

20 December 2024



Via email: connection.feedback@ea.govt.nz

Tēnā koe Tim,


Powerco submission on network connections project stage one amendments

Powerco Limited (**Powerco**) welcomes the opportunity to provide feedback on the Electricity Authority's (**Authority**) consultation paper *Network connections project stage one amendments*. The Authority has previously signalled its intention to regulate connection processes and pricing where it is a barrier to timely and efficient electrification as New Zealand transitions to a low carbon economy.

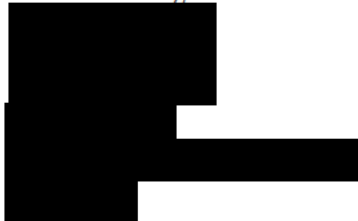
Powerco is one of Aotearoa's largest gas and electricity distributors, supplying around 360,000 electricity and 114,000 gas connections to urban and rural homes and businesses across the North Island. Our energy networks provide essential services and will be core to New Zealand achieving a net-zero economy in 2050.

We agree with the Authority that there are opportunities to improve network connections, as current processes are creating barriers to connecting to networks and slowing down our progress towards a timely and efficient transition to a low carbon economy. We support regulatory interventions that assist the energy transition and protect our customers. Our key messages include:

- While we understand why the Authority has considered **price and non-price issues** separately, these *must* be considered **together as a package** to avoid duplication of interventions and limit the potential for any perverse outcomes.
- **Fewer interventions which deliver the same outcomes should be the Authority's objective**, especially at the fast-track stage, where the potential for unintended consequences is high due to the pace in which they are being rolled out. It is therefore important to carefully balance regulatory goals and tools with the practical realities of utility operations.
- When regulatory interventions are not **proportionate**, they can drive unnecessary complexity, administrative and compliance costs, into processes which ultimately come at a cost to consumers, the very people regulation is trying to protect. **Proposed interventions require a clear quantified cost-benefit analysis to ensure they are targeted to areas where there are clear net benefits to be achieved.**

We are committed to supporting the successful implementation of these regulations and working collaboratively to ensure they deliver value for customers. If you have any questions on this submission, please contact Emma Wilson ()

Yours sincerely,





Powerco response to network connections project stage one amendments

Electricity Authority

20 December 2024



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1. Executive Summary

1. The Electricity Authority's proposals aim to support New Zealand's decarbonisation and promote the efficient adoption of renewable energy sources. Electrification is a key enabler of a low-emissions economy therefore timely and efficient new and upgraded connections to electricity networks are critical.
2. New Zealand is already experiencing a rapid increase in Distributed Generation (**DG**) connections and an increase in access seekers wanting to connect to networks, upgrade their existing connections or seek non-traditional solutions. This increase in connection activity, along with feedback the Authority has received from applicants regarding EDB connection practices, has highlighted several barriers to new and upgraded connections.
3. We agree that the Code requirements for connecting to distribution networks need to evolve to keep pace with New Zealand's changing electricity needs. We support the Authority's goal of making the connection process easier, faster, more equitable, and consistent across distribution networks.
4. The Authority has taken a thorough approach to developing these proposals, including engagement with access seekers, the establishment of an industry technical group, and collaboration with industry organisations such as Electricity Networks Aotearoa (**ENA**) and the Electricity Engineers' Association (**EEA**). We appreciate this level of upfront effort, as it provides a solid foundation of evidence for stakeholders to consider and supports a robust consultation process.
5. We support the intent of the Authority and agree we need to move quickly and focus on implementing a number of "fast track" measures. However, due to the pace in which the Authority is rolling these out without an adequate assessment of the cost-benefits, we don't agree they will deliver the outcomes intended by the Authority and may result in some unintended consequences, which will ultimately come at a cost to customers.
6. Without understanding quantified cost-benefit analysis for each proposed regulation, we believe there is significant risk that price and non-price measures address the same problem and therefore will be less effective and more costly than coordinated and targeted regulations. We understand why the Authority has considered price and non-price issues separately, however, we strongly believe that these need to be considered together as a package to avoid duplication across price and non-price measures.
7. Our key messages are set out in the following, they focus on ensuring the effective implementation and practical workability of the Authority's proposals.

Our key messages include:

- As interventions are intended as a backstop, the Authority should focus on fewer and more effective solutions to achieve more efficient outcomes. Rolling these out at pace increases the risk of unintended consequences.
- The Authority can better meet its intent to improve transparency and provide certainty to access seekers by extending the requirement to provide a pipeline and queuing management systems to medium connections, and eliminating the need for: (i) finite timeframes **at every stage** of the process; and (ii) notifying third parties for applications at the initial application stage, which are likely to work against the outcomes the Authority is trying achieve.
- Carefully balance regulatory goals with the practical realities of utility operations to avoid adverse consequences. We do not support capacity information requirements down to the level proposed **without geospatial presentation**, as this would be extremely difficult for customers to use and interpret. The Authority should instead focus on the *outcome* to provide tools the customer can use, to **encourage innovation** in this space.

- Consider the **differences** between DG and load connections, you cannot simply copy and paste regulated terms for DG, to load connections as DG connections are far fewer in number, more complex and require different considerations.
- Avoid high transaction and administrative costs for smaller customers. Thresholds proposed for load connections are likely to drive more complexity and costs into processes which are not proportionate to the harm they are attempting to fix. We propose:
 - **One** streamlined regulatory **backstop** process for load customers; and
 - **Increasing** the threshold for that **backstop** process to load connections **≥ 1MVA**
- Has a post implementation review to confirm measures are achieving their intended outcomes.

2. Interventions are intended as a backstop

8. We support the intention of the Authority's reforms to remove barriers to timely connection and enhancement of both DG and load connections to ensure they are more efficient e.g. easier, faster, more equitable and more consistent across distribution networks, to better support New Zealand's growth to a net zero economy.
9. The majority of the "non-price" barriers identified by the Authority relate to the process that access seekers follow with EDBs. Like the existing provisions in Part 6, the proposed regulations provide baseline connection procedures and connection terms for access seekers. However, we are concerned about unintended consequences or perverse outcomes that may result from some of the non-price measures proposed. For example, often customers don't know what they want, or don't know if the best solution is simply more capacity or more capacity plus flex, or more capacity plus unregulated components. This dynamic means that a single sequential process is not appropriate, and if mandated, will lead to poorer outcomes for customers.
10. The Authority is required to have regard to the Government Policy Statement (GPS).¹ The GPS has a focus on optimising network capacity to avoid unnecessary costs flowing through to consumers. Our experience with Part 6 to date is that the regulations do ensure access, but this is at a cost to the service customers receive.
11. For example, current regulations give an EDB 30 days to provide certain information to the access seeker (e.g., clause 12 of Schedule 6.1). We have had situations where, in attempting to develop agreements with several access seekers competing for the same hosting capacity, one party has enforced the hard time limits, making it impossible to agree an equitable multiparty arrangement – even though that would have been the more efficient and beneficial (to the access seeker's) outcome. The approach has become legalistic to manage the risk that individual parties use the regulations to time out the process. This is neither the intended outcome of the regulations nor a good experience for any of the access seekers.
12. An important role Part 6 plays, is to provide a backstop for access seekers who are unable to agree terms with EDBs for connection. Rather than mandating a regulated process, access seekers and EDBs should first be able to mutually agree to follow a more streamlined process – reserving the option for the access seeker to revert to regulated terms if the alternative process doesn't work for them.

Proposed baseline protections are likely to have unintended consequences as there is duplication

13. The Authority is intending non-price measures to provide baseline protections, in particular where load customers have limited protections and obligations through the code.² However, we have identified a number of proposed

¹ Government Policy Statement – electricity industry (GPS) issued in October 2024

² Electricity Authority, Network Connections project stage one amendments consultation paper, October 14, at 5.240

interventions that may not achieve the intended outcomes because the Authority is using several different measures which do not work effectively as a package.

14. We encourage the Authority to focus on fewer more effective solutions which will deliver more efficient outcomes, avoiding the risk of ineffective interventions which could work against the outcomes the Authority is trying to achieve. Rather than overlapping or uncoordinated interventions, the Authority needs to focus on the one intervention with the least scope for unintended consequences. We discuss these areas below.

Finite timeframes overlap with requirement to publish pipeline to deliver transparency and certainty

15. The Authority proposes that EDBs approve or decline both DG and load applications within finite timeframes at various stages throughout the application process. As the Authority notes,³ under existing arrangements, applicants have uncertainty and lack transparency around the progress their application is making which creates issues for their project planning.
16. Mandating finite timeframes is about providing certainty and transparency to access seekers on the progress their application is making, however this outcome is already captured by the requirement to publish a pipeline, and with minor refinements, it can better deliver the intended outcomes.
17. Unnecessary resubmission processes, and other potential unintended consequences can be avoided by extending the requirement to publish a pipeline to medium DG and load connections which will provide a better service to customers than mandating finite timeframes for each step in the process.
18. In addition to this and to preserve the intent of the regulation, a single timeframe backstop protection, for both DG and load, (as opposed to timeframes at every stage of the process) could be introduced to trigger a resolution through a light-handed circuit breaker mechanism or more formal dispute resolution, rather than a deemed approval.
19. Prescribing finite timeframes at every stage of the process, in combination with the requirement to automatically approve applications if an EDB fails to meet a timeframe, can have an adverse impact for access seekers and other connection parties. For example:
 - Connection applications may be declined unnecessarily if EDBs are unable to meet default timeframes for reasons outside their control – slowing down the process and causing frustration to customers, which is at odds with the intent to drive more active consideration of applications.⁴
 - Automatically approving applications without proper assessment may impact existing applicants, which could trigger unnecessary administrative and potential legal workarounds to resolve.
20. As all EDBs differ, the Authority is better to shift away from very prescriptive multi-stage application staging with prescribed timeframes as a one size fits all approach to a more outcome focused targets. This would encourage faster connections through publication of EDBs' time to process (or some other metric) connection applications and benchmarking results to incentivise EDBs to process applications faster relative to peers. By:
 - Monitoring and increasing transparency to establish a baseline in the first instance and then
 - Using the baseline as evidence, the Authority is better placed to inform stage 2 of the full reform when it has a better idea of the timeliness of connection applications across EDBs.
21. This limits any potential for unintended consequences as well as delivering certainty and transparency over applications processes to customers through the publication of a pipeline, giving EDBs flexibility to improve connection timeframes through flexible and innovative ways.

³ Electricity Authority, Network Connections project stage one amendments consultation paper, October 14, at 5.32

⁴ Electricity Authority, Network Connections project stage one amendments consultation paper, October 14, at 3.20

Full compliance with standards upfront

22. We appreciate the Authority's proposals to limit speculative or insufficient applications through requiring applicants to:
- comply with distributors' connection and operational standards (**COPS**)⁵
 - pay an initial upfront fee.⁶
23. We welcome the Authority's work with the ENA and EEA for more efficient connection solutions. As part of this work, the EEA is considering how connection and operation standards need to change, Stage 2 of the 'Network connections project' will consider COPS in more detail.
24. Requiring applicants to demonstrate full compliance with all COPS at the initial application stage may add unnecessary complexity and cost at an early stage of the process, in particular when we don't know what these are yet. It may be helpful to base entry requirements on a criterion, at the initial application stage, allowing more detailed information requirements to be addressed later in the process. We are of the view this would improve efficiency and avoid unnecessary requirements for both access seekers and EDBs for projects that may or may not proceed. A feasibility criterion in combination with requiring an upfront non-refundable fee would deter speculative applications, ensuring that only those committed to the process apply.
25. However, if the Authority insists on proceeding with this requirement, we suggest this waits until Stage 2 of the process, when COPS are looked at in more detail and we are better informed around what applicants need to meet to be compliant with COPS.
26. In addition to the above, the Authority has not proposed a change to the prescribed maximum fees⁷ EDBs can charge for applications, with the intention to reassess this at Stage 2. We encourage the Authority to reconsider its position on this as fees are a valuable tool for managing the network connection pipeline, particularly in discouraging speculative projects. For example, Transpower has reported successfully using higher initial application fees within their Connection Management framework to deter speculative applications.⁸

Notifications to third parties

27. Proposed amendments to the Code require distributors to notify third parties,⁹ individuals or entities, who have submitted an initial, interim or final application concerning a part of the distribution network that is potentially affected by the approval of a new application, whenever an interim or final application is made.
28. The introduction of third-party notification to all application stages has the potential to drive significant administrative burden into the connection process. If distributors are required to provide these notifications at the interim stage, applicants are likely to request further clarification on how each new application affects their own. This would lead to continuous cycle of customer responses, creating significant noise and inefficiency within the process, with no practical benefit or value to consumers – when not all applications will proceed.

⁵ Appendix 2, process 2, initial application process: Electricity industry Participation Code 2010 application process schedule 2(2)(i) *information showing how the distributed generation complies with the distributor's connection and operation standards*

⁶ Electricity Authority, Network Connections project stage one amendments consultation paper, October 14, at 5.58

⁷ Electricity Authority, Network Connections project stage one amendments consultation paper, October 14, at 5.61

⁸ Transpower, Decision paper - Changes to the Connection Management Framework, 1 July 2024 p.9

⁹ Electricity Industry Participation Code 2010 Schedule 6.1, Appendix 3 (8) Interim application process

Example of potential issues

On a busy feeder with four applications already in progress, a fifth (new) application may impact the others only under certain combinations of the first four proceeding.

To fully inform applicants, this would require the EDB to prepare a detailed notification outlining all possible connection timing scenarios, without the EDB having any certainty over which scenario will occur.

29. We recommend limiting notification to third parties to situations where a final application is submitted. This approach would reduce unnecessary notifications for projects that may not proceed, streamlining the process and delivering better outcomes for customers.
30. We believe that the pipeline requirements have the potential to provide information and transparency to existing applicants around which potential new applications may impact their connection, without driving further complexity and administrative burden into processes which could adversely impact the service customers receive.
31. Fewer interventions that deliver the same outcome should be the Authority's objective, in particular at the fast-track stage, where the potential for unintended consequences is high.

Negotiation step as a means of minimising the number of disputes

32. The Authority has proposed regulated and prescribed terms which provide obligations and protections for distributors and load applicants when a connection contract is not signed. Alongside this, the Authority has also improved disputes resolution processes and alternative ways to apply operational terms and manage disputes.¹⁰
33. We suggest the introduction of a negotiation step prior to formal disputes resolution to provide a valuable opportunity for EDBs and customers to resolve minor disputes collaboratively before escalating to the dispute resolution scheme. Doing so would:
 - Reduce the potential to drive inefficiencies into the process as EDBs would need to divert resources away from other activities to deal with escalated issues
 - Ensure only those disputes which truly can't be resolved collaboratively have an avenue to give customers a path to resolution
 - Meet the intention of providing a proportionate baseline protection to customers.

3. Prescriptive interventions may stifle innovation and not deliver benefits to customers

34. We fully support the Authority's intent and outcomes they are seeking to achieve with their proposed amendments. However, backstop regulation shouldn't be too prescriptive because it can cause unnecessary compliance costs, duplication and potentially limits EDBs' flexibility and ability to innovate. This highlights the importance of carefully balancing regulatory goals and tools, with the practical realities of utility operations to avoid adverse outcomes.
35. There are two areas where we consider the Authority is being overly prescriptive with the Code amendments at the potential cost of EDBs being able to innovate to deliver for customers.

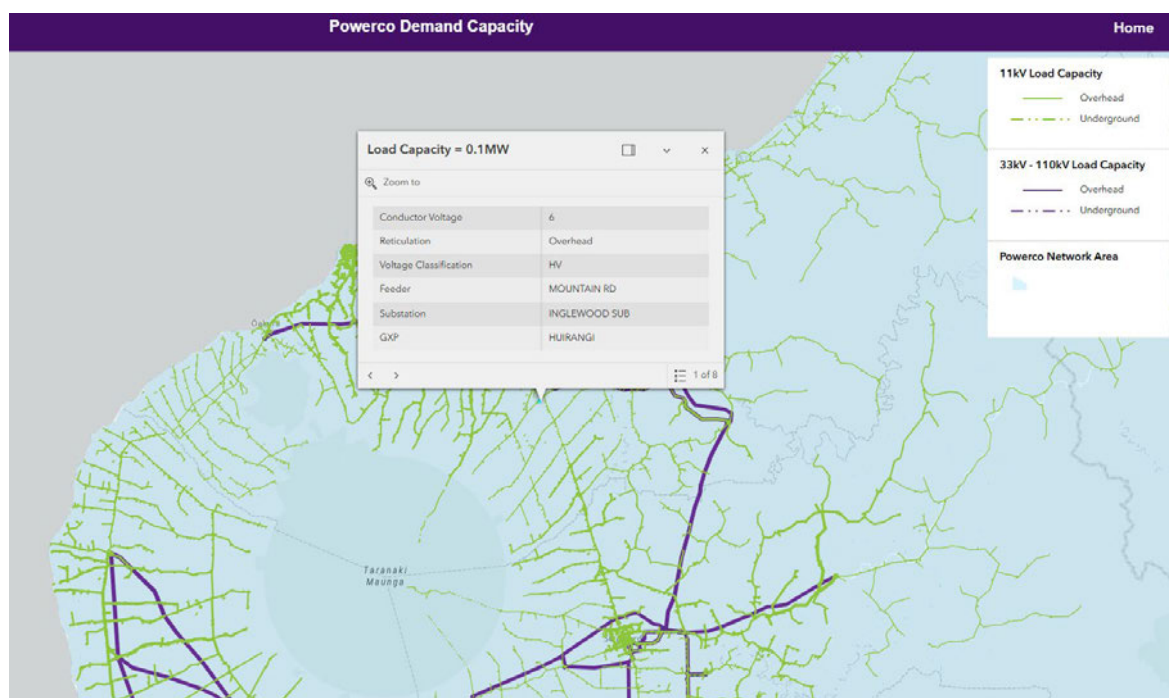
¹⁰ Electricity Authority, Network Connections project stage one amendments consultation paper, October 14, at 7.15

Response to proposed network connections Stage 1 amendments

Capacity information can be delivered in a more digestible form for consumers

36. The Authority is proposing to increase the capacity information distributors must provide such as constraint and capacity information down to the transformer level in order to support more efficient investment decisions.¹¹
37. We recommend the Authority focuses on prescribing the outcome such as requiring EDBs to offer tools for their customers to be able to assess capacity and constraints on their networks. This would ensure that the information is available for access seekers, but in a format in which customers can actually use it.
38. Focusing on the outcome instead of being prescriptive of how to get there, allows EDBs to develop innovative ways to provide this information to their customers. For example, Powerco has developed hosting and demand capacity maps (see figure 1 below) which we have published on our website for access seekers to readily, and easily see where there is capacity to connect to our network. This uses the information the Authority is asking us to publish, but delivered in a way in which consumers can actually consume complex data.

Figure 1. Powerco demand capacity map¹²



39. The proposed amendments as they currently stand are neither practical nor beneficial to customers. Providing constraint and capacity information down to the distribution transformer level will create spreadsheets with thousands of rows of detailed information which customers do not have the expertise to process or understand. Without geospatial presentation, such as interactive maps, this data would be extremely difficult even for expert engineers, let alone the general public to interpret.
40. A comparison of practices among EDBs, like the Authority's scorecard model, is also recommended to encourage continuous improvement while meeting customer's needs and innovation where EDBs could develop friendly self-service tools.

¹¹ Electricity Authority, Network Connections project stage one amendments consultation paper, October 14, at 5.225-5.232

¹² Powerco demand capacity maps – <https://www.powerco.co.nz/get-connected/ev-infrastructure>, DG capacity map: <https://www.powerco.co.nz/get-connected/utility-scale-generation>, Large scale capacity map <https://www.powerco.co.nz/get-connected/commercial-and-industrial-electricity>

Prescriptive process may slow down our connection processes

41. The barriers to new connections and upgrades to existing connections identified by the Authority accurately reflect existing challenges. However, we are concerned that the proposed amendments are overly prescriptive and may not lead to more efficient connection processes, but rather slow them down.
42. We are concerned forcing regulated terms for load connections, rather than using them as a backstop, will slow down our ability to process applications efficiently. We believe the current proposals place too much emphasis on the initial application stage of the connection process. This would require EDBs to allocate more resources and time to application management, potentially delaying and detracting from core activities such as design, and construction that enable the network to accommodate new connections.
43. Additionally, we believe that prescriptive processes may inhibit innovation and limit opportunities for customer centric improvements by having multiple time limit gates. Our goal is to streamline and expedite the connection process for customers, but these proposals may impact that objective because the additional complexity and lead times at the front end often lead to DG parties seeking to initiate multiple parallel streams of work instead of progressing through a clear staged approach e.g. high-level assessment → options/feasibility → concept design.
44. We recommend that the Authority regulates to provide a backstop by having one time limit on the entire process, allowing EDBs and access seekers to agree alternate processes which deliver the actual outcomes customers value faster and more efficiently. Monitoring performance (as outlined above) can then be used to encourage improvement and share outcomes.

4. Proportionate regulation to avoid high transaction costs for smaller customers

45. Regulation in monopoly markets is necessary to protect customers, and we agree with the Authority that Part 6 has not kept pace with the growing number, size and complexity of connections to distribution networks. However, any regulation needs to be proportionate to the harm or market failure the intervention is trying to address. When regulatory interventions are not proportionate, they can drive unnecessary complexity, administrative and compliance costs, into processes which ultimately come at a cost to consumers, the very people regulation is trying to enable and/or protect.
46. Ensuring regulation is proportionate to the harm or market failure requires a clear quantified cost-benefit analysis of measures, segmented by connection size to ensure regulatory interventions are target to areas where there are clear net benefits to be achieved. This is particularly important when the Authority is rolling out reform at pace, and the risk of unintended consequences is high.
47. The Authority has applied this proportionality principle with targeted regulations for DG connection processes, reserving the heavy regulatory interventions for the very largest DG connections. We agree that large DG and load connection processes would deliver benefits to some customers by creating consistent processes. However, these changes may also introduce additional steps and costs into the application process, potentially making connection processes less streamlined and efficient. This is particularly the case for smaller load connections, which make up majority of new connections.¹³
48. We discuss below the adverse consequences of high transaction costs for smaller connections. To ensure customers are protected with an appropriate backstop, while avoiding potentially slowing down connection processes with unnecessary interventions, we propose the Authority alters its proposal for load connections to the following:
 - Prescribe a single application process for load

¹³ For example, Figure 4 on page 32 of the consultation paper, shows that 64% of DG connections above 10 kW are within the range of 10-19kW.

- Increase the threshold for load to $\geq 1\text{MW}$ i.e. separate process for large load customers and one process for the rest.

The threshold for load connections should be higher given the volume of connections

49. The Authority has proposed a medium ($>69\text{kVA}$ and $<300\text{kVA}$) and large ($\geq 300\text{kVA}$) load application process for Part 6, where the Authority is trying to capture the relative complexities of medium and large load applications while allowing for a more streamlined process. The Authority's alternative is to prescribe a single application for load above 69kVA .¹⁴
50. The Authority's proposed load thresholds come from reading across from how they have sized DG thresholds saying they are like-for-like.¹⁵ However, we caution against this because the barriers to efficient DG and load applications are not the same.
51. Connecting load is typically less complicated than DG connections as DG connections are of such significant size and complexity, with levels of potential network impact, whereas load connections are a standard business as usual activity focused on understanding customer requirements, assessing network capability, designing and delivering the connection or solution that enables the customer to connect, and the volume of applications is significantly higher than DG jobs.
52. Formal and structured connection processes for DG and load applications make sense for the very largest customers, but for high volume, low load customers these proposals are likely to drive complexity, administrative burden and cost into transactions, when these proposals are meant to be providing a backstop protection.
53. Transaction and search costs are proportionately much higher for smaller customers and simple processes minimise these costs. The thresholds for prescriptive processes proposed by the Authority will not meet their objectives of encouraging streamlined, standardised process that will provide clarity and efficiency for customers. Heavy regulatory intervention and prescriptive processes should be reserved for the largest customers.
54. Given the this, we propose that the Authority only has one streamlined process for load connections, but increase the threshold to $\geq 1000\text{kVA}$, recognising that this is intended to be a backstop protection for customers and reflects the fact that projects above this level are likely to be more complex. This doesn't prevent EDBs from being customer centric and processing load connection applications faster, but it plays an important role to protect customers as intended.

¹⁴ Electricity Authority, Network Connections project stage one amendments consultation paper, October 14, at 5.166-5.171

¹⁵ Electricity Authority, Network Connections project stage one amendments consultation paper, October 14, at 5.166-5.168

55. Table 1 below highlights the spread of connection sizes currently on Powerco's network, illustrating that the threshold of >69kVA is far too low for the volume of connections and is unlikely to deliver net benefits.

Table 1 Powerco load connections by size¹⁶

Load size	Number of customers
14kVA (up to 3ph63A)	346,657
> Three phase 63-250Amp	1,537
>250A <300kVA	517
>300kVA <1500kVA	585
>1,500kVA	106

DG and load connections are not contractually comparable

56. The Authority's implicit assumption in its proposals is that larger load connections will have connection agreements direct with the EDB, rather than interposed. This is not the case and evidence of the difference between the volume and complexity of generation and load connection applications. Further evidence of the differences is that assets supplying load are regulated under Part 4, whereas DG assets are not.
57. As drafted, the regulated terms for load are intended to backstop the negotiation of a direct connection agreement with the load customer. This would require many access seekers to contract differently from how they would otherwise intend. The proposals should specify whether the relevant terms in relation to that ICP might be contained in a separate agreement with the load customer, or the Default Distributor Agreement (DDA) with the relevant trader. For example, the service that the EDB is providing is not described in the regulated load terms, nor do they oblige the customer to pay for those services.
58. The regulated terms include provisions that would typically appear either in a connection agreement (for conveyance-only) or be addressed in the DDA; e.g. access to premises (which retailers are required to include in their customer contracts on behalf of EDBs). The overlap between the DDA and these terms will create uncertainty and should be resolved in the Code amendment.

5. EDBs should have the obligation to connect when minimum connection standards are met

59. A question was raised with the Authority at the recent webinar as to whether the inclusion of load in Part 6 is *ultra vires* in that it imposes an obligation on distributors to connect load customers. Certainly, under clause 6 (2) of Processes 4 and 5 in the draft Code Amendment,

A distributor must approve an initial application, subject to any conditions specified by the distributor that are reasonably required, if the initial application has been properly made in accordance with Part 6 of this Code; and the information provided in the initial application would reasonably support an assessment by the distributor.

60. This mirrors the obligation to connect generation under Part 6 as currently drafted. We understand from the Authority's response to the question raised on the recent webinar that the Authority has sought legal advice and is satisfied it has jurisdiction to make the change. Powerco supports the principle that in an open access regime,

¹⁶ Powerco FY25 electricity distribution charges, [fy25 bay-of-plenty-tauranga-pricing-1-april-2024-31-march-2025.pdf](#)
[fy25 coromandel-thames-pricing-1-april-2024-31-march-2025-v2.pdf](#) *fy25 western-lines-pricing-1-april-2024-31-march-2025.pdf

EDBs should have an obligation to connect access seekers who meet minimum connection standards on efficient terms.

61. We note that the 'prescribed' terms exist to accommodate the fact that the Code cannot create obligations for applicants that are not industry participants.
62. The upshot of this is that the distributor can take various default-type actions if the applicant does not perform in various ways. If the parties cannot negotiate a connection agreement, it is executed against these prescribed terms, which are explicitly not enforceable against the applicant, because they are not a contract and the applicant is not required to comply with them as a matter of Code.
63. This is particularly inadequate both for the recovery of overdue charges and the recovery of compensation for damage to the distributor's assets, where allowing the distributor to disconnect the applicant does not provide the distributor a meaningful remedy.
64. A Code obligation on the EDB to offer to contract on the basis of the prescribed terms, or such other terms as the parties agree, so that there is an enforceable contract between the parties (and, conversely, the EDB does not have to connect the applicant if they will agree to neither the prescribed terms nor an alternative agreement) would achieve the same outcome without relying on unenforceable and potentially incomplete prescribed terms.
65. A 'must-offer contract' approach does not infringe on the Authority's powers because it doesn't create a Code obligation for non-participant applicants, but it does ensure there are enforceable obligations as a matter of contract.
66. To make the 'must-offer contract' approach workable, the prescribed terms should include a provision stating that unless the parties agree otherwise the terms of the contract are automatically deemed updated whenever there is a change to the prescribed terms as set out in the Code – this avoids inappropriate 'grandfathering' of existing contracts whenever the Code version is updated. The same should apply to the regulated terms if the Authority decides to apply a 'must-offer contract' approach in that context.

Post implementation review

67. Given the speed in which the Authority is rolling out these reforms, with little time to sufficiently consider the costs/benefits of each individual intervention and how these fit together as whole, it's essential that there is an opportunity to review / refine these interventions as the risk of adverse outcomes is high.
68. A post-implementation review is essential to confirm that the measures are achieving their intended outcomes. This process will also provide an opportunity to reassess the landscape and identify any remaining barriers to new connections before pursuing further regulatory developments in its stage 2 programme of work.

Appendix A: Electricity Authority submission form (response to the consultation paper questions)

Questions

Proposal A questions: Amend the application processes for larger-capacity DG applications

A) What are your thoughts on the proposal to replace nameplate capacity with maximum export power?

We support this proposal, however to make this practical we suggest:

- guidance and/or clarification on how the maximum export power is calculated
- informing how maximum export power is going to be treated in a future state scenario where there is increasing levels of DG penetration, which makes curtailment a likely requirement for distributor networks to comply with regulatory limits.

B) Do you support the proposed Process 2 for medium DG (>10kW and <300kW), including the proposed requirements and timeframes? What are your thoughts on the proposed size threshold? What other changes would you make to the medium DG application process, if any?

- We agree that Part 6 has not kept pace with the growing number, size, and complexity of Distributed Generation (DG) applications, highlighting the need for a comprehensive review and we support the introduction of an application and approval process specifically for medium DG connections.
- We suggest extending the upper threshold from 300 kW to 1 MW to better accommodate a wider range of medium size and complexity DG projects and encourage efficient, consistent processing.
- For smaller connections, final approval conditions should be standardised but allow for flexibility based on specific circumstances where justified.
- As discussed in section 2 above, we do not support mandating finite timeframes at every stage of the process, but rather to preserve the intent of the regulation a single timeframe backstop protection i.e. one timeframe for the whole process. We recommend limiting regulations to a backstop that would trigger dispute resolution but allows the EDB and access seekers to agree to a more streamlined and flexible process that is better able to achieve timely and efficient connections. Automatically approving applications if an EDB misses an approval or extension deadline could have unintended consequences for the EDB, the connecting party, and other customers.
- Requiring applicants to demonstrate full compliance with all the distributor's connection and operational standards at the initial application stage may be excessive, adding unnecessary complexity and cost at an early stage. We suggest focusing initial requirements on key feasibility criteria, allowing more detailed standards to be addressed later in the process. This approach would improve efficiency and avoid unnecessary requirements for projects that may not proceed.
- We believe there must be consideration of technical performance obligations that a DG must comply with, for example if the DG signs up with an Aggregation service provider to operate as a Virtual Power Plant, we would want to ensure that the DG has the ability to ride through a transient voltage disturbance and not trip off.
- Introducing a negotiation step prior to formal dispute resolution could provide a valuable opportunity for EDBs and customers to resolve minor issues collaboratively before escalating to the dispute resolution process. Additionally, clarity is needed on how to handle multiple final applications when one party has initiated a dispute that is under review.
- If a final application is deemed inadequate, it should be rejected or paused, allowing the connecting party to address the deficiencies and resubmit or reinstate their application.

