by the prepaid connection.

Most urban subdivisions fall within this framework, including subdivisions established prior to the introduction of our current pricing methodology. Customers can contact us to confirm whether a prepaid connection is available for their property.

3.11. Standard connection categories

In future, we intend to develop standard categories for higher-volume, smaller-value connections, such as 'standard' residential or small business connections.

Until we implement standard categories, we will maintain or pre 31 March 2026 connection charging approach, and individually prepare a specific reconciliation for each quote issued.

Our current charging approach includes set charges in some situations, and these are set out in Schedule A.

4. Downgrades and network modifications

Where a customer seeks a downgrade of supply capacity or modifications to our network, the forecast additional revenue is effectively nil. In these situations there is no basis to assess the extent to which costs might be covered by future charges, so the reconciliation is simplified, and we set the connection charge to match the cost of work undertaken.

4.1. Capacity reservation released

In most situations the charges we apply will reduce following a downgrade. The supply capacity that the customer had access to is released, and is available for us to use for other customers.

Customers are encouraged to consider medium- to long-term requirements before requesting a downgrade. Any subsequent upgrade, or access to additional capacity, will be assessed against the upgrade terms and charges applicable at that time. Under the current approach, this may include a capacity costing assessment and the cost of reinstating any network assets that were removed as part of the downgrade.

4.2. Decommissioning

No application fee or connection charge applies where a power supply is decommissioned and physically disconnected from the network. In some circumstances, EA Networks may elect to leave certain network assets in place for potential future use, or to delay their removal.

Where a power supply is decommissioned and a replacement supply is established within 18 months—at the same or a lower capacity, and where no network modifications are required—EA Networks will generally waive the connection charge for the replacement supply. The applicable application fee will still apply.

4.3. Shifting location

Maintaining a power supply effectively preserves a capacity reservation through the network to a specific location. Where a customer relocates and seeks a replacement supply at a new location, the original capacity reservation is not transferable and remains available for use by other customers at the original site.

4.4. Capacity limiting

Our charges and charge categories are generally linked to the capacity of each power supply based on the size of the network fusing for the connection. To access a lower charge category following a downgrade, it is typically necessary to reduce fuse sizing. The cost of this work is included in the connection charge for the downgrade.

Where the reduction in capacity is significant (for example, from 250A to 60A fusing), this may require the installation of alternative fuse holders or associated equipment.

4.5. Stranded capacity

A downgrade in supply capacity may result in some network assets becoming under-utilised. In such cases, EA Networks may, at its discretion and at its own cost, replace assets (such as transformers or switchgear) with equipment of a smaller capacity. This work may be undertaken at the time of the downgrade or at a later date.

5. Connection charges for distributed generation

Where a new distributed generator connects to the network, the Code limits us to charging only the incremental cost of connecting that generator. In practice, this means that a generator may make use of existing available network capacity at no cost. However, once that capacity is fully utilised and additional capacity is required, the next generator connection bears the full incremental cost of the required extension or upgrade.

5.1. Application fees

Application fees for distributed generation connections are set separately from load application fees and are published here: [Fees and Charges](#).

5.2. Connection charge

Under the incremental cost approach required by the Code:

- no network capacity cost is assigned where a generator makes use of existing upstream asset capacity,
- ongoing charges are aligned with incremental costs, meaning there is no ongoing incremental revenue stream to recover the cost of an initial extension or upgrade, and
- generators do not make any contribution to network costs, including overheads and common costs.

As a result, the reconciliation for distributed generation connections simply equates the upfront connection charge to the cost of any network extensions or upgrades required to enable the connection.

5.3. Load and generation

Where an access seeker applies for both load and generation, the load component of the application is generally assessed first in accordance with the provisions of this pricing methodology. The generation assessment then considers only any additional incremental enhancement required to accommodate the generation component.

Battery energy storage systems (BESS) are treated as load where they are charged from the network, and standard load-related charges apply in those circumstances.

5.4. Pioneer schemes for generation

Pioneer schemes apply to all network upgrades that are funded by generators. Where a subsequent generator (but not load) seeks to make use of capacity associated with such an upgrade, a pioneer contribution is required, and a corresponding refund is made to the original pioneer. Pioneer schemes are administered in accordance with Schedule 6.4(2)(k) to (m) of the Code.

Payment of a pioneer contribution by a subsequent applicant establishes equal access to the capacity created by the upgrade. This may result in the original pioneer being required to constrain output where the shared capacity becomes binding. A generation pioneer may elect to retain priority access to the capacity it has funded by waiving the pioneer scheme payment.

5.5. Avoided distribution costs

Where distributed generation provides a demonstrable cost saving to EA Networks, these savings may be passed through to the generator in the form of network support. To deliver cost savings, generation typically needs to be located in an area of network constraint and be capable of reliably injecting power at times that coincide with the network constraint occurrences.

Schedule A – Application fees, connection charges, capacity rates and demand factors

The metrics set out in this schedule are effective for new connection and upgrade applications submitted after 1 April 2026 and up until a revised schedule is published.

