



19 May 2026

Electricity Authority
PO Box 10041
Wellington 6143

Via email: distribution.pricing@ea.govt.nz

Consultation Paper – Reforming network pricing for distributed generation to promote efficient investment

WEL Networks appreciates the opportunity to provide feedback on the above consultation.

WEL Networks (WEL) is New Zealand's sixth largest electricity distribution company and is 100% owned by our community through our sole shareholder WEL Energy Trust. Our guiding statement of strategic intent is to be leading Waikato's energy future, and we work to ensure that our customers have access to reliable, affordable, and environmentally sustainable energy.

WEL agrees that the Distributed Generation Pricing Principles (DGPPs) need reconsideration. Distributed generation (DG) connectors, like all distribution connections, should pay the reasonable apportionment of all distribution assets used to the benefit of their business venture. Current DGPPs create the potential for under recovery of DG connection costs to the detriment to existing consumers.

WEL supports the principle based approach over a more prescribed one, as this provides for distribution company variance in overall pricing structures, network constructs and capacities.

We do have concerns on the proposed implementation timeframe for changes to connection charges. DGPPs will impact distributor's Capital Contribution policies, so the time between an Authority decision being delivered late 2026 and an implementation on 1 February 2027 leaves insufficient time (even factoring in preparatory work completed in anticipation), for final development, board approval and implementation communications, both internal and external. We suggest implementation should be aligned with April 2027 price changes as a minimum, with a preference for an option to defer until up to 1 April 2028 to allow time for analysis of options to allocate incremental costs that could be relied upon as "reasonably identifiable" and assigned either through connection or ongoing lines charges.

Should you require clarification on any part of this submission, please do not hesitate to contact me.

Andrew Maseyk