C) Do you support the proposed Process 3 for large DG applications ($\geq 300\text{kW}$), including the proposed requirements and timeframes? What are your thoughts on the proposed size thresholds? What other changes would you make to the large DG application process, if any?

- We recommend increasing the threshold for large DG applications to 1 MW to ensure that heavy regulations are limited only to the largest DG connection applications. We also want to ensure that technical performance obligations are put in place for DGs to comply with. Large DGs grouped together can collectively impact on network stability and performance, similar to smaller-scale DGs pooled together (aggregated) to form a VPP (virtual power plant).
- The introduction of an interim application stage is a positive step. This stage recognises the value of impact assessment studies, which help inform feasibility, identify additional connection requirements early in the process and provides the basis for assessing final application. It also provides information for assessing multiple applications in a contesting context.
- Instead of automatically approving applications if an EDB misses an approval or extension deadline, we recommend considering an alternative solution that offers flexibility while maintaining timely application processing. For instance, the ability for the EDB and access seeker to jointly agree a more streamlined process, with a regulated backstop that triggers dispute resolution.
- We suggest focusing initial requirements on key feasibility criteria allowing more detailed standards to be addressed later in the process.
- We believe it would be more practical to notify third parties only when the final application is submitted, rather than at the interim application stage. This approach would reduce unnecessary notifications for projects that may not proceed, streamlining the process.
- Additionally, we are unsure why the information in clause 2(3)(s) (any other information required by the System Operator) is being drawn into the initial application to the EDB. Currently, DG parties are required to notify and liaise with the System Operator regarding this information. We recommend maintaining this approach.
- The System Operator requires information of DG $> 1\text{MW}$ entered in the Asset Capability Statement (ACS). To make the process more efficient for customers, clarity on the level of detail of information required for ACS should be given.

D) Do you think the Authority should apply any of the proposed changes for large DG to medium DG applications also?

- We support the Authority's tiering of regulation to different connection sizes, better to ensure that the cost of compliance is proportionate to the benefits that it delivers. However, we note that there could be instances where a medium DG is really impactful and/or disruptive on the network i.e. a 500kW array. It would be good to be able to apply the large DG process in circumstances where assessment of such a connection deemed it 'high impact'

E) What are your thoughts on industry developing the detailed policies to complement the Code changes proposed in this paper?

- We support, however, we are concerned about how quickly these guidelines or policies can be created considering there needs to be consensus reached across industry stakeholders. Ultimately, the guidelines must be pragmatic and be able to be implemented by any distributor – large or small. We should also consider if the workforce has the right skills and capabilities to carry out the assessments, and what tools and training they will need.

F) What are your thoughts on the Authority's summary of capacity rights allocation?

- We support the proposal that any compensation for the reallocation of capacity rights be on commercial terms.

- It should be explicit that the distributed generator loses capacity rights if in default of the works agreement.
- We also seek clarity for conditional capacity rights in situations when it involves Transpower's assets e.g. a GXP transformer, how this is to be determined and whether Transpower should be involved in granting the conditional capacity rights in this situation.

Proposal B questions: Add application processes for larger-capacity load

G) For Process 4 for medium load (>69kVA and <300kVA) applications:

- Do you support the proposed process and why?
- What are your thoughts on the proposed requirements, size thresholds and timeframes?
- What changes would you make to the medium-load application process, if any?

- We do not support application processes for Process 4 for medium load (>69kVA and <300kVA), as we feel it will not achieve the objectives set out by the Authority. These processes run counter to the goals of encouraging streamlined, standardised processes that provide clarity and efficiency for customers.
- The threshold for medium and large load should be >1MVA.
- Connecting load is a standard business as usual activity focused on understanding customer requirements, assessing network capability, and designing and delivering the connection or solution that enables the customer to connect.
- We believe that the proposed application process adds administrative effort, cost and lead time that is not focused on the actual connection activities. Drawing on our experience with the regulated Part 6 process for distributed generation, the proposals will result in a default process that is legalistic and suits neither the access seeker nor the EDB. Better to establish the regulations as a backstop which triggers dispute resolution but allows the parties to mutually agree.
- Adhering to pricing principles will be more effective in achieving the Authority objectives.
- If an application, assessment and approval process is desired (capacity accessing) then it should be for loads >1MW.
- We would support standardising EDB's staging and design approaches that is jointly developed and done well.

H) For Process 5 for large load (≥300kVA) applications:

- Do you support the proposed process and why?
- What are your thoughts on the proposed requirements, size thresholds and timeframes?
- What changes would you make to the large load application process, if any?

- For consistency without suggesting that the medium load tier be defined as 300kVA-1MVA, the threshold for the large load applications should be set to 1MVA, being a larger industrial pricing tier.
- If we continue to improve our initial phasing, approach to collaborative options assessment, and delivery pathways, we believe that we can exceed the outcomes envisioned by the Code amendments and customer expectations. Our preference, is to focus on achieving these higher standards, delivering outcomes that are both better and more efficient than those mandated by the Code. However, we are concerned that compliance with Process 5 for large load may hinder this progress.
- The provision allowing EDBs and customers to agree on an approach outside of Process 5 offers a potential mechanism to achieve superior efficiency and service. However, this will only be effective when the customer is willing to agree to such an alternative approach. It would be preferable for the EDB and access seeker to be able to agree to a streamlined process with Process 5 backstop circuit breaker

triggering dispute resolution (different from what has been proposed) rather than describing a multi-stage process with regulated time gates and prescribed terms.

- We think it would be more practical to notify third parties only when the final application is submitted, rather than at the interim application stage. This approach would reduce unnecessary notifications for projects that may not proceed, streamlining the process.
- The consultation paper discusses capping fees (with stage two of the network connections project set to consider prescribed maximum fees). We are concerned that such caps could remove a valuable tool for managing the network connection pipeline, particularly in discouraging speculative projects. For example, Transpower has reported successfully using higher initial application fees within their Connection Management Framework to deter speculative applications.

I) Do you think the Authority should apply any of the proposed changes for large load to medium-load applications also? If so, which ones and why?

- No. As we argue above, it is important that regulatory costs are proportionate to the harm they address.

J) What are your thoughts on the Authority's summary of capacity rights allocation?

- We agree with the principle of progressive staging of capacity rights but note the overlap with the Authority's proposals for a pioneer scheme in the companion distribution connection pricing proposed Code amendment consultation paper.¹⁷ A pioneer scheme would manage the reallocation of monies related to capacity where customers had contributed to the commissioning or enhancement of connection assets which are subsequently shared with other access seekers. Refer to Incenta's report for more details on this.¹⁸
- However, we question how capacity rights align with the approval process for load connections, particularly in scenarios where a party commits to fully fund the necessary infrastructure and the distributor agrees to confer those capacity rights. This approach could become overly complex and potentially confusing, especially if differing interpretations arise regarding the commitments and obligations of each party.

K) What else does the Authority need to consider beyond the proposals in this paper and why?

- There should only be a prescribed process for large connections > 1MVA.
- External conditions needs clarification. E.g. a customer waiting on gas pricing to reach a certain level before committing to electrification of their process heat plant can mean that the application stays in the interim approval status with conditional capacity rights allocated for a long time before final approval is sought.

Proposal C questions: Require distributors to publish a 'network connections pipeline' for large-capacity DG and load, and provide information on this pipeline to the Authority

L) Do you support the proposed network connections pipeline, why, why not? What changes would you make, if any? What are your thoughts on the scope of the information to be published?

- We support the concept of a network connections pipeline for large, distributed generation and load connections and have seen the benefits of publishing project details for access seekers.
- We believe published pipelines will create efficiencies and accelerate decarbonisation efforts.

¹⁷ Electricity Authority, Distribution connection pricing proposed Code amendment consultation paper, October 2024 pp. 39-45

¹⁸

- We are already implementing this at a high level. We maintain a pipeline and publish relevant aspects on our website. However, we have yet to establish well-defined key milestones to ensure that projects in progress are actively advancing.
- We agree that the pipeline should only be for large connections. Consistent with our comments above, we recommend setting the thresholds at greater than 300kW for DG and 1MVA for load. Large connection applicants will benefit from a network connection pipeline, as these customers are more likely to be affected by other connection applicants. For smaller connections, we believe that capacity maps and clear disclosures of the connection process, including timeframes, current stage, and next steps, provide sufficient information.
- While we support the pipeline, we don't think the queuing management system will deliver on the Authority's intent, to understand why, it is helpful to distinguish between the benefits of pipeline and queuing processes:
 - Pipelines provide transparency and confidence to access seekers that, once accepted, their applications are progressing to policy
 - Queuing processes manage the risk that motivated access seekers subvert the pipeline to get valuable network access on different terms to others
- Powerco's experience with pipeline management is similar to Transpower's:
 - It discourages speculative projects or those needing further preparation, creating efficiencies by ensuring EDBs focus their time and efforts on projects likely to proceed. Transpower has successfully leveraged an increased initial application fee to discourage speculative projects.
 - It provides applicants with greater certainty; for example, some may choose not to apply based on visible pipeline status.
 - A "first-ready, first-served" approach can expedite the effectiveness of a pipeline, rather than multiple stage gates which can result in an unintendedly legalistic process.
 - Setting contract agreements with key milestones will help maintain pipeline progress and avoiding delays from stalled projects.
 - It enhances the customer experience.
- A key challenge for EDBs is the scale of connections. Unlike Transpower, EDBs handle a high volume of connections simultaneously, with scheduling affected by numerous factors, including customer readiness. This makes it difficult to assign precise pipeline positions. To manage queuing, prioritisation, and readiness assessment for high application volumes, we'll need to develop new systems and processes, including some automation in approvals.
- Significantly, Transpower's Connection Management Framework only currently applies to generation. While Transpower has indicated an intention to extend the Framework to load, it may be sensible to follow a similar sequence in the Part 6 reforms – limiting Fast Track pipeline regulations to DG and extending them to load, after review in Stage 2.
- The Authority notes¹⁹ limited information on available capacity as a core issue with current arrangements. Our DG and load hosting capacity maps address this by providing insights into available capacity.²⁰
- We appreciate the Authority's approach of allowing EDBs flexibility in how they develop, implement, and disclose their connection pipelines, enabling each EDB to tailor the approach to suit its unique customers, network, and systems.

¹⁹ Electricity Authority, Network Connections project stage one amendments consultation paper, October 14, 5.200

²⁰ The high voltage demand capacity map is accessible via <https://www.powerco.co.nz/get-connected/commercial-and-industrial-electricity>
The distributed generation capacity map is accessible via <https://www.powerco.co.nz/get-connected/utility-scale-generation>

- We expect to combine DG and load connections into a single pipeline, which should improve efficiency and support equitable network access for both customer types.
- We recommend setting the thresholds at greater than 1 MVA for load and 1MW for DG.

M) What are your thoughts on the proposal for distributors to provide information directly to the Authority on an ongoing basis?

- As we note alongside figure 1 above, Powerco has developed demand capacity maps which we have published on our website for access seekers to readily, and easily see where they can connect to our network which uses the information the Authority is asking us to publish, but delivered in a way in which consumers can actually consume complex data.
- As the Authority notes²¹, the Commerce Commission's requirements are for EDBs to produce zone substation data in geospatial form by 31 August 2025. We disagree with the Authority's suggestion that network capacity information should not be required in geospatial form²² given that it would be unintelligible and useless. We support the suggestion that EDBs provide information in a form that is useful to access seekers (rather than the Authority *per se*) on an ongoing basis where known but emphasise that any such requirement will be ineffective unless the data is made available in geospatial form.
- Giving the Authority confidential information may be an issue for Powerco due to Privacy Law. We do not see how knowing the identity of the customer helps the Authority make better holistic planning and decision-making.

Proposal D questions: Require distributors to provide more information on network capacity

N) What do you think of the proposal to publish more information on network capacity? What challenges do you see with providing the data? What changes would you make, if any?

- We support the intent of this proposal — providing customers with capacity information so they can assess whether their desired connections are feasible. However, we believe the proposed approach could be improved.
- For instance, providing constraint or capacity information down to the distribution transformer level may not be practical or valuable. Without geospatial presentation, such as interactive maps, this data would be extremely difficult for customers to interpret or use effectively. Thousands of rows of detailed information are unlikely to be useful, more data isn't necessarily better. For smaller connections (typically $\leq 300\text{kVA}$), we also anticipate automating approvals and upgrading transformers as needed, making highly detailed data at the distribution transformer level less relevant.
- Additionally, overly prescriptive requirements could stifle innovation in how this information is delivered to customers. We recommend that EDBs focus on developing customer-friendly, self-service tools to provide capacity information. For example, we already provide high-voltage demand capacity maps online for larger customers, offering clear and actionable insights.
- We believe a less prescriptive approach, combined with comparison of practices among EDBs, like the Authority's pricing scorecards model, would better encourage continuous improvement while meeting customer needs.
- The capacity published is a snapshot taken in time and is a deterministic quantity, e.g. summer circuit rating. In reality, if a time series load profile is considered for the loads & DGs, then a dynamic rating profile should be used for the assessment of the connection.

O) What are your thoughts on the scope and granularity of the information to be published?

²¹ Electricity Authority, Network Connections project stage one amendments consultation paper, October 14, at 5.217

²² Ibid 5.227

- We note the Authority is proposing to limit the requirement to publish data to that “where known” but also that access seekers will require visibility of network capacity on low voltage networks.
- We do not agree that requiring low voltage capacity data in any form other than geospatially will “support ongoing access to networks” in any substantial way. To this end, while the Authority concludes that its proposal ‘does not add costs for distributors to gather’, it would not be net beneficial because the information would be effectively unusable.
- Pragmatically, the Authority should align the timing of a requirement to publish geospatial information on network capacity at an LV level with its work on LV data access and matching allowable cost recovery through Part 4.

Proposal E questions: Update the regulated terms for DG

P) What are your thoughts on the proposed changes to the regulated terms?

- The Authority proposes to remove clause 15A of the regulated terms, which currently requires the distributed generator to construct the distributed generation within 18 months of final approval, or a later date agreed by the parties.
- The Authority’s rationale is that this is no longer required given the proposal to manage DG applications through the queueing and management process. Under the proposal, that only applies for Process 3 (DG > 300kW) and Process 5 (load >300kVA). For all other categories, once final approval has been granted, the distributor is obliged to allow the applicant to connect on the regulated terms/prescribed terms as soon as practicable once the period for negotiation of a connection contract has expired and the applicant has met the connection conditions reasonably specified by the distributor in the final approval; from then on, the regulated terms/prescribed terms require the distributor to use reasonable efforts to minimise interruptions to the connection.
- Accordingly, for DG < 300 kW and load <300kVA, there is nothing in Part 6 that would entitle the distributor to revoke or deprioritise an approved project due to delays in constructing the assets, potentially resulting in a situation where an applicant with a final approval can ‘bank’ capacity rights (to the detriment of other applicants) indefinitely. At a minimum, the Code should make clear that Distributors are entitled to set conditions as part of each final approval that allow the final approval to be revoked or deprioritised if the load or generation is not ready within (say) 18 months of final approval.

Proposal F questions: Add regulated and prescribed terms for load applications and amend dispute resolution requirements

Q) What are your thoughts on the proposed regulated and prescribed terms for load? What changes would you make, if any?

- As we note above, the proportionate response would be to allow for negotiated terms with a circuit breaker such as disputes resolution process as a back stop protection for customers.
- We don’t think regulated and prescribed terms for load are necessary and recommend the Authority reconsider whether it is consistent with the intention to rely principally on information disclosure in relation to connection pricing whilst at the same time implementing a large number of mandatory measures in relation to non-price elements of load connections.

R) What are your views on the proposed dispute resolution changes for Part 6? In what ways could dispute resolution be further improved? What are your thoughts on the alternative options to deliver dispute resolution discussed in this paper? Do you have any feedback on the 20-business day timeframe proposed?

- We broadly support the intent but note our suggestion that the regulated processes for connection should be overall backstops which trigger a light handed circuit-breaker or more formal dispute resolution process.
- We recommend the introduction of a negotiation step prior to formal dispute resolution would provide a valuable opportunity for EDBs and customers to resolve minor issues collaboratively before escalating to a formal dispute resolution process.

S) Do you consider the alternative contractual terms option discussed in this paper (and in the Distribution connection pricing consultation paper) would be better than the proposal without contractual terms? What are your thoughts on the other alternative options referred to?

- Consistent with our observations above, we support the idea of alternative contractual terms if regulated processes are cast as a backstop triggering a light handed circuit-breaker or more formal dispute resolution process rather than describing a multi-stage process with regulated time gates and prescribed terms.

Proposal G questions: Increase record-keeping requirements for distributors

T) Do you support the proposal to increase the record-keeping requirements for distributors and why? What changes would you make, if any?

- We have made repeated observations about the importance of ensuring the costs of regulation are proportionate to their benefits. To ensure this, as well as suggesting that benefits and costs should be quantified for regulations at different sizes of connection, we have suggested that the pipeline obligations could be generalised to achieve many of the benefits the Authority is pursuing without imposing costly obligations on EDBs.
- The record keeping proposals in the draft Code amendment could be incorporated with the backstop pipeline management regulations – requiring no more than that the EDB does no more than keep records on a customer-friendly process.

Proposal H questions: Introduce new Part 1 definitions and amend existing definitions (Part 1 only)

U) What are your thoughts on the proposed new definitions and amended definitions for Part 1 of the Code? What changes would you make, if any?

- None

V) What other terms do you think the Authority should define and what definitions do you propose for those terms?

- None

Proposal I question: Make minor and incidental amendments to Part 6

W) What are your thoughts on the proposed minor and incidental changes to Part 6? What minor and incidental changes has the Authority missed and what changes would you make, if any?

- None

Transitional arrangement questions

X) What are your thoughts on the transitional arrangements for the proposals in this paper? Submitters can consider individual proposals when responding to this question.

- We have suggested quantifying the benefits of reform and coordinating price and non-price regulations to ensure the greatest public benefit, particularly with fast-track reforms.
- But if the Authority has evidence that there is a problem and that it's in the public interest to intervene, then the Authority should proceed at pace. We have argued in our submission on connection pricing reform that financeability should not be a barrier to EDBs changing their contribution policies, and coordination with the Commission is capable of resolving any related issues.

Y) What proposals do you consider the most important? How long do you think is needed to implement these?

- Clearly the priority is around large load and DG connections where we have suggested that the pipeline requirements could address many of the other non-price barriers the Authority has suggested and where pricing reforms applied only to the very largest load connections are particularly important.

Code drafting question

Z) Do you have comment on the Authority's drafting of the proposed Code changes? What changes would you make, if any?

To affect the intention that the process regulations in Schedule 6.1 have the effect of a backstop, add a new clause (e) to 6.4 (Distributor and applicant may agree to simpler process for existing connection) based on the new "Principles and requirements for operational terms" in the final version of Part_12A_-_Distributor_Agreement_Amendments²³:

6.4A Distributor and **distributed generator applicant** may agree to simpler process ~~for existing connection~~

The parties agree to terms which are

- (a) be consistent with the **Authority's** main objective in section 15 of the **Act**; and
- (b) reflect a fair and reasonable balance between the legitimate interests of the **distributor** and the requirements of the **applicant**

And add a new condition under 6.8 Dispute Resolution

(c) within 50 **business days** after the date of receipt of a completed application made in accordance with clause 2, the **distributor** has not given notice in writing to the **applicant** stating whether the application is approved or declined.

50 days being the 30 days under clause 3 and 20 days under clause 4 (extensions) in 5 processes of Appendix 1

²³ <https://www.ea.govt.nz/documents/6057/FINAL - Code - Part 12A - Distributor Agreement Amendments - 25 NOV 24 - NM.pdf>

Appendix B: Suggested Code Drafting Changes

Code drafting question

z) Do you have comment on the Authority's drafting of the proposed Code changes? What changes would you make, if any?

Yes. Powerco has proposed drafting changes. We have adopted the Electricity Authority's approach to edits i.e.,

As there are proposed edits throughout Part 6, Powerco has included the proposed Part 6 of the Code *Connection to distribution networks* in its entirety.

The Code wording in Appendix A is set out as:

- a) unchanged text remains black
- b) the Electricity Authority's added text or formatting is red underlined
- c) the Electricity Authority's deleted text is ~~red strikethrough~~
- d) Powerco's added text or formatting is purple underlined and shaded grey
- e) Powerco's deleted text is ~~purple strikethrough and shaded grey~~

Where the Electricity Authority has proposed more than three amendments to an existing clause, the entire clause is red underlined. Where Powerco has proposed more than three amendments to an existing clause, the entire clause is purple underlined and shaded grey.

Electricity Industry Participation Code 2010 Part 1

Preliminary provisions

applicant, for the purposes of Part 6, means any person who:

- (a) applies to a **distributor** to have **load** or **distributed generation** **owned or** operated by that person connected to a **distribution network** or to a **consumer** installation that is connected to a **distribution network**, including by a **network extension**; or
- (b) applies to a **distributor** to continue an existing connection of **load** or **distributed generation** in the circumstances specified in clause 6.1(b)(ii) and (iii); or
- (c) is a **distributed generator** and applies to a **distributor** to change the

maximum export power or fuel type of connected **distributed generation**; or

(d) is a **consumer** and applies to a **distributor** to change the connected capacity of the person's **load** connection.

connection and operation standards, in relation to a **distributor** or **distributed generation or load**,—

- (a) means requirements, as amended from time to time by the **distributor**, that—
 - (i) are set out in written policies and standards of the **distributor**; and
 - (ii) relate to connecting **distributed generation or load** to a **distribution network** or to a consumer installation that is connected to a **distribution network**, and the operation of the **distribution network**, including requirements relating to the planning, design, construction, testing, inspection, and operation of **distributed generation or load** that is, or is proposed to be, connected; and
 - (iii) are made publicly available in accordance with clause 6.3; and
 - (iv) reflect, or are consistent with, reasonable and prudent operating practice; and
- (b) includes the following, as amended from time to time by the distributor:
 - (i) the **distributor's** congestion management policy, as referred to in clause 6.3(2)(d); and
 - (ii) the **distributor's** emergency response policies; and
 - (iii) the **distributor's** safety standards; and
- (c) until 1 September 2026, may include the **distributor's** policies for specifying available **maximum export power** amongst categories of network users, a **maximum export power** threshold for applications under Process 1A of Schedule 6.1, and the methodology used to determine that threshold

connection contract, for the purposes of Part 6, means a contract for the connection of **distributed generation or load** to a **distribution network**

distributed generator, for the purposes of Part 6, means a person who owns or operates ~~or intends to own or operate~~ **distributed generation**

final application, for the purposes of Part 6, means an application made under clause 7 of Appendices 2 and 4 of Schedule 6.1 and clause 12 of Appendices 3 and 5 of Schedule 6.1

flexible connection means an arrangement whereby an **applicant's** export or import of **electricity** is managed (often through real-time control) based upon contracted and agreed principles of available capacity

generating plant means equipment collectively used for generating **electricity**. For the purposes of Part 6, this includes **energy storage systems**.

bi-directional chargers, inverters and equipment that converts solar energy to **electricity**, and which inject **electricity** into a **distribution network**

grouped applications means, for the purposes of Part 6, a **first final application**, a **second final application**, and one or more **further final applications** that the **distributor** receives within 20 **business days** of the **first final application** and that the **distributor** is required to consider simultaneously under Appendices 2, 3, 4 and 5 of Schedule 6.1

initial application, for the purposes of Part 6, means an application made under clause 2 of appendices 2, 3, 4 and 5 of Schedule 6.1

interim application, for the purposes of Part 6, means an application made under clause 7 of appendices 3 and 5 of Schedule 6.1

interposed arrangement has the meaning given in Part 1 of the Code (Preliminary provisions)

load means, for the purposes of Part 6, any connection to a **distribution network** or to a **consumer installation** that consumes more than ~~69 kVA~~ **1MW** of **electricity**, other than **distributed generation**

maximum export power means the maximum **active power** exported into a ~~**network**~~ ~~the **local network** or **embedded network**~~ at an **ICP** of a **distributed generator**, and is equal to—

- (a) the **nameplate capacity** of the **distributed generation** minus the minimum **load** at the **point of connection**; or
- (b) the **active power** export limit imposed by an **active power** export control device

network connections pipeline, for the purposes of Part 6, means the applications to a **distributor** under Part 6 to connect **distributed generation** or **load** to the **distribution network** of the **distributor**, by **network**, ranked in the order of their priority position for consideration of those applications by the **distributor**.

prescribed terms means the terms set out in Schedule 6.2B

process 1, for the purposes of Part 6, means the process that applies to applications to connect **distributed generation** that has a **maximum export power** of 10 kW or less to a **distribution network** under appendix 1 of Schedule 6.1

process 1A, for the purposes of Part 6, means the one-stage process that applies to applications to connect **distributed generation** that has a

maximum export power of 10 kW or less to a **distribution network** under Appendix 1A of Schedule 6.1

process 2, for the purposes of Part 6, means the process that applies to applications to connect **distributed generation** that has a **maximum export power** above 10 kW and below 300 kW to a **distribution network** under Appendix 2 of Schedule 6.1

process 3, for the purposes of Part 6, means the process that applies to applications to connect **distributed generation** with a **maximum export power** of 300 kW or more to a **distribution network** under Appendix 3 of Schedule 6.1

process 4, for the purposes of Part 6, means the process that applies to applications to connect **load** above 69 kVA and below 300 kVA to a **distribution network** under Appendix 4 of Schedule 6.1

process 5, for the purposes of Part 6, means the process that applies applications to connect **load** of 300 kVA 1MVA or more to a **distribution network** under Appendix 5 of Schedule 6.1

queueing and management policy means each **distributor's** policy for queueing and managing an application to connect **distributed generation** or **load** to a **distribution network**, and to change the capacity of a **distributed generation** or **load** connection, required under Part 6, where—

(a) queueing includes the distributor's processes to set the priority position of, and manage, applications in the **network connections pipeline**

(b) managing includes the **distributor's** process for managing applications with final approval to construction and completion, including setting project milestones, applying tolerance, and what occurs when project milestones are missed

regulated terms means the terms set out in Schedule 6.2 and Schedule 6.2A

second final application means, for the purposes of Part 6, a **final application** that a **distributor** receives within 20 **business days** after the date on which the **distributor** receives a **first application**, and **second final applications** has a corresponding meaning.

Electricity Industry Participation Code 2010

Part 6

**Connection of distributed generation Connection to
distribution networks**

Contents

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Process for obtaining approval

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Confidentiality

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Costs

Appendix 1

Process 1: Applications for distributed generation with maximum export power of 10 kW or less in total

Application process

Post-approval process

Appendix 1A

Process 1A: Applications for distributed generation with maximum export power of 10 kW or less in total in specified circumstances

Appendix 2

Process 2: Applications for distributed generation with maximum export power above 10 kW and below 300 kW in total

Initial application process

Final application process

Post-approval process

Appendix 3

Process 3: Applications for distributed generation with maximum export power 300 kW and above in total

Initial application process

Interim application process

Final application process

Post-approval process

Appendix 4

Process 4: Applications for load above 69 kVA and below 300 kVA in total

Initial application process

Final application process

Post approval process

Appendix 5

Process 5: Applications for load 300 kVA 1MVA and above in total

Initial application process

Interim application process

Final application process

Post-approval process

Schedule 6.2

Regulated terms for distributed generation

General

Meters

Access

Interruptions and disconnections

Confidentiality

Pricing

Liability

Schedule 6.2A

**Regulated terms for load connections under ~~Process 4 and~~ Process 5 of Schedule 6.1
when applicant is a participant**

General

Meters

Access

Interruptions and disconnections

Confidentiality

Liability

Schedule 6.2B

**Prescribed terms for load connections under ~~Process 4 and~~ Process 5 of Schedule 6.1
when applicant is not a participant**

General

Meters

Access

Interruptions and disconnections

Confidentiality

Liability

Schedule 6.3

Default dispute resolution process

Schedule 6.4

Distributed generation Pricing-pricing principles

Share of generation-driven costs

Repayment of previously funded investment

Non-firm connection service

Schedule 6.5

Prescribed maximum fees

6.1 Contents of this Part

This Part specifies—

- (a) a framework to enable the connection and continued connection of **distributed generation and load to a distribution network** if consistent with **a distributor's connection and operation standards**; and
- (b) in Schedule 6.1, processes (including time frames) under which applicants ~~distributed generators~~ may—
 - (i) connect **distributed generation or load to a distribution network**; or
 - (ii) continue an existing connection of **distributed generation or load to a distribution network** if the connection contract for the **distributed generation connection**—
 - (A) is in force and the **distributed generator applicant** wishes to extend the term of the connection contract; or
 - (B) has expired; or
 - (iii) continue an existing connection of **distributed generation or load to a distribution network** that is connected without a connection contract if the **regulated terms or prescribed terms** do not apply; or
 - (iv) change the **nameplate capacity maximum export power** or fuel type of connected **distributed generation**; or
 - (v) change the capacity of a load connection; and
- (c) in Schedule 6.2, the **regulated terms** that apply to ~~the connection of distributed generation~~ in the absence of ~~contractually agreed terms a connection contract~~; and
- (ca) in Schedule 6.2A, the **regulated terms** that apply to load in the absence of a connection contract when a distributor and an the applicant who is a participant agree to contract on the basis of the regulated terms; and
- (cb) in Schedule 6.2B, the **prescribed terms** that apply to load in the absence of a connection contract when a distributor and the an applicant who is not a participant agree to contract on the basis of the prescribed terms; and
- (d) in Schedule 6.3, a default dispute resolution process for disputes related to this Part; and
- (e) in Schedule 6.4, the **distributed generation** pricing principles to be applied for the purposes of this Part; and
- (f) in Schedule 6.5, prescribed maximum fees.

6.2 Purpose

The purpose of this Part is to enable **distributed generation and load** to be connected to a **distribution network** or to a **consumer installation** that is

connected to a **distribution network**, if being connected is consistent with **connection and operation standards**.

6.2A Application of Part to distributors in respect of embedded networks

Nothing in this Part applies to—

- (a) a **distributor** in respect of the **distributor's** ownership or operation of an **embedded network** that conveys less than 5 GWh of **electricity** per annum; or
- (b) a **distributed generator** when the **distributed generator** wishes to connect or has **distributed generation** connected to such an **embedded network** that conveys less than 5 GWh of electricity per annum; or
- (c) an applicant when the applicant wishes to connect or has load connected to such an embedded network that conveys less than 5 GWh of electricity per annum.