Application and processing fees

We intend to apply an application and processing fee which will be payable prior to an application being processed. The fee will be additional to the connection charge, and is not refundable if a project does not proceed. Until we introduce the fee, the amount is set to nil.

Category	Fee per ICP (excl GST)
New ICP connection (connecting to existing network)	nil
New power supply (network extension or subdivision)	nil
New ICP connection (connecting to a prefunded network extension or subdivision*)	nil
Upgrade	nil
Downgrade	nil
Network modification	nil
Decommissioning	nil

* Only applies where the requested capacity is not greater than provided for in the original new power supply works.

Connection charges

Urban low voltage connections

New connections within urban residential, commercial or industrial areas (as designated by the relevant council authority) and within 30m of our existing LV reticulation:

Capacity	Connection charge (excl GST)
Single phase, up to 63 amps	\$755.57
Three phases, up to 100 amps per phase	\$755.57
Above 100A per phase, or more than 30m from existing LV reticulation	POA with a minimum of \$755.57

Rural connections

Includes rural residential connections

Capacity	Connection charge (excl GST)
From existing LV reticulation up to 300 kVA	\$1,315.57
New Substation required up to 300 kVA	\$1,751.11
Above 300 kVA	POA with a minimum of \$1,751.11
plus all costs to extend the network, including lines, cables, switchgear, earthing and mounting (but transformers are contributed "free issue")	

Larger connections

Larger connections and those that fall outside the situations referenced above are priced on application and based on the cost of the extension (excluding the store issue cost of any transformer).

Upgrades and network modifications

The connection charge for upgrades is priced on application and based on the cost of the works (excluding the store issue cost of any transformer). Where an upgrade is limited to a simple fuse change, the following fixed charges apply:

Location	Connection charge (excl GST)
Urban areas	\$85
Rural areas	\$130

Downgrades

The connection charge for downgrades is priced on application and based on the cost of the works needed to physically limit the capacity of supply to the connection (usually through installing a fuse size). Where a downgrade is limited to a simple fuse change, the following fixed charges apply:

Location	Connection charge (excl GST)
Urban areas	\$85
Rural areas	\$130

There is no charge for other network changes that EA Networks might elect to make at the same time in order to redeploy capacity, but the customer may be required to provide access to facilitate this related work.

Capacity costing rates

Section 3.3 sets out how we allocate the cost of shared upstream assets when new power supplies connect and “use up” a portion of that capacity.

Urban connections

	\$/kVA (excl GST) from				
Network Tier	1 April 2026	1 April 2027	1 April 2028	1 April 2029	1 April 2030
Sub-transmission line (STL)	\$99	\$103	\$107	\$111	\$116
Zone substation (ZS)	\$290	\$301	\$313	\$326	\$339
High voltage feeder (HVF)	\$429	\$446	\$464	\$482	\$502
Distribution substation (DS)	\$300	\$312	\$324	\$337	\$351
Low voltage mains (LV)	\$303	\$315	\$327	\$340	\$354
Low voltage (dedicate or near-dedicated assets)	\$222	\$231	\$240	\$250	\$260

Rural connections

	\$/kVA (excl GST) from				
Network Tier	1 April 2026	1 April 2027	1 April 2028	1 April 2029	1 April 2030
Sub-transmission line (STL)	\$79	\$82	\$86	\$89	\$93
Zone substation (ZS)	\$207	\$215	\$224	\$233	\$242
High voltage feeder (HVF)	\$402	\$418	\$434	\$452	\$470
Distribution substation (DS)	\$310	\$322	\$335	\$349	\$363
Low voltage mains (LV)	\$32	\$34	\$35	\$36	\$38
Low voltage (dedicate or near-dedicated assets)	\$29	\$30	\$31	\$33	\$34

Capacity increments

As set out in section 3.3, for the higher network tiers, we may use individually assessed capacity costs when an application “uses up” more than 80% of the normal capacity increment used in assessing the capacity costing rates.

	kVA Increment	
Network Tier	Urban connections	Rural connections
Sub-transmission line (STL)	40,000	40,000
Zone substation (ZS)	20,000	16,000
High voltage feeder (HVF)	2,900	5700
Distribution substation (DS)	300	100
Low voltage mains (LV)	139	139
Low voltage (dedicate or near-dedicated assets)	28	69

Demand factors

When assessing the extent to which a new application “uses up” capacity in the upstream shared network tiers, we establish a capacity demand assumption to take account of load diversity. The capacity demand assumption will generally follow the following diversity factors.

	Diversity factor			
Network Tier	Residential	Small Commercial (up to 3 x 80A)	Large Commercial (up to 3 x 630A)	Irrigation
Sub-transmission line (STL)	18.7%	21.4%	8.9%	74.5%
Zone substation (ZS)	18.7%	21.4%	10.9%	81.3%
High voltage feeder (HVF)	18.7%	21.4%	12.7%	93.5%
Distribution substation (DS)	23.6%	25.9%	21.6%	100.0%
Low voltage mains (LV)	32.0%	35.1%	30.5%	100.0%
Low voltage (dedicate or near-dedicated assets)	75%	75%	100%	100%

The diversity factor multiplied by the connection capacity (in kVA) establishes the capacity demand assumption.