6.2AB Application of Part to applicants who are not participants

- (1) For the avoidance of doubt, an applicant who is not a participant is not required to comply with this Part and cannot be subject to the enforcement measures set out in the Act or the Electricity Industry (Enforcement) Regulations 2010 for failing to comply with this Part.
- (2) Despite subclause (1):
 - (a) a distributor may refuse an application under this Part if an applicant who is not a participant fails to carry out the requirements expressed in this Part as applying to an applicant;
 - (b) in the event a distributor accepts an application under this Part because an applicant who is not a participant carries out the requirements expressed in this Part as applying to an applicant, then, in the absence of a connection contract, the distributor must either:
 - (i) offer to contract with the applicant on the basis of the prescribed terms; or
 - (ii) permit the connection of applicant's load to the distribution network on the basis of an interposed arrangement.

6.2B Application of Part to distributors in respect of systems of lines not directly or indirectly connected to grid

Nothing in this Part applies to—

- (b) a **distributor** in respect of the **distributor's** ownership or operation of a system of **lines** that is used for providing **line function services** only to the **distributor**; or
- (c) a **distributor** in respect of the **distributor's** ownership or operation of a system of lines—
 - (i) that conveys less than 5 GWh of **electricity** per annum; and

-
- (ii) that is not—
 - (A) directly connected to the **grid**; or
 - (B) indirectly connected to the **grid** through ~~4~~one or more other **networks**; or
 - (d) a **distributed generator** when the **distributed generator** wishes to connect or has **distributed generation** connected to a system of **lines** described in paragraph (b).

6.2 C Connection and operation standards

Each **distributor** must have **connection and operation standards**, including a **queueing and management policy** and **congestion management policy**, that align with good electricity industry practice.

6.3 Distributors must ~~make information publicly available~~ publish information

- (1) The purpose of this clause is to require each **distributor** to ~~make certain information publicly available~~ **publish** certain information to enable the efficient approval of **distributed generation** and load under Schedule 6.1.
- (2) Each **distributor** must ~~make publicly available, free of charge, from its office and Internet site,~~ **publish**—
 - (a) application forms for applications under Schedule 6.1; and
 - (b) the distributor's connection and operation standards; and
 - (c) a copy of the **regulated terms** and **prescribed terms**, together with an explanation of how:
 - (i) in respect of **distributed generation**, the **regulated terms** and **prescribed terms** will apply if—
 - A. approval is granted under Schedule 6.1; and
 - B. the **distributor** and the ~~**distributed generator applicant**~~ do not enter into a connection contract; and
 - (ii) in respect of **load**:
 - A. if approval is granted under Schedule 6.1; and
 - B. the **distributor** and **applicant** do not enter into a connection contract, then the **distributor** and **applicant** may agree to contract on the basis of the **regulated terms** or **prescribed terms**, failing which the connection will proceed on the basis of an **interposed arrangement**; and
 - (d) a statement of the circumstances in which **distributed generation** or load will be, or may be, curtailed or interrupted from time to time in order to ensure that the **distributor's** other **connection and operation standards** are met; and
- (da) a list, updated on the first **business day** of January, April, July and October, of all locations on its **distribution network** that the **distributor** knows to be subject to

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- export congestion;** and
- (db) a list, updated on the first **business day** of January, April, July and October, of all locations on its **distribution network** that the **distributor** expects to become subject to **export congestion** within the next 12 months; and
 - (dc) until 1 September 2026, the **maximum export power** threshold and the methodology used to determine that threshold, for locations at which the **distributor** has set a **maximum export power** threshold for applications under Part 1A of Schedule 6.1; and
 - (dd) **distributor** contact information for discussions on available and upcoming network capacity; and
 - (de) a list, updated on the first **business day** of January, April, July and October and, where known, of the location and available capacity, including time of use capacity, of zone substation feeders; and
 - (df) a list, updated on the first **business day** of January, April, July and October and, where known, of the location and available capacity, including time of use capacity, of low voltage transformers; and
 - (e) a list of any fees that the **distributor** charges under Schedule 6.1, which must not exceed the relevant maximum fees prescribed in Schedule 6.5; and
 - (f) a list of the makes and models of inverters that the **distributor** has approved for connection to its **distribution network**; and
 - (g) the **distributor's** contact information for any enquiries relating to ~~the connection of distributed generation connecting~~ to its **distribution network**.
- (3) The application forms referred to in subclause (2)(a) must specify the information, including any supporting documents, that must be provided with an application under Schedule 6.1.
- (4) The **distributor** must **publish** information, at both the **network** and zone substation level, on its **network connections pipeline**, which—
- (a) for **distributed generation** applications received by the **distributor** under **Process 3** must include the following:
 - (i) number of **distributed generation** applications in the **network connections pipeline**:
 - (ii) the sum of the **maximum export power** of these applications (**MW**):
 - (iii) number of applications by fuel type (wind, solar, **energy storage system**, other generation):
 - (iv) number of applications by project stage (**initial application**, **interim application**, **final application**, construction, connected):
 - (v) detail on each application in the **network connections pipeline** (priority position in pipeline, **maximum export power** (**MW**), fuel

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- type, project stage, location, and (where relevant) date commissioned); and
- (b) for **load** applications received by the **distributor** under **Process 5** must include the following information:
- (i) number of **load** applications received:
 - (ii) the sum of the **load** capacity of each of those applications (MVA):
 - (iii) number of applications by **load** type (transport, process heat, data centre, other **load**):
 - (iv) number of applications by project stage (**initial application, interim application, final application, construction, connected**):
 - (v) detail on each application in the **network connections pipeline** (priority position in pipeline, capacity (MVA), **load** type, project stage, location by zone substation or feeder, and (where relevant) date connected).
- (5) The **distributor** must continue to **publish** information on applications under subclause (4) unless:
- (a) an application is withdrawn; or
 - (b) six months have passed since the date on which the **distributed generation** or **load** to which the application relates was connected.

6.3A Distributor must provide information to the Authority

- (1) The purpose of this clause is to require each **distributor** to provide the **Authority** with the information specified in subclause (2) to enable the **Authority** to—
- (a) assess the effectiveness of **Process 3** and **Process 5** of Schedule 6.1; and
 - (b) monitor each **distributor's network connections pipeline**; and
 - (c) **publish** information about applications under **Process 3** and **Process 5** of Schedule 6.1 to provide participants with insight into each **distributor's network connections pipeline**; and
 - (d) carry out its objectives under section 15 of the **Act** and its functions under section 16 of the **Act** and section 14 of the Crown Entities Act 2004.
- (2) Every **distributor** that is dealing with an application under **Process 3** and **Process 5** of Schedule 6.1 must provide the following information to the **Authority** on the first **business day** of January, April, July and October of every calendar year:
- (a) for each application under **Process 3**—
 - (i) the name of the **applicant**; and

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- (ii) the location by zone substation and global positioning system coordinates of the connection of the application to the network; and
 - (iii) the fuel type (wind, solar, **energy storage system**); and
 - (iv) the **maximum export power** in **MW**; and
 - (v) the project stage by identifying whether the application is an **initial application, interim application** or **final application**; and
 - (vi) the application's position in the **network connections pipeline**; and
 - (vii) when the **applicant** expects to connect the **distributed generation**;
 - (b) for each application under **Process 5**—
 - (i) the name of the applicant; and
 - (ii) the location by zone substation and global positioning system coordinates of the connection of the application to the network; and
 - (iii) the load type (transport, process heat, data centre); and
 - (iv) the maximum import power in MVA;
 - (v) the project stage by identifying whether the application is an **initial application, interim application, final application** and whether the project is in construction or commissioned; and
 - (vi) the application's position in the **network connections pipeline**; and
 - (viii) when the **applicant** expects to connect the **load**.
 - (3) The information provided to the **Authority** under subclause (2) must be in the form and by the means specified by the **Authority**.
 - (4) The **distributor** is not required to provide the information in subclause (2) to the **Authority** if—
 - (a) the **distributor** does not have the information and it is not reasonably possible for the **distributor** to obtain the information, including because the person that holds the information may lawfully refuse to provide the information to the **distributor**; or
 - (b) the **distributor** or the **applicant** has legal professional privilege in respect of the information.

6.3B Distributor may identify confidential information

- (1) In providing information to the **Authority** under clause 6.3A(2), a **distributor** may identify any information that is confidential in that—
 - (a) disclosure of the information would unreasonably prejudice the commercial position of the **distributor** or the person who is the subject of that information; or

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- (b) confidentiality is necessary to protect information which is itself subject to an obligation of confidence; or
 - (c) if clause 6.3A(2) did not apply, disclosure by the **distributor** would be in breach of law.
 - (2) If a **distributor** identifies confidential information to the **Authority** under subclause (1), and the **Authority** wishes to **publish** all or any part of that information, the **Authority** must determine whether the reasons for keeping the information confidential are outweighed by other considerations which render it desirable for the **Authority** to **publish** all or any part of the information in order to give effect to one or more of the purposes set out in clause 6.3A(1).
 - (3) If the **Authority** determines under subclause (2) that the reasons for keeping the information identified under subclause (1) confidential are outweighed by other considerations which render it desirable for the **Authority** to **publish** all or any part of the information, the **Authority** must inform the **distributor** of its determination.

6.3 C Authority may publish information

- (1) If the **distributor** has not identified any confidential information under clause 6.3B(1), the **Authority** may **publish** all or any part of the information it has received from a **distributor** under clause 6.3A(2).
- (2) If the **distributor** has identified confidential information under clause 6.3B(1), and the **Authority** has determined under clause 6.3B(2) that the reasons for keeping the information identified under clause 6.3B(1) confidential are outweighed by other considerations, and has informed the **distributor** of its determination under clause 6.3B(3), the **Authority** may **publish** all or any part of the information provided to it under clause 6.3A(2).
- (3) If the **Authority** has determined under clause 6.3B(2) that there are reasons for keeping the information identified under clause 6.3B(1) confidential and does not consider that it is desirable to **publish** all or any part of the information identified under clause 6.3B(1), the **Authority** must not **publish** the information identified under clause 6.3B(1), subject to subclause (4).
- (4) Subclause (3) does not prevent the **Authority** from doing one or more of the following in relation to the information provided to it under clause 6.3A(2) including the information identified as confidential under clause 6.3B(1):
 - (a) using the information in connection with any purpose in clause 6.3A(1);
 - (b) disclosing the information to any person in connection with any

purpose in clause 6.3A(1) in anonymised or consolidated form such that the reasons for keeping the information confidential are not compromised:

- (c) disclosing the information where the **distributor** who supplied the information, or the person who is the subject of the information has consented to the disclosure of the information:
- (d) disclosing the information as required by law.

6.4 Process for obtaining approval

(1) Schedule 6.1 applies if ~~a distributed generator an applicant~~ wishes to—

- (a) connect **distributed generation** or load to a distribution network, whether on the **regulated terms** or prescribed terms or on other terms; or
 - (b) continue an existing connection of **distributed generation** or load to a distribution network if the connection contract ~~for the distributed generation—~~
 - (i) is in force and the ~~distributed generator applicant~~ wishes to extend the term of the connection contract; or
 - (ii) has expired; or
 - (c) continue an existing connection of **distributed generation** or load to a distribution network that is connected without a connection contract if the **regulated terms** or prescribed terms do not apply; or
 - (d) change the ~~nameplate capacity maximum export power~~ or fuel type of connected distributed generation.; ~~or—~~
 - (e) change the capacity of an existing load connection.
- (2) A **distributor** must approve an application submitted under Schedule 6.1 if the application complies with the requirements of that Schedule.
- (3) Except as provided in clause 6.4A, a **distributor** cannot contract out of the provisions of Schedule 6.1 with ~~a distributed generator an applicant~~.

6.4 A Distributor and ~~distributed generator applicant~~ may agree to simpler process for existing connection

A **distributor** and ~~a distributed generator an applicant~~ may agree a simpler process ~~for the continued connection of distributed generation to the distributor's distribution network to continue a connection to the distributor's distribution network~~ than the relevant process set out in Schedule 6.1 if—

- (a) a connection contract ~~for the distributed generation—~~
 - (i) is in force and the ~~distributed generator applicant~~ wishes to extend the term of the connection contract; or
 - (ii) has expired; or
- (b) the ~~distributed generation applicant~~ is connected without a connection contract; or

- (c) there is a change in the ~~nameplate capacity maximum export power~~ or fuel type of the **distributed generation**; ~~or~~
- (d) ~~there is a change to the capacity of the existing load connection.~~

6.5 Connection contract

If approval is granted under Schedule 6.1 and a **distributor** and ~~a distributed generator~~ an applicant enter into a connection contract ~~for the connection of to connect distributed generation, or load to a distribution network~~—

- (a) their rights and obligations in respect of the connection of **distributed generation** ~~or load~~ are governed by that contract, and accordingly the **regulated terms** ~~and the prescribed terms~~ do not apply; and
- (b) a breach of the terms of that contract is not a breach of this Code.

6.5A Interposed arrangements for load

If approval is granted under Schedule 6.1 for the connection of load to the distribution network on the basis of an interposed arrangement:

- (a) the applicant's rights and obligations in respect of the connection of load are governed by the trader's customer agreement for the supply of electricity and distribution services; and
- (b) the distributor's rights and obligations in respect of the connection of the load are governed by the distributor agreement with the trader.

6.5 Connection on regulated terms

- (1) Schedule 6.2 sets out the **regulated terms** for the connection of **distributed generation** ~~and Schedule 6.2A sets out the regulated terms for the connection of load.~~
- (2) The **regulated terms** in Schedule 6.2 apply in the following circumstances:
 - (a) if a **distributor** and ~~a distributed generator~~ an applicant ~~for connection of distributed generation~~ do not enter into a connection contract by the expiry of the period for negotiating a connection contract under ~~clauses 9 or 24~~ clauses 6 of Appendix 1, 13 of Appendix 2 and 18 of Appendix 3 of Schedule 6.1:
 - (b) in accordance with ~~clause 9~~ clause 7 of Appendix 1A of Schedule 6.1.
 - (2A) The **regulated terms** in Schedule 6.2A apply if ~~a distributor and an applicant for connection of load do not enter into a connection contract~~ by the expiry of the period for negotiating a connection contract under clause 13 of Appendix 4 and clause 18 of Appendix 5 of Schedule 6.1 a distributor and an applicant for connection of load do not enter into a connection contract but do agree to contract on the basis of the regulated terms.
- (3) If the **regulated terms** apply,—
 - (a) the parties' rights and obligations in respect of the connection ~~of the distributed generation~~ are governed by the **regulated terms**; and
 - (b) a breach of the **regulated terms** is not a breach of contract.
- (4) Despite this clause, a **distributor** and ~~a distributed generator~~ an applicant

may at any time, by agreement, enter into a connection contract that will apply instead of the **regulated terms**.

6.6 A Connection of load on prescribed terms

(1) Schedule 6.2B sets out the **prescribed terms** for the connection of load.

(2) The **prescribed terms** apply if ~~a distributor and an applicant for the connection of load who is not a participant~~, do not enter into a connection contract by the expiry of the period for negotiating a connection contract under clauses 13 of Appendix 4 and 18 of Appendix 5 of Schedule 6.1 ~~a distributor and an applicant for the connection of load who is not a participant~~ do not enter into a **connection contract** but do agree to contract on the basis of **prescribed terms**.

(3) If the **prescribed terms** apply,—

(a) the **distributor's** rights and obligations in respect of the connection are governed by the **prescribed terms**; and

(b) a breach of the **prescribed terms**, by a **participant**, is a breach of this Code.

(4) Despite this clause, a **distributor** and an **applicant** may at any time, by agreement, enter into a connection contract that will apply instead of the **prescribed terms**.

6.7 Extra terms

(1) The parties' rights and obligations in respect of a connection on the **regulated terms**, and the obligations of a distributor in respect of a connection on the **prescribed terms**, are also governed by any other terms and conditions that—

(a) were ~~made publicly available~~ published under clause 6.3(2)(d) in a statement of the terms and conditions that would apply to ~~distributed generation~~ if there is congestion on the **distribution network**; or

(b) cover any other incidental matters (for example, invoicing procedures) if—

(i) the matters are not covered by the **regulated terms** or the **prescribed terms**; and

(ii) the other matters are reasonable terms and conditions that either were proposed by the **distributor** during the 30 **business day** negotiation period under clauses 6 of Appendix 1, 13 of Appendix 2, 18 of Appendix 3, 13 of Appendix 4, and 18 of Appendix 5 of Schedule 6.1 as part of a connection

contract or are terms that would be implied by law if the connection was under a connection contract; and

(iii) the other terms and conditions do not contradict any of the **regulated terms** or the **prescribed terms**.

(2) In this Part, if the parties have agreed to change all or any part of ~~4one~~ or more of the **regulated terms** or **prescribed terms** as part of a binding

contract, the resulting contract is, in total, a connection contract on terms that apply instead of the **regulated terms** or prescribed terms for the purposes of this Part.

6.8 Dispute resolution

- (1) Subject to subclause (2), Schedule 6.3 applies to a dispute between ~~a~~ **distributed generator** an applicant that is a **participant** and a **distributor** arising from any one of the following —
 - (a) an allegation that a party has breached any of the **regulated terms** that apply under clause 6.6 (2) or 6.6(2A); and
 - (aa) an allegation that conditions specified by the **distributor** under ~~clause 18 of~~ Schedule 6.1 are not reasonably required; and
 - (ab) an allegation that a party has not attempted to negotiate in good faith under clause 6 or clause 21 of Schedule 6.1; and
 - (b) an allegation that a party has breached any of the other provisions of this Part.
- (2) However, Schedule 6.3 does not apply to disputes between ~~a distributed~~ **generator** an applicant and a **distributor** —
 - (a) arising from an allegation that a party has breached any of the terms of a connection contract; or
 - (b) arising from an allegation that a party has breached any of the extra terms referred to in clause 6.7(1); or
 - (c) that the ~~distributed generator applicant~~ and the **distributor** have agreed should be determined by any other agreed method (for example, under any dispute resolution scheme under section 95 of the **Act**).

6.8 A Complaints by applicants that are not participants

- (1) If an **applicant** that is not a **participant** is in a dispute with a **distributor** about the application of this Part, and has notified the **distributor** of the dispute, the **distributor** must attempt to resolve the dispute in good faith within 20 business days.
- (2) For the avoidance of doubt, nothing in this clause prevents the **applicant** from reporting a breach or possible breach of the Code under regulation 9 of the Electricity Industry (Enforcement) Regulations 2010 or from making a complaint to the **distributor** under regulation 5 of the Electricity Industry (Enforcement) Regulations 2010 at any time.

6.9 Distributed generation ~~Pricing~~ pricing principles
Schedule 6.4 applies in accordance with—

- (a) clause 19 of Schedule 6.2; and

- (b) clause 4 of Schedule 6.3.

6.10 *[Revoked]*

6.11 Distributors must act at arm's length

A **distributor** must use, in respect of all ~~distributed generators applicants~~, the same reasonable efforts in processing and considering applications and notices under Schedule 6.1, regardless of—

- (a) whether the **distributor** has an ownership interest or a beneficial interest in the ~~distributed generator applicant~~, in the project to which the application relates, or any other distributed generation or load project connected to the distributor's network for which the distributor has received an application; or
- (b) who the ~~distributed generator applicant~~ is.

6.12 This Part does not affect rights and obligations under Code

This Part does not affect any rights or obligations of a **distributor** or ~~a distributed generator~~ an applicant who is a participant under any other clause in this Code.

Transitional provisions

6.13 This Part does not apply to earlier connections

- (1) This Part does not apply in relation to, or affect, any **distributed generation** that was connected under a contract entered into before 30 August 2007, except for the purpose of renewing or extending the term of the contract.
- (2) This Part does not apply in relation to, or affect, any load connections connected under a contract entered into before [date that the amendment

Schedule 6.1

cl 6.4

Process for obtaining approval

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Process 2: Applications for distributed generation with maximum export power above 10 kW and below 300 kW in total

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2 Distributed generator must make initial application, give information and pay initial application fee

3 Distributor must give information to distributed generator

4 Other matters to assist with decision making

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7 Distributed generator must make interim application and give information

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19 Connection of distributed generation if connection contract negotiated

20 Connection of distributed generation on regulated terms if connection contract not negotiated

21 Approved applications must meet milestones to retain priority position in distributor's network connections pipeline

22 Treatment of approved applications at the same network location

23 Testing and inspection

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Process 4: Applications for load above 69 kVA and below 300 kVA in total

1 Contents of this Appendix

Initial application process

2 Distributor must receive information to process an initial application

3 Distributor must give information to applicant

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 - ~~Final application process~~
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 - ~~9~~ ~~Priority of final applications~~
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- ~~2~~ ~~Distributor must receive information to process an initial application~~
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- ~~7~~ ~~Distributor must receive interim application~~
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- ~~9~~ ~~Distributor's decision on interim application~~
- ~~10~~ ~~Time within which distributor must decide interim applications~~
- ~~11~~ ~~Applicant who is a participant must give notice of a dispute~~
- ~~Final application process~~
- ~~12~~ ~~Distributor must receive final application~~
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- 16 Time within which distributor must decide final applications
- 17 Distributor must negotiate if notified by applicant
- Post-approval process
- 18 Distributor has 30 business days to negotiate connection contract if applicant gives notice of intention to negotiate
- 19 Connection of load if connection contract negotiated
- 20 Connection of load on prescribed terms if connection contract not negotiated
- 21 Approved applications must meet milestones to retain priority position in distributor's network connections pipeline
- 22 Treatment of approved applications at the same network location
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Preliminary provisions

- 1 Contents of this Schedule
- This Schedule specifies the procedures under Part 6 for:
- (a) processing applications from **applicants** for the connection or continued connection of **distributed generation or load** to a **distribution network**; and
 - (b) for the renewal of an existing or expired connection contract; and
 - (c) particular changes to connections of **distributed generation and load connections**.
- 2 Applicant must apply
- (1) Subject to clause 6.4A and clause 4 of Schedule 6.1, an **applicant** must apply to a **distributor** if it wishes to—
- (a) connect **distributed generation or load** to the **distributor's distribution network** using the processes in Part 6 and this Schedule; or
 - (b) continue an existing connection of **distributed generation or load** to the **distributor's distribution network** using the processes in Part 6 and this Schedule if a connection contract—
 - (i) is in force and the **applicant** wishes to extend the term of the connection contract; or
 - (ii) has expired; or
 - (c) continue an existing connection of **distributed generation or load** using the processes in Part 6 or this Schedule to the **distributor's distribution network**
 - (d) change the **maximum export power** or fuel type of the **distributed generation**; or
 - (e) change the capacity of an existing **load** connection.

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- 3** How this Schedule applies to applications
- (1) The appendices to this Schedule set out different processes which apply to different kinds of applications under clause 2.
- (2) The appendices and the processes in those appendices apply as follows:
- (a) **Process 1**, which is set out in Appendix 1, applies to applications for **distributed generation** that has **maximum export power** of 10 kW or less in total, unless the **distributed generator** has elected, under clause 4, to apply under **Process 1A**:
- (b) **Process 1A**, which is set out in Appendix 1A, applies to applications for **distributed generation** that has **maximum export power** of 10 kW or less in total, if the **distributed generator** has elected, under clause 4, to apply under **Process 1A**:
- (c) **Process 2**, which is set out in Appendix 2, applies to applications for **distributed generation** with **maximum export power** above 10 kW and below 300 kW in total:
- (d) **Process 3**, which is set out in Appendix 3, applies to applications for **distributed generation** with **maximum export power** of 300 kW and above in total:
- (e) ~~**Process 4**, which is set out in Appendix 4, applies to applications to connect load above 69 kVA and below 300 kVA in total:~~
- (f) **Process 5**, which is set out in Appendix 5, applies to applications to connect **load** at 1 MVA ~~300 kVA~~ and above in total:
- (3) If an **applicant** wishes to connect both **distributed generation** and **load** at the same **ICP** the **applicant** only needs to make an application for the connection of the higher capacity of either **distributed generation** or **load**.
- (4) Where subclause (3) applies—
- (a) an **applicant** must provide the required information for both **distributed generation** and **load**; and
- (b) the **distributor** must enter the information for both **distributed generation** and **load** into the information that the **distributor** has **published** in its **network connections pipeline**.
- 4** When application may be made under Process 1A
- (1) A **distributed generator** may elect to apply to a **distributor** under **Process 1A** instead of **Process 1** if the **distributed generation** to which the application relates—
- (a) is designed and installed in accordance with AS/NZS 4777.1:2016; and
- (b) incorporates an inverter that—
- (i) has been tested and issued a Declaration of Conformity with AS/NZS 4777.2:2020 by a laboratory with accreditation issued or recognised by International Accreditation New Zealand; and
- (ii) has settings that meet the **distributor's connection and operation standards**.
- (2) Until 1 September 2026, a **distributed generator** may only elect to apply to

a **distributor** under **Process 1A** instead of **Process 1**, if the **distributed generation** to which the application relates has, in addition to the requirements in subclause (1)—

- (a) a volt-watt response mode;
- (b) a volt-var response mode;
- (c) control settings and volt response mode settings that meet the **distributor's connection and operation standards**; and
- (d) a **maximum export power** limit at the **ICP** of the **distributed generator** that does not exceed the **maximum export power** threshold, if any, specified by the **distributor** in its **connection and operation standards**.

Confidentiality

5 Confidentiality of information provided

- (1) All information given with, or relating to, an application made under this Schedule to a **distributor** must be kept confidential by the **distributor** except as required by clauses 6.3 and 6.3A, as required to be entered into the registry, and as agreed otherwise by the person that gave the information.
- (2) A **distributor** may require an **applicant** to keep confidential information that—
 - (a) is given to the **applicant** by the **distributor** for the purpose of an application under this Schedule; and
 - (b) the **distributor** reasonably identifies as being confidential.
- (3) A **distributor** may decline to process an application made by an **applicant** under this Schedule if the **applicant** does not agree to comply with a requirement to keep information confidential imposed under subclause (2).
- (4) Despite subclause (1), the **distributor**—
 - (a) may, in response to an application under this Schedule, disclose to the **applicant** that another **applicant** has made an application under this Schedule (without identifying who the other **applicant** is); and
 - (b) may, in the case of an application under **Processes 1, 2, 3, 4 and 5** of this Schedule, generally indicate the location or proposed location of the other application; and
 - (c) may, in the case of an application under **Processes 2, 3, 4 and 5** of this Schedule, disclose the **maximum export power** and export load profile of the other application; and
 - (d) where **applicants** give written consent, may share the contact details of **applicants** for applications under **Process 3 and Process 5** of this Schedule, for the express purpose of encouraging complementary applications.
- (5) The obligation to keep information confidential set out in subclause (1) includes—
 - (a) an obligation not to use the information for any purpose other than

considering the application under this Schedule, populating the **network connections pipeline**, enabling the connection or continued connection to a **distribution network**, and meeting the registry requirements under Part 11; and

- (b) an obligation to destroy the information as soon as is reasonably practicable after the later of—
 - (i) the date on which the information is no longer required for the purposes in paragraph (a); and
 - (ii) 60 months after receiving the information.

Record keeping

6 Distributors must keep records

A **distributor** must maintain records of each application and notice received under this Schedule and the resulting outcomes, for a minimum of 60 months after the day on which the **initial applications, interim applications** and **final applications** were approved or declined, including records of:

- (a) how long it took to approve or decline **initial applications, interim applications** and **final applications**;
- (b) the number of and time duration of each extension sought by the **distributor**;
- (c) the number of and time duration of each extension sought by the **applicant**;
- (d) and justification for these outcomes.

Costs

7 Responsibility for costs under this Schedule

A **distributor** and an **applicant** must pay their own respective costs (including legal costs) incurred under this Schedule.

Appendix 1

Process 1: Applications to connect distributed generation with maximum export power of 10 kW or less in total

1 Contents of this Appendix

- (1) This Appendix sets out **Process 1** and applies to applications to connect **distributed generation** that has a **maximum export power** of 10 kW or less in total, unless the **distributed generator** that owns or operates the **distributed generation** has elected, under clause 4 of Schedule 6.1, to apply under **Process 1A**.
- (2) **Process 1** provides for a one-stage application process.

Application process

2 Application to connect distributed generation with maximum export power of 10kW or less in total

(1) A distributed generator must apply to a distributor by—

- (a) using the application form provided by the distributor that is published under clause 6.3(2)(a); and**
- (b) providing any information in respect of the distributed generation to which the application relates that is—**
 - (i) referred to in subclause (2); and**
 - (ii) specified by the distributor under clause 6.3(3) as being required to be provided with the application; and**
- (c) paying the application fee (if any) specified by the distributor in accordance with clause 6.3(2)(e).**

(2) The information includes the following:

- (a) the full name and address of the distributed generator and the contact details of a person that the distributor may contact regarding the distributed generation:**
- (b) whether the application is to—**
 - (i) connect distributed generation; or**
 - (ii) continue an existing connection of distributed generation that is connected in accordance with a connection contract if the connection contract—**
 - (A) is in force and the distributed generator wishes to extend the term of the connection contract; or**
 - (B) has expired; or**
 - (iii) continue an existing connection of distributed generation that is connected without a connection contract; or**
 - (iv) change the maximum export power or fuel type of connected distributed generation:**
- (c) evidence of the maximum export power that the distributed generation will have, or other suitable evidence that the distributed generation is or will only be capable of generating electricity at a rate of 10 kW or less;**
- (d) if the application is to change the maximum export power or fuel type of connected distributed generation—**

- (i) the **maximum export power** that the **distributed generation** will have after the change; and
 - (ii) the aggregate **maximum export power** that all **distributed generation** that is connected at the **point of connection** at which the **distributed generation** is connected will have after the change; and
 - (iii) the fuel type that the **distributed generation** will have after the change;
 - (e) details of the fuel type of the **distributed generation** (for example, solar, wind, or liquid fuel);
 - (f) a brief description of the physical location at the address at which the **distributed generation** is or will be connected;
 - (g) if the application is to connect **distributed generation**, when the **distributed generator** expects the **distributed generation** to be connected;
 - (h) technical specifications of the **distributed generation** and **associated equipment**, including the following:
 - (i) technical specifications of equipment that allows the **distributed generation** to be **electrically disconnected** from the **distribution network** on loss of mains voltage;
 - (ii) manufacturer's rating of equipment;
 - (iii) number of phases;
 - (iv) proposed or current **point of connection** to the **distribution network** (for example, the **ICP identifier** and street address);
 - (v) details of either or both of any inverter and battery storage;
 - (vi) details of any **load** at the proposed or current **point of connection**;
 - (vii) details of the voltage (for example, 400 V or 11 kV) when it is **electrically connected**;
 - (i) information showing how the **distributed generation** complies with the **distributor's connection and operation standards**;

distributor.
- (3) The **distributed generator** must provide the **distributor** with the information required by clause 7(1)(o) of Schedule 11.1.
- (4) The **distributor** must, within five **business days** of receiving an application, give written notice to the **distributed generator** advising whether or not the application is complete.

3 Distributor's decision on application

- (1) A **distributor** must, within 30 **business days** after the date of receipt of a completed application made in accordance with clause 2, give notice in writing

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- to the **applicant** stating whether the application is approved or declined.
- (2) A **distributor** must approve an application if—
- (a) the application has been properly made in accordance with Part 6 of this Code; and
 - (b) the information provided in the application would reasonably support an assessment by the **distributor** that—
 - (i) the **applicant** will comply at all times with the requirements of the Health and Safety at Work Act 2015; and
 - (ii) the **distributed generator** will ensure that the **distributed generation** complies at all times with the **Act**, and this Code; and
 - (iii) the distributed generation meets the distributor's connection and operation standards.
- (3) A notice stating that an application is declined must be accompanied by the following information:
- (a) detailed reasons as to why the application has been declined and the steps that the **applicant** can take to achieve approval if it makes a new application;
 - (b) information about the default process under Schedule 6.3 for the resolution of disputes between **participants** about an alleged breach of the **regulated terms** or any other provision of Part 6 of this Code;
 - (c) that if the **distributed generator** is not a **participant**, the **distributed generator** may report to the **Authority** under the Electricity Industry (Enforcement) Regulations 2010 if it considers that the **distributor** has breached any requirement in Part 6 of this Code.

4 Extension of time by mutual agreement for distributor to process application

- (1) A **distributor** may seek an extension of the time specified in clause 3(1) by which the **distributor** must give notice in writing stating whether an application is approved or declined.
- (2) The **distributor** must do this by notice in writing to the **distributed generator** specifying the reasons for the extension.
- (3) The **distributed generator** that made the application—
- (a) may grant an extension which must not exceed 20 **business days**; and
 - (b) must not unreasonably withhold consent to an extension.

5 Distributed generator must give notice of intention to negotiate

- (1) If a **distributor** advises a **distributed generator** that its application is approved, the **distributed generator** must give written notice to the **distributor** confirming whether the **distributed generator** intends to negotiate a connection contract under clause 6 and, if so, confirming the details of the **distributed generation** to which the application relates.

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- (2) The **distributed generator** must give the notice within 10 **business days** after the **distributor** gives notice of final approval, or such later date as is agreed by the **distributor** and the **distributed generator**.
- (3) The **distributor's** duties under Part 6 of this Code arising from the application no longer apply if the **distributed generator** fails to give notice to the **distributor** within the time limit specified in subclause (2).
- (4) Subclause (3) does not prevent the **distributed generator** from making a new application under Part 6 of this Code.

Post-approval process

- 6** 30 business days to negotiate connection contract if distributed generator gives notice of intention to proceed
- (1) If a **distributed generator** whose application under clause 2 is approved gives notice to a **distributor** under clause 5, the **distributor** and the **distributed generator** have 30 **business days**, starting on the date on which the **distributor** receives the notice, during which they must, in good faith, attempt to negotiate a connection contract.
- (2) The **distributor** and the **distributed generator** may, by agreement, extend the time specified in subclause (1) for negotiating a connection contract.
- 7** Testing and inspection
- (1) Subject to subclause (2), a **distributed generator** whose application under clause 2 is approved by a **distributor** must test and inspect the **distributed generation** to which the application relates within a reasonable timeframe specified by the **distributor**.
- (2) The **distributor** may waive the requirement that the **distributed generator** test and inspect if the **distributor** is satisfied that the **distributed generation** complies with the **distributor's connection and operation standards**.
- (3) The **distributed generator** must give adequate notice of the testing and inspection to the **distributor**.
- (4) The **distributed generator** must ensure that the **distributed generation** complies with the **distributor's connection and operation standards**.
- (6) The **distributed generator** must pay any fee specified by the **distributor** in accordance with clause 6.3(2)(e) for observing the testing and inspection.
- 8** Connection of distributed generation if connection contract negotiated
- (1) This clause applies if a **distributor** and a **distributed generator** whose application under **Process 1** is approved enter into a connection contract

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- before the period for negotiating a connection contract under **Process 1** expires.
- (2) If the application is to connect **distributed generation** under clause 2(1)(a) of Schedule 6.1, the **distributor** must allow the **distributed generator** to connect the **distributed generation** in accordance with the contract as soon as practicable.
- (3) If the application is to continue an existing connection of **distributed generation** under clause 2(1)(b) of Schedule 6.1, the **distributor** must use its best endeavours to ensure that the new terms under which the **distributed generator's** existing connection continues apply—
(a) as soon as practicable, if the previous connection contract has expired; or
(b) no later than the expiry of the previous connection contract, if the contract is in force.
- (4) If the application is to continue an existing connection for which there is no connection contract under clause 2(1)(c) of Schedule 6.1, the **distributor** must use its best endeavours to ensure that the new terms under which the **distributed generator's** existing connection continues apply as soon as practicable.
- (5) If the application is to change the **maximum export power** or fuel type of connected **distributed generation** under clause 2(1)(d) of Schedule 6.1, the **distributor** must use its best endeavours to ensure that the new terms under which the **distributed generator's** existing connection continues apply as soon as practicable.
- 9** Connection of distributed generation on regulated terms if connection contract not negotiated
- (1) This clause applies if a **distributor** and a **distributed generator** whose application under **Process 1** is approved do not enter into a connection contract before the period for negotiating a connection contract under this Part of this Schedule expires.
- (2) If the application is to connect **distributed generation** under clause 2(1)(a) of Schedule 6.1, the **distributor** must allow the **distributed generator** to connect the **distributed generation** on the **regulated terms** as soon as practicable after the expiry of the period.
- (3) If the application is to continue an existing connection of **distributed generation** under clause 2(1)(b) of Schedule 6.1, the **regulated terms** apply to the **distributed generator's** existing connection as follows:
(a) if the previous connection contract has expired, the **regulated terms** apply from the day after the date on which the period for negotiating a connection contract under **Process 1** expires;
(b) if the previous connection contract is still in force, the **regulated terms** apply from the day after the date on which the contract expired.

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- (4) If the application is to continue an existing connection for which there is no connection contract under clause 2(1)(c) of Schedule 6.1, the **regulated terms** apply from the day after the date that the period for negotiating a connection contract under **Process 1** expires.
- (5) If the application is to change the **maximum export power** or fuel type of connected **distributed generation** under clause 2(1)(d) of Schedule 6.1, the **regulated terms** apply from the day after the date that the period for negotiating a connection contract under this Part of this Schedule expires.

Appendix 1A

Process 1A: Applications for distributed generation with maximum export power of 10 kW or less in total in specified circumstances

1 Contents of this Appendix

- (1) This Appendix sets out **Process 1A** and applies to applications relating to **distributed generation** that has a **maximum export power** of 10 kW or less to a **distribution network** if the **applicant** has elected, under clause 4 of Schedule 6.1, to apply under **Process 1A**.
- (2) **Process 1A** provides for a simplified 1-stage application process.

2 Application for distributed generation with maximum export power of 10 kW or less in total in specified circumstances

- (1) An application to a **distributor** must use the application form provided by the distributor that is publicly available under clause 6.3(2)(a), and specify which of the following circumstances applies:
- (a) the **distributed generator** wishes to connect **distributed generation**:
- (b) the **distributed generator** wishes to continue an existing connection of **distributed generation** that is connected in accordance with a connection contract that—
- (i) is in force and the **distributed generator** wishes to extend the term of the connection contract; or
- (ii) has expired:
- (c) the **distributed generator** wishes to continue an existing connection of **distributed generation** that is connected without a connection contract:
- (d) the **distributed generator** wishes to change the **maximum export power** or fuel type of connected **distributed generation**.
- (2) An application must include the following:
- (a) the name, contact, and address details of the **distributed generator** and, if applicable, the **distributed generator's** agent;
- (b) a brief description of the physical location at the address at which the **distributed generation** is or will be connected;
- (c) any application fee specified by the **distributor** in accordance with

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- clause 6.3(2)(e):
- (d) details of the make and model of the inverter:
- (e) confirmation as to whether the inverter—
- (i) is included on the **distributor's** list of approved inverters **published** under clause 6.3(2)(f); or
 - (ii) conforms with the settings specified in the **distributor's connection and operation standards**:
- (f) if the inverter is not included on the **distributor's** list of approved inverters, a copy of the AS/NZS 4777.2:2020 Declaration of Conformity certificate for the inverter:
- (g) details of—
- (i) the **maximum export power** of the **distributed generation**; and
 - (ii) the fuel type of the **distributed generation** (for example, solar, wind, or liquid fuel).
- (h) the information required by clause 7(1)(o) of Schedule 11.1.
- (3) Until 1 September 2026, an application must also include—
- (a) confirmation as to whether the inverter conforms with the control settings and volt response mode settings specified in the **distributor's connection and operation standards**; and
 - (b) confirmation that the **distributed generation** has a **maximum export power** limit that does not exceed the **maximum export power** threshold, if any, specified by the **distributor** in its **connection and operation standards**; and
 - (c) the **maximum export power** of the **distributed generation**.
- (4) The **distributed generator** must also give the **distributor** the following information as soon as it is available, but no later than 10 **business days** after the approval of the application:
- (a) a copy of the Certificate of Compliance issued under the Electricity (Safety) Regulations 2010 that relates to the **distributed generation**;
 - (b) the **ICP identifier** of the **ICP** at which the **distributed generation** is connected or is proposed to be connected, if one exists.
- (5) A **distributor** must, no later than two **business days** after receiving an application from a **distributed generator**, acknowledge receipt of the application.
- 3** Distributor may inspect distributed generation
- (1) A **distributor** may inspect **distributed generation** that is connected or is proposed to be connected to its **distribution network** for the purpose of—
 - (a) verifying that the **distributed generation** meets, or continues to meet, the requirements specified in clause 4 of Schedule 6.1; or
 - (b) verifying the information contained in an application made under **Process 1A**.
 - (2) If a **distributor** wishes to inspect **distributed generation**, the **distributor** must give the **distributed generator** at least two **business days'** notice of the time and date on which the inspection will take place.

(3) Following receipt of a notice, the **distributed generator** must—

- (a) pay the fee specified by the **distributor** in accordance with clause 6.3(2)(e) for the inspection (if any); and
- (b) provide or arrange for the **distributor** to have reasonable access to the distributed generation.

4 Export congestion

- (1) This clause applies if a **distributed generator** applies to a **distributor** under **Process 1A** to connect **distributed generation** or continue an existing connection of **distributed generation** to a location on the **distributor's distribution network** that is included in the list **published** in accordance with clauses 6.3(2)(da) or 6.3(2)(db).
- (2) The **distributor** may advise the **distributed generator** that the **distributed generation** may be subject to **export congestion** as set out in the **distributor's congestion management policy**.
- (3) If a **distributor** has advised a **distributed generator** under subclause (2), the **distributor** must take reasonable steps to work with the **distributed generator** to assess whether solutions exist to mitigate the **export congestion**.

5 Non-compliance or incomplete information

- (1) This clause applies if a **distributor** considers that an application made to it by a **distributed generator** under **Process 1A** has one or more of the following deficiencies:
 - (a) the **distributed generation** to which the application relates does not meet the requirements specified in clause 4 of Schedule 6.1;
 - (b) the **distributed generation** to which the application relates is not as described in the information given under clause 2(2);
 - (c) the **distributed generator** has not complied with clause 2(2).
- (2) If this clause applies, the **distributor** must advise the **distributed generator** of the deficiency or deficiencies.
- (3) If the **distributed generator** is advised of a deficiency or deficiencies, it must remedy each deficiency to the satisfaction of the **distributor** no later than 10 **business days** after being advised of the deficiency.
- (4) If the **distributed generator** is required to remedy a deficiency it must pay the relevant fee specified by the **distributor** in accordance with clause 6.3(2)(e).
- (5) If the **distributed generator** does not remedy each deficiency of which it is advised within the time frame specified in subclause (3)—
 - (a) if the **distributed generation** to which the application relates is **electrically connected** to the **distributor's distribution network** at the time the **distributor** advises the **distributed generator** under subclause (2), the **distributor** may, by notice to the **distributed generator**, require the **distributed generator** to—

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- (i) electrically disconnect the distributed generation within a reasonable time frame specified by the distributor (if applicable); and
 - (ii) keep the distributed generation electrically disconnected until each deficiency is remedied to the distributor's satisfaction; or
 - (b) if the distributed generation is not connected to the distributor's distribution network at the time of being advised under subclause (2), the distributor may, by notice to the distributed generator, prohibit the distributed generator from connecting the distributed generation to the distributor's distribution network until each deficiency is remedied to the distributor's satisfaction.
- (6) The distributor must approve connection of the distributed generation as soon as is reasonable in the circumstances if—
- (a) the distributed generator complies with a notice given under subclause (5)(a) (if applicable); and
 - (b) the distributed generator remedies each deficiency advised under subclause (2)—
 - (i) to the satisfaction of the distributor; and
 - (ii) no later than 12 months after the date of the notice given under subclause (5) or such later date as is agreed by the distributor and the distributed generator.
- (7) If the distributor approves the connection of distributed generation, it must give a notice of final approval to the distributed generator under clause 6.

6 Notice of final approval

- (1) A distributor must give a notice of final approval of distributed generation to a distributed generator that has made an application to the distributor under Process 1A if the distributor is satisfied that—
 - (a) the distributed generation meets the requirements specified in clause 4 of Schedule 6.1; and
 - (b) the information given by the distributed generator under clause 2(2) is complete and accurate.
- (2) The distributor must give the notice no later than 10 business days after the date on which the application was submitted.
- (3) If the distributed generator does not receive a notice by the date specified in subclause (2), the distributor is deemed to have given notice of final approval.

7 Regulated terms apply

- (1) If a distributor gives a notice of final approval to a distributed generator under clause 6, the regulated terms apply.
- (2) Despite subclause (1), and in accordance with clause 6.6(4), the distributor

and **distributed generator** may at any time enter into a connection contract on terms that apply instead of the **regulated terms**.

8 When distributed generator may connect to distribution network

- (1) A **distributed generator** that has submitted an application to a **distributor** under clause 4 of Schedule 6.1 may connect the **distributed generation** to which the application relates to the **distributor's distribution network** if the **distributed generator** receives a notice of final approval under clause 6(1), or is deemed to have received a notice of final approval under clause 6(3).
- (2) Despite subclause (1) a **distributor** may prohibit a **distributed generator** from connecting if—
 - (a) the **distributor** has advised the **distributed generator** of a deficiency under clause 5(2) and the deficiency has not been remedied in accordance with clause 5(3); or
 - (b) the **distributor** gave notice that it wished to inspect the **distributed generation** under clause 3(2), but the **distributed generator** has not provided or arranged for the **distributor** to have reasonable access to the **distributed generation** under clause 3(3)(b).

Appendix 2

Process 2: Applications to connect distributed generation with maximum export power above 10 kW and below 300 kW in total

1 Contents of this Appendix

- (1) This Appendix sets out **Process 2** and applies to applications to connect **distributed generation** with **maximum export power** above 10 kW and below 300 kW in total to a **distribution network**.
- (2) **Process 2** provides for a two-stage application process.

Initial application process

2 Distributed generator must make initial application and give information

- (1) A **distributed generator** must make an **initial application** to a **distributor** by—
 - (a) using the application form provided by the **distributor** that is **published** under clause 6.3(2)(a); and
 - (b) providing any information in respect of the **distributed generation** to which the application relates that is—
 - (i) referred to in subclause (2); and
 - (ii) specified by the **distributor** under clause 6.3(3) as being required to be provided with the application; and
 - (c) paying the application fee (if any) specified by the **distributor** in accordance with clause 6.3(2)(e).

(2) The information includes the following:

- (a) the full name and address of the **distributed generator** and the contact details of a person whom the **distributor** may contact regarding the **distributed generation**:
- (b) whether the application is to—
 - (i) connect **distributed generation**; or
 - (ii) continue an existing connection of **distributed generation** that is connected in accordance with a connection contract if the connection contract—
 - (A) is in force and the **distributed generator** wishes to extend the term of the connection contract; or
 - (B) has expired; or
 - (iii) continue an existing connection of **distributed generation** that is connected without a connection contract; or
 - (iv) change the **maximum export power** or fuel type of connected **distributed generation**:
- (c) evidence of the **maximum export power** that the **distributed generation** will have:
- (d) if the application is to change the **maximum export power** or fuel type of connected **distributed generation**—
 - (i) the **maximum export power** that the **distributed generation** will have after the change; and
 - (ii) the aggregate **maximum export power** that all **distributed generation** that is connected at the **point of connection** at which the **distributed generation** is connected will have after the change; and
 - (iii) the fuel type that the **distributed generation** will have after the change:
- (e) details of the fuel type of the **distributed generation** (for example, solar, wind, or liquid fuel):
- (f) a brief description of the physical location at the address at which the **distributed generation** is or will be connected:
- (g) if the application is to **connect distributed generation**, when the **distributed generator** expects the **distributed generation** to be connected:
- (h) technical specifications of the **distributed generation** and **associated equipment**, including the following:
 - (i) technical specifications of equipment that allows the **distributed generation** to be **electrically disconnected** from the **distribution network** on loss of mains voltage;
 - (ii) manufacturer's rating of equipment;
 - (iii) number of phases;
 - (iv) proposed or current **point of connection** to the **distribution**

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- network** (for example, the **ICP identifier** and street address):
- (v) details of either or both of any inverter and battery storage:
 - (vi) details of any **load** at the proposed or current **point of connection**:
 - (vii) details of the voltage (for example, 400 V or 11 kV) when **electrically connected**:
- (i) information showing how the **distributed generation** complies with the distributor's connection and operation standards:
 - (j) the maximum **active power** injected (**MW max**):
 - (k) the **reactive power** requirements (MVAr) (if any):
 - (l) resistance and reactance details of the **distributed generation**:
 - (m) fault level contribution (kA):
 - (n) method of voltage control:
 - (o) single line diagram of proposed connection:
 - (p) means of **synchronising** with, **electrically connecting** to, and **electrically disconnecting** from, the **distribution network**, including the type and ratings of the proposed **circuit breaker**:
 - (q) details of compliance with frequency and voltage support requirements as specified in this Code (if applicable):
 - (r) proposed periods and amounts of **electricity injections** into, and **offtakes** from, the **distribution network** (if known):
 - (s) any other information that is required by the **system operator**:
 - (t) any additional information or **documents** that are reasonably required by the distributor.
- (4) The **distributed generator** must provide the **distributor** with the information required by clause 7(1)(o) of Schedule 11.1.
- (5) The **distributor** must, within five **business days** of receiving an **initial application**, give written notice to the **applicant** advising whether or not the application is complete and, if not, what information is needed to complete the application.
- 3 Distributor must give information to distributed generator
- A **distributor** must give a **distributed generator** that makes an **initial application** the following information within 30 **business days** of receiving the completed **initial application**:
- (a) information about the **capacity** of the **distribution network**, including both the **design capacity** (including fault levels) and actual operating levels:
 - (b) information about the extent to which connection and operation of the **distributed generation** may result in a breach of the relevant standards for safety, voltage, power quality, and reliability of **electricity** conveyed to

points of connection on the distribution network:

- (c) information about any measures or conditions (including modifications to the design and operation of the **distribution network**, the **grid** or to the operation of the **distributed generation**) that may be necessary to address the matters referred to in paragraphs (a) and (b):
- (d) the approximate costs of any **distribution network** related measures or conditions identified under paragraph (c) and an estimate of time constraints or restrictions that may delay connecting the **distributed generation**:
- (e) information about any further detailed investigative studies, including estimated cost and time to complete those studies, that the **distributor** reasonably considers are necessary to identify any potential adverse effects the **distributed generation** may have on the system, together with an indication of—
 - (i) whether the **distributor** agrees to the **distributed generator**, or a suitably qualified agent of the **distributed generator**, undertaking those studies and, if not, the reasons for the **distributor's** decision;
or
 - (ii) if not, whether the **distributor** could undertake those studies and, if so, the reasonable estimated cost of the studies that the **distributed generator** would be charged:
- (f) information about any obligations to other parties that may be imposed on the **distributor** and that could affect the **distributed generation** (for example, obligations to **Transpower**, in respect of other **networks**, or under this Code):
- (g) any additional information or **documents** that the **distributor** considers would assist the **distributed generator's** application:
- (h) information about the extent to which planned and **unplanned outages** may adversely affect the operation of the **distributed generation**.

4 Other matters to assist with decision making

- (1) A **distributor** must provide, if requested by a **distributed generator** making an **initial application**, further information that is reasonably necessary to enable the **distributed**

- generator** to consider and act on the information given by the **distributor** under clause 3.
- (2) The information that the **distributor** must provide under subclause (1) may include single line diagrams, equipment ratings, normal switch configurations (including fault levels), and protection system details relevant to the current or proposed **point of connection** of the **distributed generation** to the **distribution network**.
- (3) The **distributor** must provide the further information under this clause within 10 **business days** of the request being received.
- 5 Distributor and distributed generator must make reasonable endeavours regarding new information
- If a **distributor** or a **distributed generator** has given information to the other party under this Appendix and subsequently becomes aware of new information that is relevant to the application, the party that becomes aware of the new information must use reasonable endeavours to provide the other party with the new information.
- 6 Distributor's decision on initial application
- (1) A **distributor** must, within 40 **business days** after receiving the completed **initial application**, give notice in writing to the **distributed generator** stating whether the **initial application** is approved or declined.
- (2) A **distributor** must approve an **initial application**, subject to any conditions specified by the **distributor** that are reasonably required, if—
- (a) the **initial application** has been properly made in accordance with Part 6 of this Code; and
- (b) the information provided in the **initial application** would reasonably support an assessment by the **distributor**.
- (3) If the **distributor** does not give notice in accordance with subclause (1) before the expiry of the timeframe in this clause, the **distributor** must treat the **initial application** as approved.
- (4) A notice stating that an **initial application** is approved must be accompanied by information about estimated charges payable by the **distributed generator** to the **distributor** to assess a **final application**.
- (5) A notice stating that an **initial application** is declined must be accompanied by detailed reasons as to why the **initial application** was declined.

Final application process

7 Distributed generator must make final application

- (1) A **distributed generator** that makes an **initial application** to a **distributor** must make a **final application**, no later than 12 months after the date on which the **distributor** approved the **initial application**, if the **distributed generator** wishes to proceed with the application, unless—
- (a) the **distributor** and the **distributed generator** agree that a **final application** is not required; and
 - (b) there are no persons to whom the **distributor** must give written notice under clause 8 at the time that the **distributor** and **distributed generator** agree that a **final application** is not required; or
 - (c) the **distributor** agrees to accept a **final application** later than 12 months after the date on which it approved the **initial application**.
- (2) If a **final application** is not required under subclause (1)—
- (a) subclause (3) does not apply; and
 - (b) the **distributed generator's initial application** must be treated as a **final application** for the purposes of clauses 8 to 16.
- (3) The **distributed generator** must make the **final application** by—
- (a) using the **final application** form provided by the **distributor** that is **published** under clause 6.3(2)(a); and
 - (b) providing the results of any investigative studies that were identified by the **distributor** under clause 3(e)(i) and to be undertaken by the **distributed generator** or the **distributed generator's** agent; and
 - (c) paying the **final application** fee (if any) specified by the **distributor** in accordance with clause 6.3(2)(e).

8 Notice to third parties

A **distributor** that receives a **final application** must give written notice of the **final application** to the following persons no later than 10 **business days** after receiving the **final application**:

- (a) all persons that have made an **initial application**, **interim application** and **final application** relating to a part of the **distribution network** that the **distributor** considers would be affected by the approval of the **final application**; and
- (b) all **distributed generators** that have **distributed generation** with a **maximum export power** of 10 kW or more in total connected on the **regulated terms** to the part of the **distribution network** that the **distributor** considers would be affected by the approval of the **final application**.

9 Priority of final applications

- (1) Subclause (2) applies if—
- (a) a **distributor** receives a **final application** (the first application); and

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- (b) a **second final application** (the second application) and any other **final applications** (further applications) within **20 business days** of receiving the first application; and
 - (c) the first application, the second application or any of the further applications (the **grouped applications**) relate to the same part of the **distribution network** and the **distributor** considers that any of those applications would be affected by the approval of the other applications.
 - (2) If this subclause applies—
 - (a) the **distributor** must consider the **grouped applications** simultaneously; and
 - (b) if the **distributor** does not have sufficient **network** capacity to approve all of the **grouped applications**, the **distributor** must—
 - (i) consider which applications to progress to a decision under clause 10 in whole or part or taking into account which application or applications would likely involve the optimal use of the **distribution network** while achieving the most long-term benefit for consumers and which applications to put on hold in whole or part while it considers the applications it has decided to progress; and
 - (ii) advise each **applicant** of its decision under sub-paragraph (i) as soon as possible and within the timeframes specified in clause 11; and
 - (iii) process the applications in accordance with that decision; or
 - (c) if the **distributor** has sufficient **network** capacity to approve all the applications, the **distributor** must—
 - (i) advise each **applicant** of this as soon as possible and within the timeframes specified in clause 11; and
 - (ii) continue to progress each application.
 - (3) If a **distributor** makes a decision under subclause (2)(b)—
 - (a) the **distributor** must make its decision under clause 10 independently of its decision under subclause 2(b); and
 - (b) the decision under subclause 2(b) is without prejudice to any decision under clause 10, does not affect or pre-empt any decision under clause 10, or require any particular decision under clause 10.
 - (4) For the avoidance of doubt, if the **distributor** receives a **final application** (later application) more than **20 business days** after the first application—
 - (a) the distributor must continue to consider the **grouped applications** in accordance with subclause (2); and
 - (b) **distributor** must not include the later application with the **grouped applications** for consideration under subclause (2); and
 - (c) the **distributor** must not make a final decision on the later application until after it has made a final decision on each of the **grouped applications**.
 - (5) Subclause (3) does not limit clause 11.

10 Distributor's decision on final application

- (1) A **distributor** must, within the time limit specified in clause 11 but subject to clause 9, give notice in writing to the **distributed generator** stating whether the **final application** is approved or declined.
- (2) A **distributor** must approve a **final application**, subject to any conditions specified by the **distributor** that are reasonably required, if—
 - (a) the application has been properly made in accordance with Part 6 of this Code; and
 - (b) the information provided in the application would reasonably support an assessment by the **distributor** that—
 - (i) the **distributed generator** will comply at all times with the requirements of the Health and Safety at Work Act 2015; and
 - (ii) the **distributed generator** will ensure that the **distributed generation** complies at all times with the **Act** and this Code; and
 - (iii) the **distributed generation** meets the **distributor's connection and operation standards** (assuming that the **distributed generator** meets the conditions (if any) referred to in subclause (3)).
- (3) A notice stating that a **final application** is approved must be accompanied by the following information:
 - (a) a detailed description of any conditions (or other measures) that are conditions of the approval under subclause (2), and what the **distributed generator** must do to comply with them;
 - (b) detailed reasons for those conditions (or other measures);
 - (c) a detailed description of any charges payable by the **distributed generator** to the **distributor** or by the **distributor** to the **distributed generator**, and an explanation of how the charges have been, or will be, calculated;
 - (d) the default process for resolving disputes under Schedule 6.3, if the **distributed generator** disputes all or any of the conditions (or other measures) or charges payable.
- (4) A notice stating that a **final application** is declined must be accompanied by the following information:
 - (a) detailed reasons as to why the **final application** was declined and what the **distributed generator** must do to obtain the **distributor's** approval if it makes a new **final application**;
 - (b) if the application is one to which clause 9(2) applies, the criteria used in making a decision under clauses 9(2)(a) and 9(2)(b);
 - (c) the default process for resolving disputes between **participants** under Schedule 6.3;
 - (d) that if the **distributed generator** is not a **participant**, the **distributed**

generator may report to the **Authority** under the Electricity Industry (Enforcement) Regulations 2010 if it considers that the **distributor** has breached any requirement in Part 6 of this Code.

11 Time within which distributor must decide final applications

- (1) A notice required by clause 10 must be given by a **distributor** to a **distributed generator** no later than 45 **business days** after the date of receipt of the **final application**, subject to clause 9(2)(b)(i).
- (2) If the **distributor** is considering more than one application simultaneously under clause 9, the time frame under subclause (1) will commence on the date of receipt of the latest in time of those applications.
- (3) The **distributor** may seek up to two extensions of the time specified in subclause (1).
- (4) If the **distributor** requires **grid** studies to decide the **final application**, and the **distributor** has sought two extensions of time under subclause (3), the **distributor** may seek up to two additional extensions of the time specified in subclause (1).
- (5) If a **distributor** seeks an extension of time under subclauses (3) and (4) it must provide the **distributed generator** with a notice in writing specifying the reasons why the extension of time is sought.
- (6) A **distributed generator** that receives a notice seeking an extension of time under subclauses (3) and (4)—
 - (a) may grant an extension which must not exceed 40 **business days**; and
 - (b) must not unreasonably withhold consent to an extension.
- (7) Subclause (8) applies if the **distributor** requests or requires further information from the **distributed generator** that was missing from the **final application** that the **distributor** reasonably needs in order to progress the **final application**.
- (8) The total timeframe will pause on the making of the request or requirement and will resume on the **business day** after the **distributor** receives the information.
- (9) If the **distributor** does not give notice in accordance with subclause (1) before the expiry of the timeframes in this clause, including any extensions of time, the **distributor** must treat the **final application** as approved, subject to clause 9(2)(b)(i).
- (10) If subclause (9) applies, the **applicant** may choose to defer the **distributor's** decision on its **final application** until a later date of its choosing.

12 Distributed generator must give notice of intention to negotiate

- (1) If a **distributor** approves a **final application**, the **distributed generator** must give written notice to the **distributor** confirming whether or not the

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- distributed generator** intends to proceed to negotiate a connection contract under clause 13(1) and, if so, confirming—
- (a) the details of the **distributed generation**; and
 - (b) that the **distributed generator** accepts all of the conditions (or other measures) that have been specified by the **distributor** under clause 10.
- (2) The **distributed generator** must give the notice no later than 30 **business days** after the day on which the **distributor** gives notice of final approval under clause 10, or such later date as is agreed by the **distributor** and the **distributed generator**.
- (3) If the **distributed generator** is a **participant** and does not accept one or more of the conditions specified by the **distributor** under clause 10(2) (if any), but intends to proceed to negotiate a connection contract under clause 13(1), the **distributed generator** must—
- (a) give notice of the dispute in accordance with clause 2 of Schedule 6.3 within 30 **business days** after the day on which the **distributor** gives notice of final approval under clause 10; and
 - (b) give a notice under subclause (1) within 30 **business days** after the dispute is resolved.
- (4) The **distributor's** duties under Part 6 of this Code arising from the application no longer apply if the **distributed generator** fails to give notice to the **distributor** of an intention to proceed to negotiate a connection contract under clause 13(1) within the time limits specified in this clause.
- (5) Subclause (4) does not prevent the **distributed generator** from making a new application under Part 6 of this Code.

Post-approval process

- 13 30 business days to negotiate connection contract if distributed generator gives notice of intention to negotiate
- (1) If a **distributed generator** whose **final application** is approved gives notice to a **distributor** under clause 12(1), the **distributor** and the **distributed generator** have 30 **business days**, starting on the date on which the **distributor** receives the notice, during which they must, in good faith, attempt to negotiate a connection contract.
- (2) The **distributor** and the **distributed generator** may, by agreement, extend the time specified in subclause (1) for negotiating a connection contract.

14 Testing and inspection

- (1) A **distributed generator** whose **final application** is approved by a **distributor** must test and inspect the **distributed generation** to which the **final application** relates within a reasonable time frame specified by the **distributor**.

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- (1A) The **distributor** may waive the requirement that the **distributed generator** test and inspect if the **distributor** is satisfied that the **distributed generation** complies with the **distributor's connection and operation standards**.
- (2) The **distributed generator** must give adequate notice of the testing and inspection to the **distributor**.
- (3) The **distributor** may send qualified personnel to the site to observe the testing and inspection.
- (4) The **distributed generator** must give the **distributor** a written test report when testing and inspection is complete, including suitable evidence that the **distributed generation** complies with the **distributor's connection and operation standards**.
- (5) The **distributed generator** must pay any fee specified by the **distributor** in accordance with clause 6.3(2)(e) for observing the testing and inspection.
- 15 Connection of distributed generation if connection contract negotiated
- (1) This clause applies if a **distributor** and a **distributed generator** whose **final application** is approved enter into a connection contract before the period for negotiating a connection contract under **Process 2** expires.
- (2) If the application is to connect **distributed generation** under clause 2(1)(a) of Schedule 6.1, the **distributor** must allow the **distributed generator** to connect the **distributed generation** in accordance with the contract as soon as practicable.
- (3) If the application is to continue an existing connection of **distributed generation** under clause 2(1)(b) of Schedule 6.1, the **distributor** must use its best endeavours to ensure that the new terms under which the **distributed generator's** existing connection continues apply—
- (a) as soon as practicable, if the previous connection contract has expired; or
- (b) no later than the expiry of the previous connection contract, if the contract is in force.
- (4) If the application is to continue an existing connection for which there is no connection contract under clause 2(1)(c) of Schedule 6.1, the **distributor** must use its best endeavours to ensure that the new terms under which the **distributed generator's** existing connection continues apply as soon as practicable.
- (5) If the application is to change the **maximum export power** or fuel type of connected **distributed generation** under clause 2(1)(d) of Schedule 6.1, the **distributor** must use its best endeavours to ensure that the new terms under which the **distributed generator's** existing connection continues apply as soon as practicable.

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- 16 Connection of distributed generation on regulated terms if connection contract not negotiated
- (1) This clause applies if a **distributor** and a **distributed generator** whose **final application** is approved do not enter into a connection contract before the period for negotiating a connection contract under **Process 2** expires.
- (2) If the application is to connect **distributed generation** under clause 2(1)(a) of Schedule 6.1, the **distributor** must allow the **distributed generator** to connect the **distributed generation** on the **regulated terms** as soon as practicable after the later of the following:
- (a) the expiry of the period for negotiating a connection contract under **Process 2**:
- (b) the date on which the **distributed generator** has fully complied with any conditions (or other measures) that were specified by the **distributor** under clause 10 as conditions of the connection.
- (3) If the application is to continue an existing connection of **distributed generation** under clause 2(1)(b) of Schedule 6.1, the **regulated terms** apply to the **distributed generator's** existing connection from the later of the following:
- (a) the expiry of the period for negotiating a connection contract under **Process 2**:
- (b) the expiry of the existing connection contract:
- (c) the date on which the **distributed generator** has fully complied with any conditions (or other measures) that were specified by the **distributor** under clause 10 as conditions of the connection.
- (4) If the application is to continue an existing connection for which there is no connection contract under clause 2(1)(c) of Schedule 6.1, the **regulated terms** apply from the later of the following:
- (a) the expiry of the period for negotiating a connection contract under **Process 2**:
- (b) the date on which the **distributed generator** has fully complied with any conditions (or other measures) that were specified by the **distributor** under clause 10 as conditions of the connection.
- (5) If the application is to change the **maximum export power** or fuel type of connected **distributed generation** under clause 2(1)(d) of Schedule 6.1, the **regulated terms** apply from the later of the following:
- (a) the expiry of the period for negotiating a connection contract under **Process 2**:
- (b) the date on which the **distributed generator** has fully complied with any conditions (or other measures) that were specified by the **distributor** under clause 10 as conditions of the connection.

Appendix 3

Process 3: Applications to connect distributed generation with maximum export power of 300 kW or more in total

- (1) This Appendix sets out **Process 3** and applies to applications to connect

distributed generation with **maximum export power** of 300 kW or more in total to a **distribution network**.

(2) **Process 3** provides for a three-stage application process.

Initial application process

2 Distributed generator must make initial application, give information, and pay initial application fee

(1) **A distributed generator must make an initial application to a distributor by—**

- (a) **using the application form provided by the distributor that is published under clause 6.3(2)(a); and**
- (b) **providing any information in respect of the distributed generation to which the application relates that is—**
 - (i) **referred to in subclause (3); and**
 - (ii) **specified by the distributor under clause 6.3(3) as being required to be provided with the application; and**
- (c) **paying the initial application fee specified by the distributor in accordance with clause 6.3(2)(e).**

(2) **The initial application fee is non-refundable and non-transferable unless the distributor agrees otherwise.**

(3) **The information includes the following:**

- (a) **the full name and address of the distributed generator and the contact details of a person whom the distributor may contact regarding the distributed generation:**
- (b) **whether the application is to—**
 - (i) **connect distributed generation; or**
 - (ii) **continue an existing connection of distributed generation that is connected in accordance with a connection contract if the connection contract—**
 - (A) **is in force and the distributed generator wishes to extend the term of the connection contract; or**
 - (B) **has expired; or**
 - (iii) **continue an existing connection of distributed generation that is connected without a connection contract; or**
 - (iv) **change the maximum export power or fuel type of connected distributed generation:**
- (c) **evidence of the maximum export power that the distributed generation will have:**

- (d) if the application is to change the **maximum export power** or fuel type of **connected distributed generation**.—
 - (i) the **maximum export power** that the **distributed generation** will have after the change; and
 - (ii) the aggregate **maximum export power** that all **distributed generation** that is connected at the **point of connection** at which the **distributed generation** is connected will have after the change; and
 - (iii) the fuel type that the **distributed generation** will have after the change;
- (e) details of the fuel type of the **distributed generation** (for example, solar, wind, or liquid fuel);
- (f) a brief description of the physical location at the address at which the **distributed generation** is or will be connected;
- (g) if the application is to connect **distributed generation**, when the **distributed generator** expects the **distributed generation** to be connected;
- (h) technical specifications of the **distributed generation** and **associated equipment**, including the following:
 - (i) technical specifications of equipment that allows the **distributed generation** to be **electrically disconnected** from the **distribution network** on loss of mains voltage;
 - (ii) manufacturer's rating of equipment;
 - (iii) number of phases;
 - (iv) proposed or current **point of connection** to the **distribution network** (for example, the **ICP identifier** and street address);
 - (v) details of either or both of any inverter and battery storage;
 - (vi) details of any **load** at the proposed or current **point of connection**;
 - (vii) details of the voltage (for example, 400 V or 11 kV) when **electrically connected**:
 - distributor's connection and operation standards:
- (i) the maximum **active power** injected (in **MW**);
- (k) the **reactive power** requirements (in **MVARs**) (if any);
- (l) resistance and reactance details of the **distributed generation**;
- (m) fault level contribution (in **kA**);
- (n) method of voltage control;
- (o) single line diagram of proposed connection;
- (p) means of **synchronising** with, **electrically connecting** to, and **electrically disconnecting** from, the **distribution network**, including the type and ratings of the proposed **circuit breaker**;

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- (q) details of compliance with frequency and voltage support requirements as specified in this Code (if applicable):
 - (r) proposed periods and amounts of **electricity injections** into, and **offtakes** from, the **distribution network** (if known):
 - (s) any other information that is required by the **system operator**:
 - (t) any additional information or **documents** that are reasonably required by the distributor.
 - (4) The **distributed generator** must provide the **distributor** with the information required by clause 7(1)(o) of Schedule 11.1.
 - (5) The **distributor** must, within five **business days** of receiving an **initial application**, give written notice to the **applicant** advising whether or not the application is complete and, if not, what information is needed to complete the application.

3 Distributor must give information to distributed generator

A **distributor** must give a **distributed generator** that makes an **initial application** the following within 30 **business days** of receiving the completed **initial application**:

- (a) information about the **capacity** of the **distribution network**, including both the **design capacity** (including fault levels) and actual operating levels:
- (b) information about the extent to which connection and operation of the **distributed generation** may result in a breach of the relevant standards for safety, voltage, power quality, and reliability of **electricity** conveyed to **points of connection** on the **distribution network**:
- (c) information about any measures or conditions (including modifications to the design and operation of the **distribution network**, the **grid**, or to the operation of the **distributed generation**) that may be necessary to address the matters referred to in paragraphs (a) and (b):
- (d) the approximate costs of any **distribution network** related measures or conditions identified under paragraph (c) and an estimate of time constraints or restrictions that may delay connecting the **distributed generation**:
- (e) information about any further detailed investigative studies, including estimated cost and time to complete those studies, that the **distributor** reasonably considers are necessary to identify any potential adverse effects the **distributed generation** may have on the system, together with an indication of—
 - (i) whether the **distributor** agrees to the **distributed generator**, or a suitably qualified agent of the **distributed generator**, undertaking

those studies and, if not, the reasons for the **distributor's** decision;
or

(ii) if not, whether the **distributor** could undertake those studies and, if so, the reasonable estimated cost of the studies that the **distributed generator** would be charged;

(f) information about any obligations to other parties that may be imposed on the **distributor** and that could affect the **distributed generation** (for example, obligations to **Transpower**, in respect of other **networks**, or under this Code);

(g) any additional information or **documents** that the **distributor** considers would assist the **distributed generator's** application;

(h) information about the extent to which planned and **unplanned outages** may adversely affect the operation of the **distributed generation**.

4 Other matters to assist with decision making

(1) A **distributor** must provide, if requested by a **distributed generator** making an **initial application**, further information that is reasonably necessary to enable the **distributed generator** to consider and act on the information given by the **distributor** under clause 3.

(2) The information that the **distributor** must provide under subclause (1) may include single line diagrams, equipment ratings, normal switch configurations (including fault levels), and protection system details relevant to the current or proposed **point of connection** of the **distributed generation** to the **distribution network**.

(3) The **distributor** must provide the further information under this clause within 10 **business days** of the request being received.

5 Distributor and distributed generator must make reasonable endeavours regarding new information

If a **distributor** or a **distributed generator** has given information under this Appendix and subsequently becomes aware of new information that is relevant to the application, the party that becomes aware of the new information must use reasonable endeavours to provide the other party with the new information.

6 Distributor's decision on initial application

(1) A **distributor** must, within 40 **business days** of receiving the completed **initial application**, give notice in writing to the **distributed generator** stating whether the **initial application** is approved or declined.

(2) A **distributor** must approve an **initial application**, subject to any conditions

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- specified by the **distributor** that are reasonably required, if—
- (a) the **initial application** has been properly made in accordance with Part 6 of this Code; and
 - (b) the information provided in the application would reasonably support an assessment by the **distributor**.
- (3) A **distributor** that does not give notice in accordance with subclause (1) is deemed to have approved the **initial application**.
- (4) A notice stating that an **initial application** is approved must be accompanied by the following information:
- (a) the priority position of the **initial application** in the **distributor's network connections pipeline** at the time the **distributor** approved the **initial application**; and
 - (b) estimated charges payable by the **distributed generator** to the **distributor** to assess an **interim application** and **final application**.
- (5) A notice stating that an **initial application** is declined must be accompanied by detailed reasons as to why the **initial application** was declined and what the **distributed generator** must do to resubmit an **initial application**.
- (6) A **distributed generator** may only resubmit an **initial application** once and must do so within 30 **business days** after they receive a notice under subclause (4), otherwise a new application is required.
- (7) The **distributor** must not charge a **distributed generator** for **initial applications** that are resubmitted in accordance with subclauses (5) and (6).

Interim application process

- Z Distributed generator must make interim application and give information
- (1) A **distributed generator** that makes an **initial application** to a **distributor** must make an **interim application**, no later than 12 months after receiving initial approval from the **distributor**, if the **distributed generator** wishes to proceed with the application, unless—
- (a) the **distributor** and the **distributed generator** agree that an **interim application** is not required; and
 - (b) there are no persons to whom the **distributor** must give written notice under clause 8 at the time that the **distributor** and **distributed generator** agree that an **interim application** is not required; or
 - (c) the **distributor** agrees to accept an **interim application** later than 12 months after the date on which it approved the **initial application**.
- (2) If an **interim application** is not required in accordance with subclause (1)—
- (a) subclause (3) does not apply; and
 - (b) the **distributed generator's initial application** must be treated as an **interim application** for the purposes of clauses 8 to 11; and

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- (c) the **distributed generator** must still pay the **interim application** fee (if any) specified by the **distributor** in accordance with clause 6.3(2)(e).
- (3) The **distributed generator** must make the **interim application** by—
- (a) using the **interim application** form provided by the **distributor** that is **published** under clause 6.3(2)(a); and
 - (b) providing the results of any investigative studies that were identified by the **distributor** under clause 3(e)(i) and to be undertaken by the **distributed generator** or the **distributed generator's** agent; and
 - (c) providing details of any changes the **distributed generator** has made from the **initial application**; and
 - (d) paying the **interim application** fee (if any) specified by the **distributor** in accordance with clause 6.3(2)(e).

8 Notice to third parties

A **distributor** that receives an **interim application** must give written notice of the **interim application** to the following persons no later than 10 **business days** after receiving the **interim application**:

- (a) all persons that have made an **initial application**, **interim application** and **final application** relating to a part of the **distribution network** that the **distributor** considers would be affected by the approval of the **interim application**; and
- (b) all **distributed generators** that have **distributed generation** with **maximum export power** of 10 kW or more in total connected on the **regulated terms** to the part of the **distribution network** that the **distributor** considers would be affected by the approval of the **interim application**.

9 Distributor's decision on interim application

- (1) A **distributor** must, within the time limit specified in clause 10, give notice in writing to the **distributed generator** stating whether the **interim application** is approved or declined.
- (2) A **distributor** must approve an **interim application**, subject to any conditions specified by the **distributor** that are reasonably required, if—
 - (a) the **interim application** has been properly made in accordance with Part 6 of this Code; and
 - (b) the information provided in the **interim application** would reasonably support an assessment by the **distributor** that—
 - (i) the **distributed generator** will comply at all times with the requirements of the Health and Safety at Work Act 2015; and
 - (ii) the **distributed generator** will ensure that the **distributed generation** complies at all times with the **Act**, and this Code; and

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- (iii) the **distributed generation** meets the **distributor's connection and operation standards** (assuming that the **distributed generator** meets the conditions (if any) referred to in subclause (3)); and
 - (iv) the results of the studies provided indicate to the **distributor's** approval that the **distributed generation** can be connected without affecting other customers connected to the **distributor's network**; and
 - (v) the **distributor** has not identified, as a result of the initial studies, additional studies required to support the connection.
 - (3) A notice stating that an **interim application** is approved must be accompanied by the following information:
 - (a) a detailed description of any conditions (or other measures) that are conditions of the approval under subclause (2), and what the **distributed generator** must do to comply with them;
 - (b) detailed reasons for those conditions (or other measures);
 - (c) a detailed description of any charges that would be payable by the **distributed generator** to the **distributor** or by the **distributor** to the **distributed generator**, and an explanation of how the charges have been, or will be, calculated;
 - (d) the default process for resolving disputes under Schedule 6.3, if the **distributed generator** disputes all or any of the conditions (or other measures) or charges payable;
 - (e) the priority position of the **interim application** in the **distributor's network connections pipeline** at the time the **distributor** approved the **interim application**;
 - (f) estimated charges payable by the **distributed generator** to the **distributor** to assess a **final application**.
 - (4) A notice stating that an **interim application** is declined must be accompanied by the following information:
 - (a) detailed reasons as to why the application has been declined and what the **distributed generator** must do to obtain the **distributor's** approval if it resubmits its **interim application** under subclause (5);
 - (b) the default process for resolving disputes between **participants** under Schedule 6.3;
 - (c) that if the **distributed generator** is not a **participant**, the **distributed generator** may report to the **Authority** under the Electricity Industry (Enforcement) Regulations 2010 if it considers that the **distributor** has breached any requirement in Part 6 of this Code.
 - (5) A **distributed generator** may only resubmit an **interim application** once and

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- must do so within 60 **business days** after receiving a notice under subclause (4), otherwise the **distributed generator** must submit a new **interim application** to the **distributor**.
- (6) The **distributor** must not charge a **distributed generator** for **interim applications** that are resubmitted in accordance with subclause (5).
- 10 Time within which distributor must decide interim applications
- (1) A notice required by clause 9 must be given by a **distributor** to a **distributed generator** no later than—
- (a) 45 **business days** after the date of receipt of the **interim application**, in the case of **distributed generation** with **maximum export power** of less than 1 **MW**; or
 - (b) 60 **business days** after the date of receipt of the **interim application**, in the case of **distributed generation** with maximum export power of 1 **MW** or more but less than 5 **MW**; or
 - (c) 80 **business days** after the date of receipt of the **interim application**, in the case of **distributed generation** with **maximum export power** of 5 **MW** or more.
- (2) The **distributor** may seek up to two extensions of the time specified in subclause (1).
- (3) If the **distributor** requires **grid** studies to decide the **interim application**, and the **distributor** has sought two extensions of time under subclause (2), the **distributor** may seek up to two additional extensions of time after subclause (2).
- (4) If a **distributor** seeks an extension of time under subclauses (2) and (3) it must provide the **distributed generator** with a notice in writing specifying the reasons why the extension of time is sought.
- (5) A **distributed generator** that receives a notice seeking an extension of time under subclause (4)—
- (a) may grant an extension which must not exceed 40 **business days**; and
 - (b) must not unreasonably withhold consent to an extension.
- (6) Subclause (7) applies if the **distributor** requests or requires further information from the **distributed generator** that was missing from the **interim application**, during the period set out in subclause (1).
- (7) The total timeframe will pause on the making of the request or requirement and will resume on the **business day** after the **distributor** receives the information.
- (8) If the **distributor** does not give notice in accordance with subclause (1) before the expiry of the timeframes in this clause, including any extensions of time, the **distributor** must treat the **interim application** as approved.
- (9) If subclause (8) applies, the **distributed generator** may choose to defer the **distributor's** decision on its **interim application** until a later date of its choosing.

11 Distributed generator must give notice of a dispute

- (1) If the **distributed generator** is a **participant** and does not accept one or more of the conditions specified by the **distributor** under clause 9(3) (if any), the **distributed generator** may give notice of the dispute in accordance with clause 2 of Schedule 6.3 within 30 **business days** after the day on which the **distributor** gives notice of approval under clause 9(1).
- (2) If the **distributed generator** fails to notify the **distributor** of a dispute under subclause (1) within 30 **business days** after the date on which the **distributed generator** receives the conditions specified by the **distributor** under clause 9(3), the **distributed generator** is deemed to have accepted the conditions specified by the **distributor**.
- (3) Subclause (2) does not prevent the **distributed generator** from declining the conditions specified by the **distributor** under clause 9(3) and making a new application under Part 6 of this Code.

Final application process

12 Distributed generator must make final application

- (1) A **distributed generator** that makes an **interim application** to a **distributor** must make a **final application** to the **distributor** no later than 90 **business days** after receiving a notice from the **distributor** under clause 9(2) approving the **interim application**, or 90 **business days** after the date on which a dispute was settled under Schedule 6.3, if the **distributed generator** wishes to proceed with the application, unless—
 - (a) the **distributor** and the **distributed generator** agree that a **final application** is not required; and
 - (b) there are no persons to whom the **distributor** must give written notice under clause 13 at the time that the **distributor** and **distributed generator** agree that a **final application** is not required; or
 - (c) the **distributor** agrees to accept a **final application** more than 90 **business days** after **interim approval** or the date that a dispute was settled under Schedule 6.3.
- (2) If a **final application** is not required in accordance with subclause (1)—
 - (a) subclause (3) does not apply; and
 - (b) the **distributed generator's interim application** must be treated as a **final application** for the purposes of clauses 13 to 23; and
 - (c) the **distributed generator** must still pay the **final application** fee (if any) specified by the **distributor** in accordance with clause 6.3(2)(e).

- (3) The **distributed generator** must make the **final application** by—
- (a) using the **final application** form provided by the **distributor** that is **published** under clause 6.3(2)(a); and
 - (b) accepting the conditions stipulated by the **distributor** under clause 9(3) (if any) and how the **final application** responds to these conditions; and
 - (c) including evidence of a project investment decision and Overseas Investment Office approval, if available; and
 - (d) paying the **final application** fee (if any) specified by the **distributor** in accordance with clause 6.3(2)(e).
- (4) If the **distributor** considers the **final application** does not adequately respond to the conditions the **distributor** must—
- (a) notify the **distributed generator** of the inadequacies; and
 - (b) allow the **distributed generator** 10 **business days** to correct the inadequacies in the **final application**; and
 - (c) if the **distributed generator** has not been able to correct the inadequacies in the **final application**, the **distributor** may treat the **final application** as an **interim application** under clause 9.
- (5) If subclause (4) applies, the **distributor** must not charge the **distributed generator** another **interim application** fee.

13 Notice to third parties

A **distributor** that receives a **final application** must give written notice of the **final application** to the following persons no later than 10 **business days** after receiving the **final application**:

- (a) all persons that have made an **initial application**, **interim application** and **final application** relating to a part of the **distribution network** that **export power** of 10 kW or more in total connected on the **regulated terms** to the part of the **distribution network** that the **distributor** considers would be affected by the approval of the **final application**.

14 Priority of final applications

(1) Subclause (2) applies if—

- (a) a **distributor** receives a **final application** (the first application);
- (b) a **second final application** (the second application) and any other **final applications** (further applications) within 20 **business days** of receiving the first application; and
- (c) the first application, the second application or any of the further applications (the **grouped applications**) relate to the same part of the **distribution network** and the **distributor** considers that any of those applications would be affected by the approval of any of the other the

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- applications.
- (2) If this subclause applies —
- (a) the **distributor** must consider the **grouped applications** simultaneously; and
 - (b) if the **distributor** does not have sufficient **network** capacity to approve all of the grouped applications—
 - (i) the **distributor** and **applicants** must use their best endeavours to amend the applications so that the **distributor** may consider the applications as complementary; and
 - (ii) consider which applications to progress to a decision under clause 10 in whole or part or taking into account the purpose of Part 6 of this Code and which applications to put on hold in whole or part while it considers the applications it has decided to progress; and
 - (iii) advise each applicant of its decision under sub-paragraph (i) as soon as possible and within the timeframes specified in clause 11; and
 - (iv) process the applications in accordance with that decision; or
 - (c) if the **distributor** has sufficient **network** capacity to approve all of the applications the **distributor**—must consider the **final applications** taking into account which application or applications would likely involve the optimal use of the **distribution network** while achieving the most long-term benefit for consumers.
- (3) If a **distributor** makes a decision under subclause (2)(b)—
- (a) the **distributor** must make its decision under clause 10 independently of its decision under subclause 2(b); and
 - (b) the decision under subclause 2(b) is without prejudice to any decision under clause 10, does not affect or pre-empt any decision under clause 10, or require any particular decision under clause 10.
- (4) For the avoidance of doubt, if the **distributor** receives a **final application** (later application) more than 20 **business days** after the first application—
- (a) the distributor must continue to consider the **grouped applications** in accordance with subclause (2); and
 - (b) **distributor** must not include the later application with the **grouped applications** for consideration under subclause (2); and
 - (c) the **distributor** must not make a final decision on the later application until after it has made a final decision on each of the **grouped applications**.

(5) Subclause (3) does not limit clause 16.

15 Distributor's decision on final application

- (1) A **distributor** must, within the time limit specified in clause 16, give notice in writing to the **distributed generator** stating whether the **final application** is

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- approved or declined.
- (2) A **distributor** must approve a **final application**, subject to any conditions specified by the **distributor** that are reasonably required, if—
- (a) the **final application** has been properly made in accordance with Part 6 of this Code; and
 - (b) the information provided in the application would reasonably support an assessment by the **distributor** that—
 - (i) the **distributed generator** will comply at all times with the requirements of the Health and Safety at Work Act 2015; and
 - (ii) the **distributed generator** will ensure that the **distributed generation** complies at all times with the **Act** and this Code; and
 - (iii) the **distributed generation** meets the **distributor's connection and operation standards** (assuming that the **distributed generator** meets the conditions (if any) referred to in subclause (3)).
- (3) A notice stating that a **final application** is approved must be accompanied by the following information:
- (a) a detailed description of any conditions (or other measures) that are conditions of the approval under subclause (2), and what the **distributed generator** must do to comply with them;
 - (b) detailed reasons for those conditions (or other measures);
 - (c) a detailed description of any charges payable by the **distributed generator** to the **distributor** or by the **distributor** to the **distributed generator**, and an explanation of how the charges have been, or will be, calculated;
 - (d) the default process for resolving disputes under Schedule 6.3, if the **distributed generator** disputes all or any of the conditions (or other measures) or charges payable;
 - (e) the priority position of the **final application** in the **distributor's network connections pipeline** at the time the **distributor** approved the **final application**: — — —
- (4) A notice stating that an application is declined must be accompanied by the following information:
- (a) detailed reasons as to why the application has been declined and what the **distributed generator** must do to obtain the **distributor's** approval if it resubmits its **final application**;
 - (b) if the **final application** is one to which clause 14(2) applies, the criteria used in making a decision under clauses 14(2)(a) and 14(2)(b);
 - (c) the default process for resolving disputes between **participants** under Schedule 6.3;
 - (d) that if the **distributed generator** is not a **participant**, the **distributed**

generator may report to the **Authority** under the Electricity Industry (Enforcement) Regulations 2010 if it considers that the **distributor** has breached any requirement in Part 6 of this Code.

- (5) A **distributed generator** may only resubmit a **final application** once and must do so within 30 **business days** of receiving a notice under subclause (4), otherwise the **distributed generator** must submit a new **final application**.
- (6) The **distributor** must not charge a **distributed generator** for **final applications** that are resubmitted under subclause (5).

16 Time within which distributor must decide final applications

- (1) A notice required by clause 15 must be given by a **distributor** to a **distributed generator** no later than—
 - (a) 20 **business days** after the date of receipt of the **final application**, in the case of **distributed generation** with **maximum export power** of less than 1 MW; or
 - (b) 30 **business days** after the date of receipt of the **final application**, in the case of **distributed generation** with **maximum export power** of 1 MW or more but less than 5 MW; or
 - (c) 40 **business days** after the date of receipt of the **final application**, in the case of **distributed generation** with **maximum export power** of 5 MW or more.
- (2) The **distributor** may seek one extension of the time specified in subclause (1).
- (3) If a **distributor** seeks an extension of time under subclause (2) it must provide the **distributed generator** with a notice in writing specifying the reasons why the extension of time is sought.
- (4) A **distributed generator** that receives a notice seeking an extension—
 - (a) may grant an extension which must not exceed 40 **business days**; and
 - (b) must not unreasonably withhold consent to an extension.
- (5) Subclause (6) applies if the **distributor** requests or requires further information from the **distributed generator** that was missing from the **final application**.
- (6) The total timeframe will pause on the making of the request or requirement and will resume on the **business day** after the **distributor** receives the information.
- (7) If the **distributor** does not give notice in accordance with subclause (1) before the expiry of the timeframes in this clause, including an extension of time, the **distributor** must treat the **final application** as approved.
- (8) If subclause (7) applies, the **applicant** may choose to defer the **distributor's** decision on its **final application** until a later date of its choosing.

17 Distributed generator must give notice of intention to negotiate

- (1) If a **distributor** approves a **final application**, the **distributed generator** must

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- give written notice to the **distributor** confirming whether or not the **distributed generator** intends to proceed to negotiate a connection contract under clause 18(1) and, if so, confirming—
- (a) the details of the **distributed generation**; and
 - (b) that the **distributed generator** accepts all of the conditions (or other measures) that have been specified by the **distributor** under clause 15(2).
- (2) The **distributed generator** must give the notice no later than 30 **business days** after the day on which the **distributor** gives notice of final approval under clause 15(1), or such later date as is agreed by the **distributor** and the **distributed generator**.
- (3) If the **distributed generator** is a **participant** and does not accept one or more of the conditions specified by the **distributor** under clause 15(2) (if any), but intends to proceed to negotiate a connection contract under clause 18(1), the **distributed generator** must—
- (a) give notice of the dispute in accordance with clause 2 of Schedule 6.3 within 30 **business days** after the day on which the **distributor** gives notice of final approval under clause 15(1); and
 - (b) give a notice under subclause (1) within 30 **business days** after the dispute is resolved.
- (4) The **distributor's** duties under Part 6 of this Code arising from the application no longer apply if the **distributed generator** fails to give notice to the **distributor** of an intention to proceed to negotiate a connection contract under clause 18(1) within the time limits specified in this clause.
- (5) Subclause (4) does not prevent the **distributed generator** from making a new application under Part 6 of this Code.

Post-approval process

- 18 30 business days to negotiate connection contract if distributed generator gives notice of intention to negotiate
- (1) If a **distributed generator** whose **final application** is approved gives notice to a **distributor** under clause 17(1), the **distributor** and the **distributed generator** have 30 **business days**, starting on the date on which the **distributor** receives the notice, during which they must, in good faith, attempt to negotiate a connection contract.
- (2) The **distributor** and the **distributed generator** may, by agreement, extend the time specified in subclause (1) for negotiating a connection contract.
- 19 Connection of distributed generation if connection contract negotiated
- (1) This clause applies if a **distributor** and a **distributed generator** whose **final application** is approved enter into a connection contract before the period for negotiating a connection contract under this Part of this

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- Schedule expires.
- (2) If the application is to connect **distributed generation** under clause 2(1)(a) of Schedule 6.1, the **distributor** must allow the **distributed generator** to connect the **distributed generation** in accordance with the contract as soon as practicable.
- (3) If the application is to continue an existing connection of **distributed generation** under clause 2(1)(b) of Schedule 6.1, the **distributor** must use its best endeavours to ensure that the new terms under which the **distributed generator's** existing connection continues apply—
(a) as soon as practicable, if the previous connection contract has expired; or
(b) no later than the expiry of the previous connection contract, if the contract is in force.
- (4) If the application is to continue an existing connection for which there is no connection contract under clause 2(1)(c) of Schedule 6.1, the **distributor** must use its best endeavours to ensure that the new terms under which the **distributed generator's** existing connection continues apply as soon as practicable.
- (5) If the application is to change the **maximum export power** or fuel type of connected **distributed generation** under clause 2(1)(d) of Schedule 6.1, the **distributor** must use its best endeavours to ensure that the new terms under which the **distributed generator's** existing connection continues apply as soon as practicable.
- 20 Connection of distributed generation on regulated terms if connection contract not negotiated

- (1) This clause applies if a **distributor** and a **distributed generator** whose **final application** is approved do not enter into a connection contract before the period for negotiating a connection contract under this Part of this Schedule expires.
- (2) If the application is to connect **distributed generation** under clause 2(1)(a) of Schedule 6.1, the **distributor** must allow the **distributed generator** to connect the **distributed generation** on the **regulated terms** as soon as practicable after the later of the following:
(a) the expiry of the period for negotiating a connection contract under this Part of this Schedule;
(b) the date on which the **distributed generator** has fully complied with any conditions (or other measures) that were specified by the **distributor** under clause 15 as conditions of the connection.
- (3) If the application is to continue an existing connection of **distributed generation** under clause 2(1)(b) of Schedule 6.1, the **regulated terms** apply to the **distributed generator's** existing connection from the later of the following:

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- (a) the expiry of the period for negotiating a connection contract under this Part of this Schedule;
 - (b) the expiry of the existing connection contract;
 - (c) the date on which the **distributed generator** has fully complied with any conditions (or other measures) that were specified by the **distributor** under clause 15 as conditions of the connection.
 - (4) If the application is to continue an existing connection for which there is no connection contract under clause 2(1)(c) of Schedule 6.1, the **regulated terms** apply from the later of the following:
 - (a) the expiry of the period for negotiating a connection contract under this Part of this Schedule;
 - (b) the date on which the **distributed generator** has fully complied with any conditions (or other measures) that were specified by the **distributor** under clause 15 as conditions of the connection.
 - (5) If the application is to change the **maximum export power** or fuel type of connected **distributed generation** under clause 2(1)(d) of Schedule 6.1, the **regulated terms** apply from the later of the following:
 - (a) the expiry of the period for negotiating a connection contract under this Part of this Schedule;
 - (b) the date on which the **distributed generator** has fully complied with any conditions (or other measures) that were specified by the **distributor** under clause 15 as conditions of the connection.
- 21 Approved applications must meet milestones to retain priority position in distributor's network connections pipeline
- (1) A **distributor** must queue and manage approved **final applications** in accordance with its **queueing and management policy** including setting delivery milestones that the **distributed generator** must meet to maintain its priority position in the **distributor's network connections pipeline**.
 - (2) These milestones may relate to:
 - (a) securing environmental approvals;
 - (b) obtaining property rights and easements;
 - (c) obtaining Overseas Investment Office approval, if required;
 - (d) confirming final grid connection requirements
 - (e) signing delivery services agreement
 - (f) signing construction contract
 - (g) completing works construction
 - (h) other issues that are reasonably required for the **distributor's queueing and management policy**.
 - (3) The **distributor** must apply stated tolerances in their **queueing and management policy** with regards to milestones, recognising that there could be delays that lead to milestones not being achieved on time.
- 22 Treatment of approved applications at the same network location
- (1) A **distributed generator** may miss milestones and retain its place in a

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- distributor's network connections pipeline** if no other **final application** is received in respect of that part of the **distributor's network**.
- (2) If a **distributed generator** misses a milestone and another **final application** is approved for that part of the **network**, the **distributor** must inform the **distributed generator** within five **business days** and work with the **distributed generator** to set renegotiated milestones.
- (3) If a project fails to meet any renegotiated milestones after following the process in subclause (2) above, the **distributor** may prioritise another application ahead of this project. The **distributor** must consider the purpose of Part 6 of this Code when making this decision.
- (4) A **distributor** must adhere to its **queueing and management policy** when making decisions on the priority positions of projects in its **network connections pipeline**.

23 Testing and inspection

- (1) A **distributed generator** whose **final application** is approved by a **distributor** must test and inspect the **distributed generation** to which the **final application** relates within a reasonable time frame specified by the **distributor**.
- (2) The **distributor** may waive the requirement that the **distributed generator** test and inspect if the **distributor** is satisfied that the **distributed generation** complies with the **distributor's connection and operation standards**.
- (3) The **distributed generator** must give adequate notice of the testing and inspection to the **distributor**.
- (4) The **distributor** may send qualified personnel to the site to observe the testing and inspection.
- (5) The **distributed generator** must give the **distributor** with a written test report when testing and inspection is complete, including suitable evidence that the **distributed generation** complies with the **distributor's connection and operation standards**.
- (6) The **distributed generator** must pay any fee specified by the **distributor** in accordance with clause 6.3(2)(e) for observing the testing and inspection.

Appendix 4

Process 4: Applications for load above 69 kVA and below 300 kVA in total

[deleted]

Appendix 5

Process 5: Applications to connect load at 1 MVA 300 kVA and above in total

1 Contents of this Appendix

- (1) This Appendix sets out **Process 5** and applies to applications to connect load at 1 MVA 300 kVA and above in total to a **distribution network**.
- (2) **Process 5** provides for a three-stage application process.

Initial application process

2 Distributor must receive information to process an initial application

- (1) To process an **initial application** from an **applicant**, a **distributor** must receive—
- (a) a completed **initial application** from the **applicant** using the form published by the **distributor** under clause 6.3(2)(a); and
 - (b) information in respect of the connection to which the **initial application** relates that is—
 - (i) referred to in subclause (2); and
 - (ii) specified by the **distributor** under clause 6.3(3) as being required to be provided with the **initial application**; and
 - (c) the **initial application** fee (if any) specified by the **distributor** in accordance with clause 6.3(2)(e);
- (2) The information includes the following:
- (a) the full name and address of the **applicant** and the contact details of a person whom the **distributor** may contact regarding the connection;
 - (b) whether the application is to—
 - (i) connect new **load**; or
 - (ii) continue an existing **load** connection that is connected in accordance with a connection contract if the connection contract—
 - (A) is in force and the **applicant** wishes to extend the term of the connection contract; or
 - (B) has expired; or
 - (iii) continue an existing **load** connection that is connected without a connection contract; or
 - (iv) change the capacity of an existing **load** connection;
 - (c) proposed or current **point of connection** to the **distribution network** (for example, the **ICP** identifier and street address);
 - (d) when the **applicant** would like the **load** connection or increased capacity to be available;
 - (e) details of the required voltage (for example, 400V or 11kV) for the

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- load connection:**
- (f) **information showing how the load installation complies with the distributor's connection and operation standards:**
 - (g) **evidence that the applicant has undertaken a capacity assessment that considers maximum demand and, if known, time of use demand from the distribution network:**
 - (h) **any other information that is required by the system operator:**
 - (i) **any additional information or documents that are reasonably required by the distributor.**
- (3) **The distributor must, within five business days of receiving an initial application, give written notice to the applicant advising whether or not the application is complete and, if not, what information is needed to complete the application.**
- 3 Distributor must give information to applicant
- A distributor must give an applicant that makes an initial application the following within 30 business days of receiving the completed initial application:**
- (a) **information about the capacity of the distribution network, including both the design capacity (including fault levels) and actual operating levels:**
 - (b) **information about the extent to which the connection and operation of the load connection may result in a breach of the relevant standards for safety, voltage, power quality, and reliability of electricity conveyed to points of connection on the distribution network:**
 - (c) **information about any measures or conditions (including modifications to the design and operation of the distribution network or grid) to the operation of the load connection that may be necessary to address the matters referred to in paragraphs (a) and (b).**
 - (d) **the approximate costs of any distribution network related measures or conditions identified under paragraph (c) and an estimate of time constraints or restrictions that may delay connecting to the network:**
 - (e) **information about any further detailed investigative studies that the distributor reasonably considers are necessary to identify any potential adverse effects the connection may have on the system, together with an indication of—**
 - (i) **whether the distributor agrees to the applicant, or a suitably qualified agent of the applicant, undertaking those studies and, if not, the reasons for the distributor's decision; or**
 - (ii) **if not, whether the distributor could undertake those studies and, if**

so, the reasonable estimated cost of the studies that the **applicant** would be charged:

- (f) information about any obligations to other parties that may be imposed on the **distributor** and that could affect the connection:
- (g) information about the extent to which planned and **unplanned outages** may adversely affect the operation of the **load** connection:
- (h) any additional information or **documents** that the **distributor** considers would assist the **applicant's** application.

4 Other matters to assist with decision making

- (1) A **distributor** must provide, if requested by an **applicant** making an **initial application**, further information that is reasonably necessary to enable the **applicant** to consider and act on the information given by the **distributor** under clause 3.
- (2) The information that the **distributor** must provide under subclause (1) may include single line diagrams, equipment ratings, normal switch configurations (including fault levels), and protection system details relevant to the current or proposed **point of connection of the load**.
- (3) The **distributor** must provide the further information under this clause within 10 **business days** of the request being received.

5 ~~Distributor must make reasonable endeavours regarding new information~~

If a **distributor** receives information under **Process 5** from an **applicant** who is not a participant, and subsequently becomes aware of new information that is relevant to the application, the **distributor** must use reasonable endeavours to obtain the new information from the **applicant**.

6 ~~Distributor's decision on initial application~~

- (1) A **distributor** must, within 40 **business days** of receiving the completed **initial application**, give notice in writing to the **applicant** stating whether the **initial application** is approved or declined.
- (2) A **distributor** must approve an **initial application**, subject to any conditions specified by the **distributor** that are reasonably required, if —
 - (a) the **initial application** has been properly made in accordance with Part 6 of this Code; and
 - (b) the information provided in the **initial application** would reasonably support an assessment by the **distributor**.
- (3) If the **distributor** does not give notice in accordance with subclause (1) before the timeframe in this clause expires, the **distributor** is deemed to have approved the **initial application**.
- (4) A notice stating that an **initial application** is approved must be accompanied by the following information:

- ~~(a) the priority position of the **initial application** in the **distributor's network connections pipeline** at the time the **distributor** approved the **initial application**; and~~
- ~~(b) estimated charges payable by the **applicant** to the **distributor** to assess an **interim application** and **final application**.~~
- ~~(5) A notice stating that an **initial application** is declined must be accompanied by detailed reasons as to why the **initial application** was declined and what the **applicant** must do to obtain the **distributor's** approval if the **applicant** resubmits an **initial application** under subclause (6).~~
- ~~(6) An **applicant** may only resubmit an **initial application** once and must do so within 30 **business days** after receiving a notice under subclause (4), otherwise a new application is required.~~
- ~~(7) The **distributor** must not charge an **initial application** fee for **initial applications** that are resubmitted under subclause (6).~~

Interim application process

7 Distributor must receive interim application

- (1) To process an **interim application**, a **distributor** must—
 - (a) receive a completed **interim application** from the **applicant** using the form published by the **distributor** under clause 6.3(2)(a); and
 - (b) the **interim application fee** (if any) specified by the **distributor** in accordance with clause 6.3(2)(e); and
 - (c) receive the results of any investigative studies that were identified by the **distributor** under clause 3(e)(i) and to be undertaken by the **applicant** or the **applicant's** agent; and
 - (d) receive the **interim application** within 12 months after the date on which it approved the **initial application**, unless—
 - (i) the **distributor** and the **applicant** agree that an **interim application** is not required; and
 - (ii) there are no persons to whom the **distributor** must give written notice under clause 8 at the time that the **distributor** and **applicant** agree that an **interim application** is not required; or
 - (iii) the **distributor** agrees to accept an **interim application** later than 12 months after the date on which it approved the **initial application**.
- (2) If the **distributor** and **applicant** agree an **interim application** is not needed, the **distributor** must—
 - (a) treat the **applicant's initial application** as an **interim application** for the purposes of clauses 8 to 11; and
 - (b) receive, from the **applicant**, the **interim application** fee (if any) specified by the

distributor in accordance with clause 6.3(2)(e).

8 Notice to third parties

A distributor that receives a **interim application** must, within 10 **business days** after receiving the **interim application**, give written notice of the **interim application** to all persons that have made an **initial application**, **interim application** and **final application** relating to a particular part of the **distribution network** that the **distributor** considers would be affected by the approval of the **interim application**.

9 Distributor's decision on interim application

- (1) **A distributor** must, within the time limit specified in clause 10, give notice in writing to the **applicant** stating whether the **interim application** is approved or declined.
- (2) **A distributor** must approve an **interim application**, subject to any conditions specified by the **distributor** that are reasonably required, if—
 - (a) **the interim application** has been properly made in accordance with Part 6 of this Code; and
 - (b) **the information** provided in the application would reasonably support an assessment by the **distributor** that the connected **load** will meet the **distributor's connection and operation standards** (assuming that the **applicant** meets the conditions (if any) referred to in subclause (3)).
- (3) **A notice** stating that an **interim application** is approved must be accompanied by the following information:
 - (a) **a detailed description** of any conditions (or other measures) that are conditions of the approval under subclause (2), and what the **applicant** must do to comply with them;
 - (b) **detailed reasons** for those conditions (or other measures);
 - (c) **a detailed description** of any charges that would be payable by the **applicant** to the **distributor** or by the **distributor** to the **applicant**, and an explanation of how the charges have been, or will be, calculated;
 - (d) **the default process** for resolving disputes under Schedule 6.3, if the **applicant** disputes all or any of the conditions (or other measures) or charges payable;
 - (e) **the priority position** of the **interim application** in the **distributor's network connections pipeline** at the time the **distributor** approved the **interim application**; and —
 - (f) **estimated charges** payable by the **applicant** to the **distributor** to assess a **final application**.
- (4) **A notice** stating that an **interim application** is declined must be

accompanied by the following information:

- (a) detailed reasons as to why the **interim application** has been declined and what the **applicant** must do to obtain the **distributor's** approval if it resubmits its **interim application** under subclause (5);
 - (b) the default process for resolving disputes between **participants** under Schedule 6.3;
 - (c) that if the **applicant** is not a **participant**, the **applicant** may report to the **Authority** under the Electricity Industry (Enforcement) Regulations 2010 if it considers that the **distributor** has breached any requirement in Part 6 of this Code.
- (5) An **applicant** may only resubmit an **interim application** once and must do so within 60 **business days** after receiving a notice under subclause (4), otherwise the **applicant** must submit a new **interim application** to the **distributor**.
- (6) The **distributor** must not charge an **interim application** fee for **interim applications** that are resubmitted under subclause (5).

10 Time within which distributor must decide interim applications

- (1) A notice required by clause 9 must be given by a **distributor** to an **applicant** no later than—
- (a) 45 **business days** after the date of receipt of the **interim application**, in the case of **load** with a maximum demand of less than 1 **MVA**; or
 - (b) 60 **business days** after the date of receipt of the **interim application**, in the case of **load** with a maximum demand of 1 **MVA** or more but less than 5 **MW**; or
 - (c) 80 **business days** after the date of receipt of the **interim application**, in the case of **load** with a maximum demand of 5 **MVA** or more.
- (2) The **distributor** may seek up to two extensions of time specified in subclause (1).
- (3) If the **distributor** requires **grid studies** to decide the **interim application**, and the **distributor** has sought two extensions of time under subclause (2), the **distributor** may seek up to two additional extensions of the time specified in subclause (1).
- (4) If a **distributor** seeks an extension of time under subclauses (2) and (3) it must provide the **applicant** with a notice in writing specifying the reasons why the extension of time is sought.
- (5) Each extension of time sought under subclauses (2) and (3) must not exceed 40 **business days**; and
- (6) Subclause (7) applies if the **distributor** requests or requires further information from the **applicant** that was missing from the **interim application**, during the period set out in subclause (1).
- (7) The total timeframe will pause on the making of a request or requirement and will resume on the **business day** after the **distributor** receives the

information.

- (8) If the **distributor** does not give notice in accordance with subclause (1) before the expiry of the timeframes in this clause, including any extensions of time, the **distributor** must treat the **interim application** as approved.
- (9) If subclause (8) applies, the **applicant** may choose to defer the **distributor's** decision on its **interim application** until a later date of its choosing.

11 Applicant who is a participant must give notice of a dispute

- (1) If the **applicant** is a **participant** and does not accept one or more of the conditions specified by the **distributor** under clause 9(3)(a) (if any), the **applicant** must give notice of the dispute in accordance with clause 2 of Schedule 6.3 within 30 **business days** after the day on which the **distributor** gives notice of approval under clause 9.
- (2) If the **applicant** is a **participant** and fails to notify the **distributor** of a dispute under subclause (1) within 30 **business days** after the date on which the **applicant** receives the conditions specified by the **distributor** under clause 9(3) the **applicant** is to be treated as having accepted the conditions specified by the **distributor**.
- (3) An **applicant** who is not a **participant** can make a complaint about the reasonableness of a **distributor's** conditions to the dispute resolution scheme under section 95 of the **Act**.
- (4) Subclauses (2) and (3) do not prevent the **applicant** from declining the conditions specified by the **distributor** under clause 9(3) and making a new application under Part 6 of this Code.

Final application process

12 Distributor must receive final application

- (1) To process a **final application**, a **distributor** must receive—
 - (a) a completed **final application** from the **applicant** using the form published by the **distributor** under clause 6.3(2)(a); and
 - (b) the **final application** fee (if any) specified by the **distributor** in accordance with clause 6.3(2)(e); and
 - (c) written acceptance from the **applicant** of the conditions stipulated by the **distributor** under 9(3)(a) (if any) and how the **final application** responds to these conditions. If the **distributor** considers the **final application** does not adequately respond to the conditions, and the **distributor** and **applicant** cannot agree on a resolution, then the **distributor** may treat the **final application** as an **interim application**. In this instance, the **distributor** can request further investigative studies to

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- be undertaken by the **applicant** or the **applicant's** agent, and the **distributor** must not require the **applicant** to pay another **interim application** fee (if any); and
- (d) the **final application** within 90 **business days** after approving the **interim application**, unless—
- (i) the **distributor** and the **applicant** agree that a **final application** is not required; and
 - (ii) there are no persons to whom the **distributor** must give written notice under clause 13 at the time that the **distributor** and **applicant** agree that a **final application** is not required; or
 - (iii) the **distributor** agrees to accept a **final application** received more than 90 **business days** after the approval of the **interim application** or the date on which a dispute was resolved under Schedule 6.3, under section 95 of the **Act**.
- (2) If the **distributor** and **applicant** agree a **final application** is not needed, the **distributor** must—
- (a) treat the **applicant's interim application** as a **final application** for the purposes of clauses 13 to 22; and
 - (b) receive, from the **applicant**, the **final application** fee (if any) specified by the **distributor** in accordance with clause 6.3(2)(e).
- 13 Notice to third parties
- A **distributor** that receives a **final application** must, within 10 **business days** after receiving the **final application**, give written notice of the **final application** to all persons that have made an **initial application, interim application** and **final application** relating to a part of the **distribution network** that the **distributor** considers would be affected by the approval of the **final application**.
- 14 Priority of final applications
- (1) Subclause (2) applies if—
- (a) a **distributor** receives a **final application** (the first application);
 - (b) a **second final application** (the second application) and any other **final applications** (further applications) within 20 **business days** of receiving the first application; and
 - (c) the first application, the second application or any of the further applications (the **grouped applications**) relate to the same part of the **distribution network** and the **distributor** considers that any of those applications would be affected by the approval of any of those applications.
- (2) If this subclause applies—
- (a) the **distributor** may consider the **grouped applications** together as if they were competitive bids to use the same part of the **distribution**

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- network;** and
- (b) **the distributor** must use its best endeavours to get the **applicants** to work together to amend their applications so that the **distributor** may consider the applications as complementary; and
 - (c) must consider the **final applications** taking into account which application or applications would likely involve the optimal use of the **distribution network** while achieving the most long-term benefit for consumers and delivering that benefit as soon as possible.
- (3) For the avoidance of doubt, if the **distributor** receives a **final application** (later application) more than 20 **business days** after the first application—
- (a) the distributor must continue to consider the **grouped applications** in accordance with subclause (2); and
 - (b) **distributor** must not include the later application with the **grouped applications** for consideration under subclause (2); and
 - (c) the **distributor** must not make a final decision on the later application until after it has made a final decision on each of the **grouped applications**.
- (4) Subclause (3) does not limit clause 16.

15 Distributor's decision on final application

- (1) A **distributor** must, within the time limit specified in clause 16, give notice in writing to the **applicant** stating whether the **final application** is approved or declined.
- (2) A **distributor** must approve a **final application**, subject to any conditions specified by the **distributor** that are reasonably required, if—
 - (a) the **final application** has been properly made in accordance with Part 6 of this Code; and
 - (b) the information provided in the application would reasonably support an assessment by the **distributor** that the connected **load** meets the **distributor's connection and operation standards** (assuming that the **applicant** meets the conditions (if any) referred to in subclause (3)); and
 - (c) the **applicant** has provided a project investment decision and Overseas Investment Office approval, if available.
- (3) A notice stating that a **final application** is approved must be accompanied by the following information:
 - (a) a detailed description of any conditions (or other measures) that are conditions of the approval under subclause (2), and what the **applicant** must do to comply with them;
 - (b) detailed reasons for those conditions (or other measures);
 - (c) a detailed description of any charges payable by the **applicant** to the **distributor** or by the **distributor** to the **applicant**, and an explanation of

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- how the charges have been, or will be, calculated:
- (d) the default process for resolving disputes under Schedule 6.3, if an **applicant** who is a **participant** disputes all or any of the conditions (or other measures) or charges payable:
 - (e) the priority position of the **final application** in the **distributor's network connections pipeline** at the time the **distributor** approved the **final application**
- (4) A notice stating that a **final application** is declined must be accompanied by the following information:
- (a) detailed reasons as to why the **final application** has been declined and what the **applicant** must do to get approval if it resubmits its **final application** under subclause (5):
 - (b) if the application is one to which clause 14(2) applies, the criteria used to determine the priority of applications:
 - (c) the default process for resolving disputes between **participants** under Schedule 6.3:
 - (d) that if the **applicant** is not a **participant**, the **applicant** may report to the **Authority** under the Electricity Industry (Enforcement) Regulations 2010 if it considers that the **distributor** has breached any requirement in Part 6 of this Code.
- (5) An **applicant** may only resubmit a **final application** once and must do so within 30 **business days** of receiving a notice under subclause (4), otherwise a new **final application** is required.
- (6) The **distributor** must not charge a **final application** fee for **final applications** that are resubmitted under subclause (5).

16 Time within which distributor must decide final applications

- (1) A notice required by clause 15 must be given by a **distributor** to an **applicant** no later than—
- (a) 20 **business days** after the date of receipt of the **final application**, in the case of **load** with a maximum demand of less than 1 **MVA**; or
 - (b) 30 **business days** after the date of receipt of the **final application**, in the case of **load** with a maximum demand of 1 **MVA** or more but less than 5 **MVA**; or
 - (c) 40 **business days** after the date of receipt of the **final application**, in the case of **load** with a maximum demand of 5 **MVA** or more.
- (2) The **distributor** may seek one extension of time specified in subclause (1).

- (3) If a **distributor** seeks an extension of time under subclause (2) it must provide the **applicant** with a notice in writing specifying the reasons why the extension of time is sought.
- (4) An extension of time sought under subclause (2) must not exceed 40 **business days**.
- (5) Subclause (6) applies if the **distributor** reasonably requests or requires further information from the **applicant** after receiving the **final application**.
- (6) The total timeframe will pause when the **distributor** has made a request or requirement and will resume on the **business day** after the **distributor** receives the information.
- (7) If the **distributor** does not give notice in accordance with subclause (1) before the expiry of the timeframes in this clause, including an extension of time, the **distributor** must treat the **final application** as approved.
- (8) If subclause (7) applies, the **applicant** may choose to defer the **distributor's** decision on its **final application** until a later date of its choosing.

17 Distributor must negotiate if notified by applicant

- (1) A **distributor** must negotiate with an **applicant** if, after providing the **applicant** with notice of final approval, it receives written notice from the **applicant** confirming the **applicant** intends to proceed to negotiate a connection contract under clause 18(1) and—
 - (a) the **applicant** provides details of the **load**; and
 - (b) the **applicant** confirms it accepts all of the conditions (or other measures) that have been specified by the **distributor** under clause 15.
- (2) The **distributor** is not required to negotiate if it receives the written notice later than 30 **business days** after the day on which it gives notice of final approval under clause 15, or such later date as previously agreed by the **distributor** and the **applicant**.
- (3) If the **applicant** is a **participant** and does not accept one or more of the conditions specified by the **distributor** under clause 15(3) (if any), but intends to proceed to negotiate a connection contract under clause 18(1), the **applicant** must—
 - (a) give notice of the dispute in accordance with clause 2 of Schedule 6.3 within 30 **business days** after the day on which the **distributor** gives notice of final approval under clause 15; and
 - (b) give a notice under subclause (1) within 30 **business days** after the dispute is resolved.
- (4) Subclause (4) does not prevent the **applicant** from making a new application under Part 6 of this Code.

Post-approval process

18 Distributor has 30 business days to negotiate connection contract if applicant gives notice of intention to negotiate

- (1) If an **applicant** whose **final application** is approved gives notice to a **distributor** under clause 17(1), the **distributor** has 30 **business days**, starting on the date on which the **distributor** receives the notice, during which the **distributor** must, in good faith, attempt to negotiate a connection contract.
- (2) The **distributor** and the **applicant** may, by agreement, extend the time specified in subclause (1) for negotiating a connection contract.

19 Connection of load if connection contract negotiated

- (1) This clause applies if a **distributor** and an **applicant** whose **final application** is approved enter into a connection contract before the period for negotiating a connection contract under **Process 5** expires.
- (2) If the application is to connect **load** under clause 2(1)(a) of Schedule 6.1, the **distributor** must allow the **applicant** to connect the **load** in accordance with the connection contract as soon as practicable.
- (3) If the application is to continue an existing connection of **load** under clause 2(1)(b) of Schedule 6.1, the **distributor** must use its best endeavours to ensure that the new terms under which the **applicant's** existing connection continues apply—
 - (a) as soon as practicable, if the previous connection contract has expired; or
 - (b) no later than the expiry of the previous connection contract, if the contract is in force.
- (4) If the application is to continue an existing connection for which there is no connection contract under clause 2(1)(c) of Schedule 6.1, the **distributor** must use its best endeavours to ensure that the new terms under which the **applicant's** existing connection continues apply as soon as practicable.
- (5) If the application is to change the capacity of the connected **load** under clause 2(1)(e) of Schedule 6.1, the **distributor** must use its best endeavours to ensure that the new terms under which the **applicant's** existing connection continues apply as soon as practicable.

20 Connection of load on prescribed terms if connection contract not negotiated

- (1) This clause applies if a **distributor** and an **applicant** whose **final application** is approved do not enter into a connection contract before the period for negotiating a connection contract under **Process 5** expires.
- (2) If the application is to connect **load** under clause 2(1)(a) of Schedule 6.1, the **distributor** must allow the **applicant** to connect the **load** on the **prescribed terms** as soon as practicable after the later of the following:
 - (a) the expiry of the period for negotiating a connection contract under this Part of this Schedule:

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- (b) the date on which the **applicant** has fully complied with any conditions (or other measures) that were specified by the **distributor** under clause 15 as conditions of the connection.
 - (3) If the application is to continue an existing connection of **load** under clause 2(1)(b) of Schedule 6.1, the **prescribed terms** apply to the **applicant's** existing connection from the later of the following:
 - (a) the expiry of the period for negotiating a connection contract under **Process 5**:
 - (b) the expiry of the existing connection contract:
 - (c) the date on which the **applicant** has fully complied with any conditions (or other measures) that were specified by the **distributor** under clause 15 as conditions of the connection.
 - (4) If the application is to continue an existing connection for which there is no connection contract under clause 2(1)(c) of Schedule 6.1, the **prescribed terms** apply from the later of the following:
 - (a) the expiry of the period for negotiating a connection contract under **Process 5**:
 - (b) the date on which the **applicant** has fully complied with any conditions (or other measures) that were specified by the **distributor** under clause 15 as conditions of the connection.
 - (5) If the application is to change the capacity or the connected **load** under clause 2(1)(e) of Schedule 6.1, the **prescribed terms** apply from the later of the following:
 - (a) the expiry of the period for negotiating a connection contract under **Process 5**:
 - (b) the date on which the **applicant** has fully complied with any conditions (or other measures) that were specified by the **distributor** under clause 15 as conditions of the connection.

21 Approved applications must meet milestones to retain priority position in distributor's network connections pipeline

- (1) A **distributor** must queue and manage approved **final applications** in accordance with its **queueing and management policy**. This includes setting delivery milestones that a project must meet to maintain its priority position in the **distributor's network connections pipeline**.
- (2) These milestones may relate to:
 - (a) securing environmental approvals;
 - (b) obtaining property rights & easements;
 - (c) getting Overseas Investment Office approval, if required;
 - (d) confirming final grid connection requirements
 - (e) signing delivery services agreement
 - (f) signing construction contract
 - (g) completing works construction
 - (h) other issues that are reasonably required for the **distributor's queueing and management policy**.
- (3) The **distributor** must apply stated tolerances with regards to milestones, recognising that there could be delays that lead to milestones not being

achieved on time, and provide an **applicant** with an opportunity to get its project back on schedule within agreed time periods.

22 Treatment of approved applications at the same network location

- (1) A **distributor** must allow a project to retain its place in a **distributor's network connections pipeline** if no other **final application** is received for that part of the network.
- (2) If a project fails to meet a milestone and another **final application** is approved for the same part of the **distribution network** as the project, the **distributor** must inform the **applicant** of the project within five **business days** and work with the **applicant** to set renegotiated milestones.
- (3) If a project fails to meet milestones renegotiated under subclause (2), the **distributor** may prioritise another approved **final application** ahead of the project. The **distributor** must consider which application or applications would likely involve the optimal use of the **distribution network** while achieving the most long-term benefit for consumers and delivering that benefit as soon as possible when making this decision.
- (4) A **distributor** must adhere to its **queueing and management policy** when making decisions on the priority positions of projects in its **network connections pipeline**.

DRAFT

Schedule 6.2

cl 6.6

Regulated terms for distributed generation

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General

1 Contents of this Schedule

This Schedule sets out the **regulated terms** that apply to a **distributor** and a **distributed generator** in respect of **distributed generation** that is connected in accordance with clause 6.6 and Schedule 6.1.

2 Interpretation

These **regulated terms** must be interpreted—

- (a) in light of the purpose of Part 6 of this Code; and
- (b) so as to give business efficacy to the relationship between the **distributor** and the **distributed generator** created by Part 6 of this Code.

3 General obligations

- (1) The **distributor** and the **distributed generator** must perform all obligations under these **regulated terms** in accordance with **connection and operation standards** (where applicable).
- (2) The **distributor** and the **distributed generator** must each **construct**, connect, operate, test, and **maintain** their respective equipment in accordance with—
 - (a) these **regulated terms**; and
 - (b) **connection and operation standards** (where applicable); and
 - (c) this Code.
- (3) The **distributed generator** must, subject to subclause (2), **construct**, connect, operate, test, and **maintain** its **distributed generation** in accordance with—
 - (a) reasonable and prudent operating practice; and
 - (b) the applicable manufacturer's instructions and recommendations.
- (4) The **distributor** and **distributed generator** must each be fully responsible for the respective facilities they own or operate.
- (4A) The **distributed generator** must seek the **distributor's** approval before making any changes to the connection of the **distributed generation**, or changes to the **distributed generation** protection settings.
- (5) The **distributor** and **distributed generator** must each ensure that their respective facilities adequately protect each other's equipment, personnel, and other persons and their property, from damage and injury.
- (6) The **distributed generator** must comply with any conditions specified by the **distributor** under clause 18 of Schedule 6.1 (or, to the extent that those

conditions were the subject of a dispute under ~~clause 20(3) of~~ that Schedule, or of negotiation during the period for negotiation of the connection contract, the conditions or other measures as finally resolved or negotiated).

- (7) Where the **distributor's** power quality obligations are breached for any reason—
- (a) due to the operation of the **distributed generation**, the **distributed generator** will resolve the power quality obligations as soon as practicable at its own cost; or
 - (b) due to **network** conditions, any injection of **reactive energy** by the **distributed generator** not related to (a) above, must be subject to a **network support services agreement** agreed between the **distributed generator** and the **distributor**.

Meters

4 Installation of meters and access to metering information

- (1) *[Revoked]*
- (2) The **distributed generator** must give the **distributor**, at the **distributor's** request, the interval data and cumulative data recorded by the **metering installations** at the **point of connection** at which the **distributed generation** is connected or is proposed to be connected.

(2A) The **distributed generator** must—

- (a) provide any data required under subclause (2) to the **distributor** within three **business days** of the request unless agreed otherwise; and
 - (b) deliver the data to the **distributor** in a manner agreed with the **distributor**; and
 - (c) format the data to comply with **EIEP3** unless an alternative format is agreed; and
 - (d) manage the data in accordance with Parts 10 and 15 of the Code.
- (3) The **distributed generator** must provide **reactive** metering if—
- (a) the **meter** for the **distributed generation** is part of a **category 2 metering installation**, or a higher category of **metering installation**; and

Access

5 Right of distributor to access distributed generator's premises

- (1) The **distributed generator** must provide the **distributor**, or a person appointed by the **distributor**, with safe and unobstructed access onto the **distributed generator's** premises at all reasonable times—
- (a) for the purpose of installing, testing, inspecting, maintaining, repairing, replacing, operating, reading, or removing any of the **distributor's** equipment and for any other purpose related to these **regulated terms**;

-
- and
 - (b) for the purpose of verifying **metering information**; and
 - (c) for the purpose of ascertaining the cause of any interference to the quality of delivery services being provided by the **distributor** to the **distributed generator**; and
 - (d) for the purpose of protecting, or preventing danger or damage to, persons or property; and
 - (e) for the purposes of **electrically connecting** or **electrically disconnecting** the distributed generation; and
 - (f) for any other purpose relevant to either or both of—
 - (i) the **distributor** connecting **distributed generation** in accordance with connection and operation standards; and
 - (ii) maintaining the integrity of the **distribution network**.
 - (2) The rights of access conferred by these **regulated terms** are in addition to any right of access the **distributor** may have under a statute or regulation or contract.

6 Process if distributor wants to access distributed generator's premises

- (1) The **distributor** must exercise its right of access under clause 5 by,—
 - (a) wherever practicable, giving to the **distributed generator** reasonable notice of its intention and of the purpose for which it will exercise its right of access; and
 - (b) causing as little inconvenience as practicable to the **distributed generator** in carrying out its work; and
 - (c) observing **reasonable and prudent operating practice** at all times; and
 - (d) observing any reasonable security or site safety requirements that are made known to the **distributor** by the **distributed generator**.
- (2) However, the **distributor** may take all reasonable steps to gain immediate access where it reasonably believes there is immediate danger to persons or property.

7 Distributor must not interfere with distributed generator's equipment

- (1) The **distributor** must not interfere with the **distributed generator's** equipment without the prior written consent of the **distributed generator**.
- (2) However, if emergency action has to be taken to protect the health and safety of persons, or to prevent damage to property, the **distributor**—
 - (a) may interfere with the **distributed generator's** equipment without prior written consent; and
 - (b) must, as soon as practicable, inform the **distributed generator** of the occurrence and circumstances involved.

- 8** Distributed generator must not interfere with, and must protect, distributor's equipment
- (1) The **distributed generator** must not interfere with the **distributor's** equipment without the prior written consent of the **distributor**.
 - (2) However, if emergency action has to be taken to protect the health and safety of persons, or to prevent damage to property, the **distributed generator**—
 - (a) may interfere with the **distributor's** equipment without prior written consent; and
 - (b) must, as soon as practicable, inform the **distributor** of the occurrence and circumstances involved.
 - (3) The **distributed generator** must protect the **distributor's** equipment against interference and damage.
- 9** Obligation to advise if interference with distributor's equipment or theft of electricity is discovered
- (1) If the **distributor** or the **distributed generator** discovers evidence of interference with the **distributor's** equipment, or evidence of theft of **electricity**, the party discovering the interference or evidence must advise the other party within 24 hours.
 - (2) If interference with the **distributor's** equipment at the **distributed generator's** installation is suspected, the **distributor** may itself carry out an investigation and present the findings to the **distributed generator** within a reasonable period.
 - (3) The cost of the investigation—
 - (a) must be borne by the **distributed generator** if it is discovered that interference by the **distributed generator**, or by its subcontractors, agents, or invitees, has occurred, or if the interference has been by a third party, and the **distributed generator** has failed to provide reasonable protection against interference to the **distributor's** equipment; and
 - (b) must be borne by the **distributor** in any other case.

Interruptions and disconnections

10 General obligation relating to interruptions

The **distributor** must make reasonable endeavours to ensure that the connection of the **distributed generation** is not interrupted.

11 Circumstances allowing distributor to temporarily electrically disconnect distributed generation

Despite clause 10, the **distributor** may interrupt the connection service, or curtail either the operation or output of the generation, or both, and may

temporarily **electrically disconnect** the **distributed generation** in any of the following cases:

- (a) in accordance with the **distributor's congestion management policy**;
- (b) if reasonably necessary for planned **maintenance, construction**, and repairs on the **distribution network**;
- (c) for the purpose of protecting, or preventing danger or damage to, persons or property;
- (d) if the **distributed generator** fails to allow the **distributor** access as required by clause 5;
- (e) *[Revoked]*
- (f) in accordance with clause 13 (adverse operating effects);
- (g) if the **distributed generator** fails to comply with the **distributor's**—
 - (i) connection and operation standards; or
 - (ii) safety requirements.

12 Obligations if distributed generation temporarily electrically disconnected by distributor

(1) The **distributor** must make reasonable endeavours to—

- (a) advise the **distributed generator** before an interruption under clause 11; and
- (b) co-ordinate with the **distributed generator** to minimise the impact of the interruption.

(2) The **distributor** and the **distributed generator** must co-operate to restore the **distribution network** and the **distributed generation** to a normal operating state as soon as is reasonably practicable following the **distributed generation** being temporarily **electrically disconnected**.

(3) In the case of a forced outage, the **distributor** must, subject to the need to restore the

distribution network, make reasonable endeavours to—

- (a) restore service to the **distributed generator**; and
- (b) advise the **distributed generator** of the expected duration of the outage.

(1) The **distributor** must advise the **distributed generator** as soon as is reasonably practicable if it reasonably considers that operation of the **distributed generation** may—

- (a) adversely affect the service provided to other **distribution network** customers; or
- (b) cause damage to the **distribution network** or other facilities; or
- (c) present a hazard to a person.

(2) If, after receiving that advice, the **distributed generator** fails to remedy the adverse operating effect within a reasonable time, the **distributor** may **electrically disconnect** the **distributed generation** by giving reasonable

13 Adverse operating effects

14 Interruptions by distributed generator

- (1) This clause applies to any connected **distributed generation** above 10 kW in total.
- (2) The **distributed generator** must advise the **distributor** of any **planned outages** and must make reasonable endeavours to advise the **distributor** of an event that affects **distribution network** operations.
- (3) The **distributed generator** must make reasonable endeavours to advise the **distributor** of the interruption and to co-ordinate with the **distributor** to minimise the impact of the interruption.

15 Disconnecting distributed generation

- (1) Despite clause 10, the **distributor** may disconnect **distributed generation** in the following circumstances:
 - (a) on receipt of a request from a **distributed generator** or the trader responsible for the distributed generation:
 - (aa) on request of the Authority in the event of default by a trader:
 - (ab) in the event that the distributed generation interferes with the distributor's network as set out in clause 13, and the distributed generator fails to correct the problem;
 - (b) without notice, if a **distributed generator** has been temporarily **electrically disconnected** under clause 11(g) and—
 - (i) the **distributed generator** fails to remedy the non-compliance within a reasonable period of time; and
 - (ii) there is an ongoing risk to persons or property;
 - (c) without notice, if the **trader** that is recorded in the **registry** as being responsible for the **ICP** to which the **distributed generation** is connected to the **distribution network** has **electrically disconnected** the **ICP** and updated the **ICP's** status in the **registry** to "inactive" with the reason of "electrically disconnected – ready for decommissioning";
 - (d) on at least 10 **business days'** notice of intention to disconnect, if—
 - (i) the **distributed generator** has not injected **electricity** into the **distribution network** at any time in the preceding 12 months; and
 - (ii) the **distributed generator** has not given written notice to the **distributor** of the reasons for the non-injection; and
 - (iii) the **distributor** has reasonable grounds for believing that the **distributed generator** has ceased to operate the **distributed generation**.
- (2) *[Revoked]*
- (3) If a **distributor** disconnects **distributed generation** under subclause (1) and the **point of connection** is to be **decommissioned**, the **distributor** must—
 - (a) remove all electrical conductors between the **distributed generation** and the

distributor's lines:

- (b) advise the **distributed generator** within **2two business days** of the completion of the work referred to in paragraph (a).
- (4) *[Revoked]*
- (5) *[Revoked]*

Time frame for construction

~~15A Distributed generator must construct distributed generation within 18 months of approval~~

- ~~(1) This clause applies if the **distributor** approves the **distributed generator's** application to connect **distributed generation** under Part 1, Part 1A, or Part 2 of Schedule 6.1.~~
- ~~(2) The **regulated terms** cease to apply if the **distributed generator** does not construct the **distributed generation** within—~~
 - ~~(a) 18 months from the date on which approval was granted; or~~
 - ~~(b) such later date as is agreed by the **distributor** and **distributed generator**.~~
- ~~(3) The **distributed generator** must reapply under Schedule 6.1 if—~~
 - ~~(a) the **regulated terms** no longer apply in accordance with subclause (1); and~~
 - ~~(b) the **distributed generator** wishes to connect **distributed generation** to the distributor's distribution network.~~

Time frame for construction

15A Distributed generator must construct distributed generation within prescribed timeframe

- (4) This clause applies if the **distributor** approves the **distributed generator's** application to connect **distributed generation** under Part 1, Part 1A, or Part 2 of Schedule 6.1.
- (5) The **regulated terms** cease to apply if the **distributed generator** does not construct the **distributed generation** within—
 - (a) 18 months from the date on which approval was granted under Part 1 or Part 1A of Schedule 6.1; or
 - (b) 36 months from the date on which approval was granted under Part 2 of Schedule 6.1; or
 - (c) such later date as is agreed by the **distributor** and **distributed generator**.
- (6) The **distributed generator** must reapply under Schedule 6.1 if—
 - (a) the **regulated terms** no longer apply in accordance with subclause (1); and
 - (b) the **distributed generator** wishes to connect **distributed generation** to the distributor's distribution network.

Confidentiality

16 General obligations relating to confidentiality

- (1) Each party must preserve the confidentiality of **confidential information**, and must not directly or indirectly reveal, report, publish, transfer, or disclose the existence of any **confidential information**, except as permitted in clause 5 of Schedule 6.1 and subclause (2).

(1A) The **distributor** may seek a confidentiality agreement between itself and the **distributed generator** that does not contravene the requirements of clause 5 of Schedule 6.1.

- (2) Each party must only use **confidential information** for the purposes expressly permitted by these **regulated terms**.

17 When confidential information can be disclosed

Either party may disclose **confidential information** in any of the following circumstances:

- (a) if the **distributed generator** and **distributor** agree in writing to the disclosure of information:
- (b) if disclosure is expressly provided for under these **regulated terms**:
- (c) if, at the time of receipt by the party, the **confidential information** is in the public domain or if, after the time of receipt by either party, the **confidential information** enters the public domain (except where it does so as a result of a breach by either party of its obligations under this clause or a breach by any other person of that person's obligation of confidence):
- (d) if either party is required to disclose **confidential information** by—
 - (i) a statutory or regulatory obligation, body, or authority; or
 - (ii) a judicial or arbitration process; or
 - (iii) the regulations of a stock exchange upon which the share capital of either party is from time to time listed or dealt in; or
 - (iv) this Code:
- (e) if the **confidential information** is released to the officers, employees, directors, agents, or advisors of the party, provided that—
 - (i) the information is disseminated only on a need-to-know basis; and
 - (ii) recipients of the **confidential information** have been made fully aware of the party's obligations of confidence in relation to the information; and
 - (iii) any copies of the information clearly identify it as **confidential information**:
- (f) if the **confidential information** is released to a bona fide potential purchaser of the business or any part of the business of a party, subject to that bona fide potential purchaser having signed a confidentiality agreement enforceable by the other party in a form approved by that other party, and that approval may not be unreasonably withheld.

18 Disclosures by employees, agents, etc

To avoid doubt, a party is responsible for any unauthorised disclosure of **confidential information** made by that party's officers, employees, directors, agents, or advisors.

Pricing

19 Pricing principles

Charges that are payable by the **distributed generator** or the **distributor** must be determined in accordance with the pricing principles set out in Schedule 6.4.

Liability

20 General obligations relating to liability

- (1) If the **distributor** or the **distributed generator** breaches any of the **regulated terms** (whether by act or omission), that party is liable to the other.
- (2) The **distributed generator's** and the **distributor's** liability to each other is limited to damages for any direct loss caused by that breach.
- (3) This clause and clauses 21 to 25 do not limit the liability of either party to pay all charges and other amounts due under Part 6 of this Code or the **regulated terms**.

21 Exceptions to obligations relating to liability

- (1) Neither the **distributor** nor the **distributed generator**, nor any of its officers, employees, directors, agents, or advisors, are in any circumstances liable to the other party for—
 - (a) any indirect loss, consequential loss (including, but not limited to, incidental or special damages), loss of profit, loss of revenue (except any liability under clause 20(3)), loss of use, loss of opportunity, loss of contract, or loss of goodwill; or
 - (b) any loss resulting from the liability of the other party to another person; or
 - (c) any loss or damage incurred by the other party if, and to the extent that, this results from any breach of the **regulated terms** or any negligent action.
- (2) The **distributor** is not liable, except to the extent caused or contributed to by the **distributor** in circumstances where the **distributor** was not acting in accordance with Part 6 of this Code (including these **regulated terms**), for—
 - (a) any momentary fluctuations in the voltage or frequency of **electricity** conveyed to or from the **distributed generation's point of connection** or nonconformity with harmonic voltage and current levels; or
 - (b) any failure to convey **electricity** to the extent that—
 - (i) the failure arises from any act or omission of the **distributed generator** or other person, excluding the **distributor** and its officers, employees, directors, agents, or advisors; or
 - (ii) the failure arises from a reduced **injection of electricity** into the

distribution network; or

- (iia) the failure arises from an interruption in the conveyance of **electricity** in the **distribution network**, if the interruption was at the request of the **system operator** or under a nationally or regionally co-ordinated response to an **electricity** shortage; or
- (iii) the failure arises from any defect or abnormal conditions in or about the **distributed generator's** premises; or
- (iv) the **distributor** was taking any action in accordance with Part 6 of this Code or the **regulated terms**; or
- (v) the **distributor** was prevented from making necessary repairs (for example, by police at an accident scene).

(3) The **distributed generator** is not liable for—

- (a) a failure to perform an obligation under these **regulated terms** caused by the **distributor's** failure to comply with the obligation; or
- (b) a failure to perform an obligation under these **regulated terms** arising from any defect or abnormal conditions in the **distribution network**.

22 Limits on liability

The maximum total liability of each party, as a result of a breach of the **regulated terms**, must not in any circumstances exceed, in respect of a single event or series of events arising from the same event or circumstance, the lesser of—

- (a) the direct damage suffered or the maximum total liability that the party bringing the claim against the other party has at the time that the event (or, in the case of a series of related events, the first of such events) giving rise to the liability occurred; or
- (b) \$1,000 per kW of ~~nameplate capacity~~maximum export power up to a maximum of \$5 million.

23 Liability clauses do not apply to fraud, wilful breach, and breach of confidentiality

The exceptions in clause 21, and the limits on liability in clause 22, do not apply—

- (a) if the **distributor** or the **distributed generator**, or any of its officers, employees, directors, agents, or advisors, has acted fraudulently or wilfully in breach of these **regulated terms**; or
- (b) to a breach of confidentiality under clause 16 by either party.

24 [Revoked]

25 Force majeure

- (1) A failure by either party to comply with or observe any provisions of these

-
- regulated terms** (other than payment of any amount due) does not give rise to any cause of action or liability based on default of the provision if—
- (a) the failure is caused by—
 - (i) an event or circumstance occasioned by, or in consequence of, an act of God, being an event or circumstance—
 - (A) due to natural causes, directly or indirectly and exclusively without human intervention; and
 - (B) that could not reasonably have been foreseen or, if foreseen, could not reasonably have been resisted; or
 - (ii) a strike, lockout, other industrial disturbance, act of public enemy, war, blockade, insurrection, riot, epidemic, aircraft, or civil disturbance; or
 - (iii) the binding order or requirement of a Court, government, **local authority**, the **Rulings Panel**, or the **Authority**, and the failure is not within the reasonable control of the affected party; or
 - (iv) the partial or entire failure of the **injection of electricity** into the **distribution network**; or
 - (v) any other event or circumstance beyond the control of the party invoking this clause; and
 - (b) the party could not have prevented such failure by the exercise of the degree of skill, diligence, prudence, and foresight that would reasonably and ordinarily be expected from a skilled and experienced **distributor** or **distributed generator** engaged in the same type of undertaking under the same or similar circumstances in New Zealand at the time.
- (2) If a party becomes aware of a prospect of a forthcoming **force majeure event**, it must advise the other party as soon as is reasonably practicable of the particulars of which it is aware.
 - (3) If a party invokes this clause, it must as soon as is reasonably practicable advise the other party that it is invoking this clause and of the full particulars of the **force majeure event** relied on.
 - (4) The party invoking this clause must—
 - (a) use all reasonable endeavours to overcome or avoid the **force majeure event**; and
 - (b) use all reasonable endeavours to mitigate the effects or the consequences of the **force majeure event**; and
 - (c) consult with the other party on the performance of the obligations referred to in paragraphs (a) and (b).
 - (5) Nothing in subclause (4) requires a party to settle a strike, lockout, or other industrial disturbance by acceding, against its judgement, to the demands of opposing parties.

Schedule 6.2A

**Regulated terms for load connections under ~~Process 4~~ and
Process 5 of Schedule 6.1 when applicant is a participant**

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General

1 Contents of this Schedule

This Schedule sets out the **regulated terms** that apply to an application to connect **load** using ~~Process 4~~ and **Process 5** in Schedule 6.1 when the **applicant is a participant**.

2 Interpretation

These **regulated terms** must be interpreted—

- (a) in light of the purpose of Part 6 of this Code; and
- (b) so as to give business efficacy to the relationship between the **distributor** and the **applicant** created by Part 6 of this Code.

3 General obligations

- (1) The **distributor** and the **applicant** must perform all obligations under these **regulated terms** in accordance with **connection and operation standards** (where applicable).
- (2) The **distributor** and the **applicant** must each **construct**, connect, operate, test, and **maintain** their respective equipment in accordance with—
 - (a) these **regulated terms**; and
 - (b) **connection and operation standards** (where applicable); and
 - (c) this Code.
- (3) The **applicant** must, subject to subclause (2), **construct**, connect, operate, test, and **maintain** its **load** installation in accordance with—
 - (a) reasonable and prudent operating practice; and
 - (b) the applicable manufacturer's instructions and recommendations.
- (4) The **distributor** and **applicant** must each be fully responsible for the respective facilities they own or operate.
- (5) The **applicant** must seek the **distributors** approval before making any significant changes to the **load** installation, or changes to the protection settings.
- (6) The **distributor** and **applicant** must each ensure that their respective facilities adequately protect each other's equipment, personnel, and other persons and their property, from damage and injury.
- (7) The **applicant** must comply with any conditions specified by the **distributor** under Schedule 6.1, (or, to the extent that those conditions were the subject of a dispute under Schedule 6.1, or of negotiation during the period for negotiation of the connection contract, the conditions or other measures as finally resolved or negotiated).
- (7) Where the **distributors** power quality obligations are breached for any reason due to the operation of the **load** installation, the **applicant** will resolve the power quality obligations as soon as practicable at its own cost.

Meters

4 Installation of meters and access to metering information

- (1) The **applicant** will meet the **distributors** requirements for **metering** configuration.
- (2) The **applicant** must give the **distributor**, at the **distributor's** request, the interval data and cumulative data recorded by the **metering installations** at the **point of connection** at which the **applicant's load** installation is connected or is proposed to be connected.
- (3) The **applicant** must—
 - (a) provide the data required under subclause (2) to the **distributor** within three **business days** of the request unless agreed otherwise; and
 - (b) deliver the data to the **distributor** in a manner agreed with the **distributor**; and
 - (c) format the data to comply with **EIEP3** unless an alternative format is agreed.
- (4) The **metering installation** measurement and accuracy must be no more than required for a **certified metering installation** as set out in Part 10 of this Code.

Access

5 Right of distributor to access applicant's premises

- (1) The **applicant** must provide the **distributor**, or a person appointed by the **distributor**, with safe and unobstructed access onto the **applicant's** premises at all reasonable times—
 - (a) for the purpose of installing, testing, inspecting, maintaining, repairing, replacing, operating, reading, or removing any of the **distributor's** equipment and for any other purpose related to these **regulated terms**; and
 - (b) for the purpose of verifying **metering information**; and
 - (c) for the purpose of ascertaining the cause of any interference to the quality of delivery services being provided by the **distributor** to the **applicant**; and
 - (d) for the purpose of protecting, or preventing danger or damage to, persons or property; and
 - (e) for the purposes of **electrically connecting** or **electrically disconnecting** the **applicant's load** connection; and
 - (f) for any other purpose relevant to either or both of—
 - (i) the **distributor** connecting the **applicant's load** installation in accordance with **connection and operation standards**; and
 - (ii) maintaining the integrity of the **distribution network**.
- (2) The rights of access conferred by these **regulated terms** are in addition to any right of access the **distributor** may have under a statute or regulation or contract.

6 Process if distributor wants to access applicant's premises

- (1) The **distributor** must exercise its right of access under clause 5 by,—
- (a) wherever practicable, giving to the **applicant** reasonable notice of its intention and of the purpose for which it will exercise its right of access; and
 - (b) causing as little inconvenience as practicable to the **applicant** in carrying out its work; and
 - (c) observing **reasonable and prudent operating practice** at all times; and
 - (d) observing any reasonable security or site safety requirements that are made known to the **distributor** by the **applicant**.
- (2) However, the **distributor** may take all reasonable steps to gain immediate access where it reasonably believes there is immediate danger to persons or property.

7 Distributor must not interfere with applicant's equipment

- (1) The **distributor** must not interfere with the **applicant's** equipment without the prior written consent of the **applicant**.
- (2) However, if emergency action has to be taken to protect the health and safety of persons, or to prevent damage to property, the **distributor**—
- (a) may interfere with the **applicant's** equipment without prior written consent; and
 - (b) must, as soon as practicable, inform the **applicant** of the occurrence and circumstances involved.

8 Applicant must not interfere with, and must protect, distributor's equipment

- (1) The **applicant** must not interfere with the **distributor's** equipment without the prior written consent of the **distributor**.
- (2) However, if emergency action has to be taken to protect the health and safety of persons, or to prevent damage to property, the **applicant**—
- (a) may interfere with the **distributor's** equipment without prior written consent; and
 - (b) must, as soon as practicable, inform the **distributor** of the occurrence and circumstances involved.
- (3) The **applicant** must protect the **distributor's** equipment against interference and damage.

9 Obligation to advise if interference with distributor's equipment or theft of electricity is discovered

- (1) If the **distributor** or the **applicant** discovers evidence of interference with the **distributor's** equipment, or evidence of theft of **electricity**, the party discovering the interference or evidence must advise the other party within 24 hours.
- (2) If interference with the **distributor's** equipment at the **applicant's** electrical

installation is suspected, the **distributor** may itself carry out an investigation and present the findings to the **applicant** within a reasonable period.

(3) The cost of the investigation—

- (a) must be borne by the **applicant** if it is discovered that interference by the **applicant**, or by its subcontractors, agents, or invitees, has occurred, or if the interference has been by a third party, and the **applicant** has failed to provide reasonable protection against interference to the **distributor's** equipment; and
- (b) must be borne by the **distributor** in any other case.

Interruptions and disconnections

10 General obligations relating to interruptions

The **distributor** must make reasonable endeavours to ensure that the **applicant's** load connection is not interrupted.

11 Circumstances allowing distributor to temporarily electrically disconnect applicant's load connection

Despite clause 10, the **distributor** may interrupt the connection service, and may temporarily **electrically disconnect** the **applicant's** load connection in any of the following cases:

- (a) in accordance with the **distributor's** congestion management policy;
- (b) if reasonably necessary for planned **maintenance, construction, and repairs on the distribution network**;
- (c) for the purpose of protecting, or preventing danger or damage to, persons or property;
- (d) if the **applicant** fails to allow the **distributor** access as required by clause 5;
- (e) in accordance with clause 13 (adverse operating effects);
- (f) if the **applicant** fails to comply with the **distributor's**—
 - (i) connection and operation standards; or
 - (ii) safety requirements.

12 Obligations if applicant's load connection is temporarily electrically disconnected by distributor

(1) The **distributor** must make reasonable endeavours to—

- (a) advise the **applicant** before an interruption under clause 11; and
- (b) co-ordinate with the **applicant** to minimise the impact of the interruption.

(2) The **distributor** and the **applicant** must co-operate to restore the **distribution network** and the **applicant's** load connection to a normal operating state as soon as is reasonably practicable following the **applicant's** load connection being temporarily **electrically disconnected**.

(3) In the case of a forced outage, the **distributor** must, subject to the need to restore the **distribution network**, make reasonable endeavours to—

-
- (a) restore service to the **applicant's load** installation; and
 - (b) advise the **applicant** of the expected duration of the outage.

13 Adverse operating effects

- (1) The **distributor** must advise the **applicant** as soon as is reasonably practicable if it reasonably considers that operation of the **applicant's load** installation may—
 - (a) adversely affect the service provided to other **distribution network** customers; or
 - (b) cause damage to the **distribution network** or other facilities; or
 - (c) present a hazard to a person.
- (2) If, after receiving that advice, the **applicant** fails to remedy the adverse operating effect within a reasonable time, the **distributor** may **electrically disconnect the **applicant's load**** connection by giving reasonable notice (or without notice when reasonably necessary in the event of an emergency or hazardous situation).

Confidentiality

14 General obligations relating to confidentiality

- (1) Each party must preserve the confidentiality of **confidential information**, and must not directly or indirectly reveal, report, publish, transfer, or disclose the existence of any **confidential information**, except as required by clause 5 of Schedule 6.1 or as permitted in clause 15.
- (1A) The **distributor** may seek a confidentiality agreement between itself and the **distributed generator** provided that agreement does not prevent the disclosure of information in accordance with clause 5 of Schedule 6.1.
- (2) Each party must only use **confidential information** for the purposes expressly permitted by these **regulated terms**.

15 When confidential information can be disclosed

Either party may disclose **confidential information** in any of the following circumstances:

- (a) if the **applicant** and **distributor** agree in writing to the disclosure of information;
- (b) if disclosure is expressly provided for under these **regulated terms**;
- (c) if, at the time of receipt by the party, the **confidential information** is in the public domain or if, after the time of receipt by either party, the **confidential information** enters the public domain (except where it does so as a result of a breach by either party of its obligations under this clause or a breach by any other person of that person's obligation of confidence);

-
- (d) if either party is required to disclose **confidential information** by—
- (i) a statutory or regulatory obligation, body, or authority; or
 - (ii) a judicial or arbitration process; or
 - (iii) the regulations of a stock exchange upon which the share capital of either party is from time to time listed or dealt in; or
 - (iv) this Code;
- (e) if the **confidential information** is released to the officers, employees, directors, agents, or advisors of the party, provided that—
- (i) the information is disseminated only on a need-to-know basis; and
 - (ii) recipients of the **confidential information** have been made fully aware of the party's obligations of confidence in relation to the information; and
 - (iii) any copies of the information clearly identify it as **confidential information**;
- (f) if the **confidential information** is released to a bona fide potential purchaser of the business or any part of the business of a party, subject to that bona fide potential purchaser having signed a confidentiality agreement enforceable by the other party in a form approved by that other party, and that approval may not be unreasonably withheld.

16 Disclosures by employees, agents, etc

To avoid doubt, a party is responsible for any unauthorised disclosure of **confidential information** made by that party's officers, employees, directors, agents, or advisors.

Liability

17 General obligations relating to liability

- (1) If the **distributor** or the **applicant** breaches any of the **regulated terms** (whether by act or omission), that party is liable to the other.
- (2) The **applicant's** and the **distributor's** liability to each other is limited to damages for any direct loss caused by that breach.
- (3) This clause and clauses 18 to 21 do not limit the liability of either party to pay all charges and other amounts due under Part 6 of this Code or the **regulated terms**.

18 Exceptions to obligations relating to liability

- (1) Neither the **distributor** nor the **applicant**, nor any of its officers, employees, directors, agents, or advisors, are in any circumstances liable to the other party for—
 - (a) any indirect loss, consequential loss (including, but not limited to,

-
- incidental or special damages), loss of profit, loss of revenue (except any liability under clause 17(3)), loss of use, loss of opportunity, loss of contract, or loss of goodwill; or
- (b) any loss resulting from the liability of the other party to another person; or
- (c) any loss or damage incurred by the other party if, and to the extent that, this results from any breach of the **regulated terms** or any negligent action.
- (2) The **distributor** is not liable, except to the extent caused or contributed to by the **distributor** in circumstances where the **distributor** was not acting in accordance with Part 6 of this Code (including these **regulated terms**), for—
- (a) any momentary fluctuations in the voltage or frequency of **electricity** conveyed to or from the **applicant's point of connection** or nonconformity with harmonic voltage and current levels; or
- (b) any failure to convey **electricity** to the extent that—
- (i) the failure arises from any act or omission of the **applicant** or other person, excluding the **distributor** and its officers, employees, directors, agents, or advisors; or
- (ii) the failure arises from an interruption in the conveyance of **electricity** in the **distribution network**, if the interruption was at the request of the **system operator** or under a nationally or regionally co-ordinated response to an **electricity** shortage; or
- (iii) the failure arises from any defect or abnormal conditions in or about the **applicant's** premises; or
- (iv) the **distributor** was taking any action in accordance with Part 6 of this Code or the **regulated terms**; or
- (v) the **distributor** was prevented from making necessary repairs (for example, by police at an accident scene).
- (3) The **applicant** is not liable for—
- (a) a failure to perform an obligation under these **regulated terms** caused by the **distributor's** failure to comply with the obligation; or
- (b) a failure to perform an obligation under these **regulated terms** arising from any defect or abnormal conditions in the **distribution network**.

19 Limits on liability

The maximum total liability of each party, as a result of a breach of the **regulated terms**, must not in any circumstances exceed, in respect of a single event or series of events arising from the same event or circumstance, the lesser of—

- (a) the direct damage suffered or the maximum total liability that the party

-
- bringing the claim against the other party has at the time that the event (or, in the case of a series of related events, the first of such events) giving rise to the liability occurred; or
- (b) \$1,000 per kW of connected capacity up to a maximum of \$5 million.

20 Liability clauses do not apply to fraud, wilful breach, and breach of confidentiality

The exceptions in clause 18, and the limits on liability in clause 19, do not apply—

- (a) if the **distributor** or the **applicant**, or any of its officers, employees, directors, agents, or advisors, has acted fraudulently or wilfully in breach of these **regulated terms**; or
- (b) to a breach of confidentiality under clause 17 by either party.

21 Force majeure

- (1) A failure by either party to comply with or observe any provisions of these **regulated terms** (other than payment of any amount due) does not give rise to any cause of action or liability based on default of the provision if—

- (a) the failure is caused by—
- (i) an event or circumstance occasioned by, or in consequence of, an act of God, being an event or circumstance—
- (A) due to natural causes, directly or indirectly and exclusively without human intervention; and
- (B) that could not reasonably have been foreseen or, if foreseen, could not reasonably have been resisted; or
- (ii) a strike, lockout, other industrial disturbance, act of public enemy, war, blockade, insurrection, riot, epidemic, aircraft, or civil disturbance; or
- (iii) the binding order or requirement of a Court, government, **local authority**, the **Rulings Panel**, or the **Authority**, and the failure is not within the reasonable control of the affected party; or
- (iv) the partial or entire failure of the **consumption** of **electricity** from the distribution network; or
- (v) any other event or circumstance beyond the control of the party invoking this clause; and
- (b) the party could not have prevented such failure by the exercise of the degree of skill, diligence, prudence, and foresight that would reasonably and ordinarily be expected from a skilled and experienced **distributor** or a person similar to the **applicant** engaged in the same type of undertaking under the same or similar circumstances in New Zealand at the time.

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- (2) If a party becomes aware of a prospect of a forthcoming **force majeure event**, it must advise the other party as soon as is reasonably practicable of the particulars of which it is aware.
- (3) If a party invokes this clause, it must as soon as is reasonably practicable advise the other party that it is invoking this clause and of the full particulars of the **force majeure event** relied on.
- (4) The party invoking this clause must—
- (a) use all reasonable endeavours to overcome or avoid the **force majeure event**; and
 - (b) use all reasonable endeavours to mitigate the effects or the consequences of the **force majeure event**; and
 - (c) consult with the other party on the performance of the obligations referred to in paragraphs (a) and (b).
- (5) Nothing in subclause (4) requires a party to settle a strike, lockout, or other industrial disturbance by acceding, against its judgement, to the demands of opposing parties.

Schedule 6.2B

Prescribed terms for load connections using Processes 4 and 5 of Schedule 6.1 when applicant is not a participant

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General

1 Contents of this Schedule

This Schedule sets out the **prescribed terms** that apply to an application to connect load using **Process 4** and **Process 5** of Schedule 6.1.

2 Interpretation

These **prescribed terms** must be interpreted—

- (a) in light of the purpose of Part 6; and
- (b) so as to give business efficacy to the relationship between the **distributor** and the **applicant** under Part 6.

3 Application of prescribed terms to applicants

(1) The **applicant** is not subject to these prescribed terms as it is not a **participant**.

(2) Instead, where a clause of these **prescribed terms** state that this clause applies and one or more of the events set out in that clause occurs:

- (a) the **distributor** is not required to comply with these **prescribed terms** to the extent that the event reasonably prevents the **distributor** from carrying out its obligations under these **prescribed terms** or could cause loss or damage to the **distributor** or the **distributor's** equipment plan; and
- (b) on the remedying of the event or at such time as that event no longer prevents the **distributor** from carrying out its obligations under these **prescribed terms** or could cause loss or damage to the **distributor** or the **distributor's** equipment or plant the **distributor** must fully comply with these terms.

4 General obligations

- (1) The **distributor** must perform all obligations under these **prescribed terms** in accordance with **connection and operation standards** (where applicable).
- (2) The **distributor** must **construct**, connect, operate, test, and **maintain** its equipment in accordance with—
 - (a) these **prescribed terms**; and
 - (b) **connection and operation standards** (where applicable); and
 - (c) this Code.
- (3) The **distributor** is fully responsible for the facilities it owns or operates.
- (4) The **distributor** must ensure that its facilities adequately protect the **applicant's** equipment, personnel, and other persons and their property, from damage and injury.
- (5) Clause 3(2) applies if the **applicant**—
 - (a) does not **construct**, connect, operate, test, and **maintain** its **load** installation in accordance with **reasonable and prudent operating practice** and the applicable manufacturer's instructions and recommendations;
 - (b) does not seek the **distributor's** approval before making any significant changes to the **load** installation, or changes to the protection settings;
 - (c) does not ensure that its **load** installation adequately protect the **distributor's** equipment, personnel, and other persons and their property, from damage and injury;
 - (d) does not comply with any conditions specified by the **distributor** under Schedule 6.1 (or, to the extent that those conditions were the subject of a dispute under Schedule 6.1, or of negotiation during the period for negotiation of the connection contract, the conditions or other measures as finally resolved or negotiated); and
 - (e) does not resolve, as soon as practicable at its own cost, the operation of its **load** installation if it breaches a **distributor's** power quality obligations.

Meters

5 Installation of meters and access to metering information

- (1) Clause 3(2) applies if the **applicant**—
 - (a) does not meet the **distributor's** requirements for **metering** configuration
 - (b) does not give the **distributor**, at the **distributor's** request, the interval data and cumulative data recorded by the **metering installations** at the **point of connection** at which the **applicant's load** is connected or

-
- is proposed to be connected—
- (i) within three **business days** of the request unless agreed otherwise; and
 - (ii) in a manner agreed with the **distributor**; and
 - (iii) formatted to comply with **EIEP3** unless an alternative format is agreed; and
- (2) The **metering installation** measurement and accuracy for the purposes of clause (1) may be no more than required for a **metering installation** that is a **certified metering installation** as set out in Part 10 of this Code.

Access

6 Right of distributor to access applicant's premises

(1) Clause 3(2) applies if the **applicant**—

- (a) does not provide the **distributor**, or a person appointed by the **distributor**, with safe and unobstructed access onto the **applicant's** premises at all reasonable times for the purpose of—
 - (i) installing, testing, inspecting, maintaining, repairing, replacing, operating, reading, or removing any of the **distributor's** equipment and for any other purpose related to these **prescribed terms**:
 - (ii) verifying **metering information**:
 - (iii) ascertaining the cause of any interference to the quality of delivery services being provided by the **distributor** to the **applicant**:
 - (iv) protecting, or preventing danger or damage to, persons or property:
 - (v) **electrically connecting or electrically disconnecting the applicant's load** connection; and
 - (vi) for any other purpose relevant to either or both of—
 - (i) the **distributor** connecting the **applicant's load** installation in accordance with **connection and operation standards**; and
 - (ii) maintaining the integrity of the **distribution network**.
- (2) The rights of access conferred by these **prescribed terms** are in addition to any right of access the **distributor** may have under a statute or regulation or contract.

7 Process if distributor seeks to access applicant's premises

(1) The **distributor** must exercise its right of access under clause 5 by,—

- (a) wherever practicable, giving the **applicant** reasonable notice of its intention and of the purpose or purposes for which it seeks to exercise its right of access; and
- (b) causing as little inconvenience as practicable to the **applicant**; and
- (c) observing **reasonable and prudent operating practice** at all times; and
- (d) observing any reasonable security or site safety requirements that the

applicant makes known to the **distributor** before the **distributor** accesses the **applicant's** premises.

8 Distributor must not interfere with applicant's equipment

- (1) The **distributor** must not interfere with the **applicant's** equipment without the prior written consent of the **applicant**.
- (2) The **distributor** may take all reasonable steps to gain immediate access if it reasonably believes there is immediate danger to persons or property.
- (3) The **distributor** is not liable if the **applicant** stops the **distributor** from taking emergency action to protect the health and safety of persons, or to prevent damage to property.
- (4) If action is taken under subclause (2), the **distributor** must, as soon as

9 Applicant must not interfere with, and must protect, distributor's equipment

- (1) The **distributor** is not required to comply with these prescribed terms if the applicant—
 - (a) interferes with the **distributor's** equipment without the prior written consent of the **distributor**, unless—
 - (i) that action has been taken to protect the health and safety of persons; or
 - (ii) or to prevent damage to property; and
 - (b) if subclause (1)(a) applies, has not informed the **distributor** of the occurrence and circumstances involved as soon as practicable; and
 - (c) has failed to protect the **distributor's** equipment against interference and damage.

10 Obligation to advise if interference with distributor's equipment or theft of electricity is discovered

- (1) The **distributor** must inform the **applicant** within 24 hours of discovering evidence of interference with the **distributor's** equipment, or evidence of theft of electricity.
- (2) Clause 3(2) applies if the **applicant**—
 - (a) discovers evidence of interference with the **distributor's** equipment, or evidence of theft of electricity and does not advise the **distributor** within 24 hours under subclause (1); and
 - (b) does not allow the **distributor** to carry out an investigation if interference with the **distributor's** equipment at the **applicant's** electrical installation is suspected
- (3) The **distributor** is not required to bear the costs if it is discovered that interference by the **applicant**, or by its subcontractors, agents, or invitees, has occurred, or if the interference has been by a third party, and the **applicant**

has failed to provide reasonable protection against interference to the **distributor's** equipment.

- (4) The **distributor** must bear the costs in any other case than that specified in subclause (3) above.
- (5) The **distributor** must present the findings of an investigation to the **applicant** within a reasonable period after receiving the findings of the investigation.

Interruptions and disconnections

11 General obligations relating to interruptions

The **distributor** must make reasonable endeavours to ensure that the **applicant's** load connection is not interrupted.

12 Circumstances allowing distributor to temporarily electrically disconnect applicant's load connection

- (1) Despite clause 11, clause 3(2) applies if the **applicant** does not allow the **distributor** to interrupt or temporarily electrically disconnect the **applicant's** load connection in any of the following cases—
 - (a) in accordance with the **distributor's** congestion management policy;
 - (b) if reasonably necessary for planned **maintenance, construction, and repairs on the distribution network**;
 - (c) for the purpose of protecting, or preventing danger or damage to, persons or property;
 - (d) if the **applicant** fails to allow the **distributor** access as required by clause 6;
 - (e) in accordance with clause 14;
 - (f) if the **applicant** fails to comply with the **distributor's**—
 - (i) connection and operation standards; or
 - (ii) safety requirements.

13 Obligations if applicant's load connection is temporarily electrically disconnected by distributor

- (1) The **distributor** must make reasonable endeavours to—
 - (a) advise the **applicant** before an interruption under clause 12; and
 - (b) co-ordinate with the **applicant** to minimise the impact of the interruption.
- (2) The **distributor** must co-operate with the **applicant** to restore the **distribution network** and the **applicant's** load connection to a normal operating state as soon as is reasonably practicable following the **applicant's** load connection being temporarily **electrically disconnected**.
- (3) In the case of a forced outage, the **distributor** must, subject to the need to restore the **distribution network**, make reasonable endeavours to—
 - (a) restore service to the **applicant's** load installation; and

(b) advise the **applicant** of the expected duration of the outage.

14 Adverse operating effects

- (1) The **distributor** must advise the **applicant** as soon as is reasonably practicable if it reasonably considers that operation of the **applicant's load** installation may—
- (a) adversely affect the service provided to other **distribution network** customers; or
 - (b) cause damage to the **distribution network** or other facilities; or
 - (c) present a hazard to a person.
- (2) The **distributor** is not liable if—
- (a) after receiving advice under subclause (1), the **applicant** fails to remedy the adverse operating effect within a reasonable time, and;
 - (b) if the adverse operating effects persist, the **applicant** does not give written consent to the **distributor** to **electrically disconnect** the **applicant's load** connection after giving reasonable notice (or without notice when reasonably necessary in the event of an emergency or hazardous situation).

Confidentiality

15 General obligations relating to confidentiality

- (1) The **distributor** must preserve the confidentiality of **confidential information**, and must not directly or indirectly reveal, report, publish, transfer, or disclose the existence of any **confidential information**, except as required by clause 5 of Schedule 6.1 or as permitted in clause 15, and must only use **confidential information** for the purposes expressly permitted by these **prescribed terms**.
- (2) Clause 3(2) applies if the **applicant** fails to preserve the confidentiality of **confidential information**, and does not directly or indirectly reveal, report, publish, transfer, or disclose the existence of any **confidential information**, except as permitted in Schedule 6.1 and clause 16, and uses **confidential information** for the purposes expressly permitted by these **prescribed terms**.

16 When confidential information can be disclosed

- (1) The **distributor** may disclose **confidential information** in any of the following circumstances:
- (a) if the **applicant** agrees in writing to the disclosure of information;
 - (b) if disclosure is expressly required under these **prescribed terms**:

- (c) if the **confidential information** is in the public domain or if, after the time of receipt by the **distributor** or **applicant**, the **confidential information** enters the public domain (except where it does so as a result of a breach by the **distributor** of its obligations under this clause or a breach by any other person of the **distributor's** obligation of confidence);
- (d) if the **distributor** is required to disclose **confidential information** by—
 - (i) a statutory or regulatory obligation, body, or authority; or
 - (ii) a judicial or arbitration process; or
 - (iii) the regulations of a stock exchange upon which the share capital of the **distributor** is from time to time listed or dealt in; or
 - (iv) this Code;
- (e) if the **confidential information** is released to the officers, employees, directors, agents, or advisors of the **distributor**, provided that—
 - (i) the information is disseminated only on a need-to-know basis; and
 - (ii) recipients of the **confidential information** have been made fully aware of the **distributor's** obligations of confidence in relation to the information; and
 - (iii) any copies of the information clearly identify it as **confidential information**;
- (f) if the **confidential information** is released to a bona fide potential purchaser of the business or any part of the business of a **distributor**, subject to that bona fide potential purchaser having signed a confidentiality agreement enforceable by the **distributor** in a form approved by the **applicant**, and that approval may not be unreasonably withheld.
- (2) Clause 15(2) does not apply if the **applicant**—
 - (a) discloses **confidential information** with the **distributor's** written consent; and
 - (b) discloses **confidential information** in accordance with these **prescribed terms**; and
 - (c) discloses **confidential information** if required to do so by—
 - (i) a statutory or regulatory obligation, body, or authority; or
 - (ii) a judicial or arbitration process; or
 - (iii) the regulations of a stock exchange upon which the share capital of the **applicant** is from time to time listed or dealt in; or
 - (iv) this Code; and
 - (e) discloses **confidential information** to the officers, employees,

directors, agents, or advisors of the party, and—

- (i) disseminates the information on a need-to-know basis; and
- (ii) makes the recipients of the **confidential information** fully aware of the party's obligations of confidence in relation to the information; and
- (iii) marks any copies of the information clearly as **confidential information**; and
- (f) releases the **confidential information** to a bona fide potential purchaser of the business or any part of the business of the **applicant**, subject to that bona fide potential purchaser having signed a confidentiality agreement enforceable by the **applicant** and approved by the **distributor**, and that approval may not be unreasonably withheld.

17 Disclosures by employees, agents, etc

To avoid doubt, a **distributor** is responsible for any unauthorised disclosure of **confidential information** made by its officers, employees, directors, agents, or advisors.

18 Distributor may require applicant to enter into a confidentiality deed

- (1) The **distributor** may require the **applicant** to enter into a confidentiality deed on reciprocal terms to those set out in clauses 15 and 17 that apply to the **distributor** and subject to equivalent exceptions to those set out in clause 16.
- (2) The confidentiality deed may not prevent the disclosure of information in accordance with clause 5 of Schedule 6.1.
- (3) If the **applicant** does not enter into a confidentiality deed as required by the **distributor**, acting reasonably, the **distributor** is not required to comply with these prescribed terms.

Liability

19 General obligations relating to liability

- (1) If the **distributor** breaches any of the **prescribed terms** (whether by act or omission), it is liable to the **applicant**.
- (2) The **distributor's** liability to the **applicant** is limited to damages for any direct loss caused by the **distributor's** breach.
- (3) This clause and clauses 20 to 22 do not limit the liability of the **distributor** to pay all charges and other amounts due under Part 6 of this Code or the **prescribed terms**.
- (4) As the **applicant** is not a **participant**, it is not liable to the **distributor** for any

breach of these **prescribed terms** but the **prescribed terms** do not prevent the **distributor** from claiming liability under any other cause of action.

20 Exceptions to obligations relating to liability

- (1) Neither the **distributor**, nor any of its officers, employees, directors, agents, or advisors, are in any circumstances liable to the **applicant** for—
- (a) any indirect loss, consequential loss (including, but not limited to, incidental or special damages), loss of profit, loss of revenue (except any liability under clause 19(3)), loss of use, loss of opportunity, loss of contract, or loss of goodwill; or
 - (b) any loss resulting from the liability of the **distributor** to another person; or
 - (c) any loss or damage incurred by the **applicant** if, and to the extent that, this results from any failure by the applicant to take an action set out in these **prescribed terms** or any negligent action by the **applicant**.
- (2) The **distributor** may not hold the **applicant**, nor any of its officers, employees, directors, agents, or advisors, are in any circumstances liable to the **distributor** for—
- (a) any indirect loss, consequential loss (including, but not limited to, incidental or special damages), loss of profit, loss of revenue (other than any charges or other amounts due under Part 6 of this Code), loss of use, loss of opportunity, loss of contract, or loss of goodwill; or
 - (b) any loss resulting from the liability of the **applicant** to another person; or
 - (c) any loss or damage incurred by the **distributor** if, and to the extent that, this results from any breach of the **prescribed terms** or any negligent action by the **distributor**.
- (3) The **distributor** is not liable, except to the extent caused or contributed to by the **distributor** in circumstances where the **distributor** was not acting in accordance with Part 6 of this Code (including these **prescribed terms**), for—
- (a) any momentary fluctuations in the voltage or frequency of **electricity** conveyed to or from the **applicant's point of connection** or nonconformity with harmonic voltage and current levels; or
 - (b) any failure to convey **electricity** to the extent that—
 - (i) the failure arises from any act or omission of the **applicant** or other person, excluding the **distributor** and its officers, employees, directors, agents, or advisors; or
 - (ii) the failure arises from an interruption in the conveyance of **electricity** in the **distribution network**, if the interruption was at the request of the **system operator** or under a nationally or regionally co-ordinated response to an **electricity** shortage; or

- (iii) the failure arises from any defect or abnormal conditions in or about the **applicant's** premises; or
 - (iv) the **distributor** was taking any action in accordance with Part 6 of this Code or the **prescribed terms**; or
 - (v) the **distributor** was prevented from making necessary repairs (for example, by police at an accident scene).
- (4) The **distributor** cannot hold the **applicant** liable for—
 - (a) any event caused by the **distributor's** failure to comply with an obligation under these **prescribed terms**; or
 - (b) any event arising from any defect or abnormal conditions in the **distribution network**.

21 Limits on liability

- (1) The maximum total **liability** of the **distributor**, as a result of a breach of the **prescribed terms**, must not in any circumstances exceed, in respect of a single event or series of events arising from the same event or circumstance, the lesser of—
 - (a) the direct damage suffered or the maximum total liability that the **applicant** has at the time that the event (or, in the case of a series of related events, the first of such events) giving rise to the liability occurred; or
 - (b) \$1,000 per kW of capacity up to a maximum of \$5 million.
- (2) The **distributor** may not hold the applicant liable, as a result of any matter arising in relation to the provision of services by the **distributor** to the **applicant** under these **prescribed terms**, for any amount exceeding, in any circumstances, in respect of a single event or series of events arising from the same event or circumstance, the lesser of—
 - (a) the direct damage suffered or the maximum total liability that the **distributor** has at the time that the event (or, in the case of a series of related events, the first of such events) giving rise to the liability occurred; or
 - (b) \$1,000 per kW of capacity up to a maximum of \$5 million.

22 Liability clauses do not apply to fraud, wilful breach, and breach of confidentiality

The exceptions in clause 20, and the limits on liability in clause 21, do not apply—

- (a) if the **distributor** or the **applicant**, or any of their officers, employees, directors, agents, or advisors, has acted fraudulently; or
- (b) the **distributor** has acted wilfully in breach of these **prescribed terms**; or
- (c) the **applicant** has wilfully acted in a manner to cause loss to the **distributor**; or
- (d) to a breach of confidentiality under clause 15 by the **distributor** or of any **confidentiality deed** required by the **distributor** under clause 17; or
- (e) any of the events in clauses 15(2) have occurred.

23 Force majeure affecting distributor

- (1) A failure by the **distributor** to comply with or observe any provisions of these **prescribed terms** (other than payment of any amount due) does not give rise to any cause of action or liability based on default of the provision if—
- (a) the failure is caused by—
- (i) an event or circumstance occasioned by, or in consequence of, an act of God, being an event or circumstance—
 - (A) due to natural causes, directly or indirectly and exclusively without human intervention; and
 - (B) that could not reasonably have been foreseen or, if foreseen, could not reasonably have been resisted; or
 - (ii) a strike, lockout, other industrial disturbance, act of public enemy, war, blockade, insurrection, riot, epidemic, aircraft, or civil disturbance; or
 - (iii) the binding order or requirement of a Court, government, **local authority**, the **Rulings Panel**, or the **Authority**, and the failure is not within the reasonable control of the affected party; or
 - (iv) the partial or entire failure of the **consumption of electricity** from the distribution network; or
 - (v) any other event or circumstance beyond the control of the party invoking this clause; and
- (b) the **distributor** could not have prevented such failure by the exercise of the degree of skill, diligence, prudence, and foresight that would reasonably and ordinarily be expected from a skilled and experienced **distributor** or **applicant** engaged in the same type of undertaking under the same or similar circumstances in New Zealand at the time.
- (2) If the **distributor** becomes aware of a prospect of a forthcoming **force majeure event**, it must advise the **applicant** as soon as is reasonably practicable of the particulars of which it is aware.
- (3) If the **distributor** invokes this clause, it must as soon as is reasonably practicable advise the **applicant** that it is invoking this clause and of the full particulars of the **force majeure event** relied on.
- (4) The **distributor** must—
- (a) use all reasonable endeavours to overcome or avoid the **force majeure event**; and
 - (b) use all reasonable endeavours to mitigate the effects or the consequences of the **force majeure event**; and
 - (c) consult with the **applicant** on the performance of the obligations

referred to in paragraphs (a) and (b).

- (5) Nothing in subclause (4) requires the **distributor** to settle a strike, lockout, or other industrial disturbance by acceding, against its judgement, to the demands of opposing parties.

24 Force majeure affecting applicant

- (1) A failure by the **applicant** to carry out any action (other than payment of any amount due) does not excuse the **distributor** from compliance with these **prescribed terms** or give rise to any cause of action or liability against the **applicant** based on default if—
- (a) the failure is caused by—
- (i) an event or circumstance occasioned by, or in consequence of, an act of God, being an event or circumstance—
- (A) due to natural causes, directly or indirectly and exclusively without human intervention; and
- (B) that could not reasonably have been foreseen or, if foreseen, could not reasonably have been resisted; or
- (ii) a strike, lockout, other industrial disturbance, act of public enemy, war, blockade, insurrection, riot, epidemic, aircraft, or civil disturbance; or
- (iii) the binding order or requirement of a Court, government, **local authority**, the **Rulings Panel**, or the **Authority**, and the failure is not within the reasonable control of the affected party; or
- (iv) the partial or entire failure of the **consumption of electricity** from the distribution network; or
- (v) any other event or circumstance beyond the control of the party invoking this clause; and
- (b) the **applicant** could not have prevented such failure by the exercise of the degree of skill, diligence, prudence, and foresight that would reasonably and ordinarily be expected from a skilled and experienced person similar to the **applicant** and engaged in the same type of undertaking under the same or similar circumstances in New Zealand at the time.
- (2) This clause does not apply unless:
- (a) the **applicant** advises the **distributor** as soon as is reasonably practicable of the particulars of any forthcoming **force majeure event** that it is aware of; and
- (b) as soon as is reasonably practicable advises the **distributor** of any **force majeure event** that it wishes to rely on occurs and of the full particulars of the **force majeure event**.
- (c) The **applicant**—

-
- (i) uses all reasonable endeavours to overcome or avoid the **force majeure event**; and
 - (ii) uses all reasonable endeavours to mitigate the effects or the consequences of the **force majeure event**; and
 - (iii) consults with the **distributor** on the performance of the obligations referred to in paragraphs (a) and (b).
- (3) Nothing in subclause (2) requires the **applicant** to settle a strike, lockout, or other industrial disturbance by acceding, against its judgement, to the demands of opposing parties

Schedule 6.3

cl 6.8

Default dispute resolution process

Contents

- 1 Application of this schedule
 - 2 Notice of dispute
 - 3 Complaints
 - 4 Application of pricing principles to disputes
 - 5 Orders that Rulings Panel can make
-

1 Application of this Schedule

This Schedule applies in accordance with clause 6.8.

2 Notice of dispute

- (1) A party must give written notice to the other party of the dispute.
- (2) The parties must attempt to resolve the dispute with each other in good faith.
- (3) If the parties are unable to resolve the dispute, either party may complain in writing to the **Authority**.

3 Complaints

- (1) A complaint made under clause 2(3) must be treated as if it were a notification given under regulations made under section 112 of the **Act**.
- (2) The following provisions apply to the complaint:
 - (a) sections 53-62 of the **Act**; and
 - (b) the Electricity Industry (Enforcement) Regulations 2010 except regulations 5, 6, 7, 9, 17, 51 to 75, and subpart 2 of Part 3.
- (3) Those provisions apply—
 - (a) to the dispute that is the subject of the complaint in the same way as those provisions apply to a notification of an alleged breach of this Code; and
 - (b) as if references to a **participant** in those provisions were references to a party under Part 6 of this Code; and
 - (c) with any further modifications that the **Authority** or the **Rulings Panel**, as the case may be, considers necessary or desirable for the purpose of applying those provisions to the complaint.

4 Application of pricing principles to disputes

- (1) The **Authority** and the **Rulings Panel** must apply the **distributed generation** pricing principles set out in Schedule 6.4 to determine any

connection charges payable in respect of connections of **distributed generation**.

(2) Subclause (1) applies if—

-
- (a) there is a dispute under Part 6 of this Code; and
 - (b) in the opinion of the **Authority** or the **Rulings Panel** it is necessary or desirable to apply subclause (1) in order to resolve the dispute.

5 Orders that Rulings Panel can make

If a complaint is referred to it, the **Rulings Panel** may make any order, or take any action, that it is able to make or take in accordance with section 54 of the **Act**.

Schedule 6.4

cl 6.9

Distributed generation Pricing—pricing principles

- 1 This Schedule sets out the pricing principles to be applied for the purposes of Part 6 of this Code in accordance with clause 6.9 (which relates to clause 19 of Schedule 6.2 and clause 4 of Schedule 6.3).
- 2 The pricing principles are as follows:

*Charges to be based on recovery of reasonable costs incurred by **distributor** as a result of connecting the distributed generator and to comply with connection and operation standards within the distribution network, and must include consideration of any identifiable avoided or avoidable costs*

- (a) subject to paragraph (i), connection charges in respect of **distributed generation** must not exceed the **incremental costs** of providing connection services to the **distributed generation**:
- (b) when calculating **incremental costs**, any costs that cannot be calculated must be estimated with reference to reasonable estimates of how the **distributor's** capital investment decisions and operating costs would differ, in the future, with and without the generation:
- (c) estimated costs may be adjusted ex post. Ex-post adjustment involves calculating, at the end of a period, what the actual costs incurred by the **distributor** as a result of the **distributed generation**

being **electrically connected** to the **distribution network** were and deducting the costs that would have been incurred had the generation not been **electrically connected**. In this case, if the costs differ from the costs charged to the **distributed generator**, the **distributor** must advise the **distributed generator** and recover or refund those costs after they are incurred (unless the **distributor** and the **distributed generator** agree otherwise):

Capital and operating expenses

- (d) if costs include distinct capital expenditure, such as costs for a significant **asset** replacement or upgrade, the connection charge attributable to the **distributed generator's** actions or proposals is payable by the **distributed generator** before the **distributor** has committed to incurring those costs. When making reasonable endeavours to facilitate connection, the **distributor** is not obliged to incur those costs until that payment has been received:
- (e) if **incremental costs** are negative, the **distributed generator** is deemed to be providing network support services to the **distributor**, and may invoice the **distributor** for this service and, in that case, the **distributed generator** must

comply with all relevant obligations (for example, obligations under Part 6 of this Code and in respect of tax):

- (f) if costs relate to ongoing or periodic operating expenses, such as costs for routine **maintenance**, the connection charge attributable to the **distributed generator's** actions or proposals may take the form of a periodic charge:
- (g) *[Revoked]*
- (h) after the connection of the **distributed generation**, the **distributor** may review the connection charges payable by a **distributed generator** not more than once in any 12-month period. Following a review, the **distributor** must advise the **distributed generator** in writing of any change in the connection charges payable, and the reasons for any change, not less than ~~3~~**three** months before the date the change is to take effect:

Share of generation-driven costs

- (i) if multiple **distributed generators** are sharing an investment, the portion of costs payable by any ~~1~~**one distributed generator**—
 - (i) must be calculated so that the charges paid or payable by each

distributed generator take into account the relative expected peak of each **distributed generator's** injected generation; and

(ii) may also have regard to the percentage of **assets** that will be

used by each **distributed generator**, the percentage of **distribution network capacity** used by each **distributed generator**, the relative share of expected maximum combined peak output, and whether the combined peak generation is coincident with the peak **load** on the **distribution network**:

- (j) in order to facilitate the calculation of equitable connection charges under paragraph (i), the **distributor** must make and retain adequate records of investments for a period of 60 months, provide the rationale for the investment in terms of facilitating **distributed generation**, and indicate the extent to which the associated costs have been or are to be recovered through generation connection charges:

Repayment of previously funded investment

- (k) if a **distributed generator** has paid connection charges that include (in part) the cost of an investment that is subsequently shared by other **distributed generators**, the **distributor** must refund to the **distributed generator** all connection charges paid to the **distributor** under paragraph (i) by other **distributed generators** in respect of that investment:
- (l) if there are multiple prior **distributed generators**, a refund to each **distributed generator** referred to in paragraph (k) must be provided in accordance with the expected peak of that **distributed generator's** injected generation over a period of time agreed between the **distributed generator** and the **distributor**. The refund—
- (i) must take into account the relative expected peak of each **distributed generator's** injected generation; and
- (ii) may also have regard to the percentage of **assets** that will be used by each **distributed generator**, the percentage of **distribution network capacity** used by each **distributed generator**, the relative share of expected maximum combined peak output, and whether the combined peak generation is coincident with the peak **load** on the **distribution network**:

- (m) no refund of previous payments from the **distributed generator** referred to in paragraph (k) is required after a period of 36 months from the initial connection of that **distributed generator**:

Non-firm connection service

- (n) to avoid doubt, nothing in Part 6 of this Code creates any **distribution network capacity** or property rights in any part of the **distribution network** unless these are specifically contracted for. **Distributors** must **maintain** connection and **lines** services to **distributed generators** in accordance with their **connection and operation standards**.

2A [Revoked]

2B [Revoked]

2C [Revoked]

4 [Revoked]

Schedule 6.5

cls 2(4), 7(5), 11(4), and 22(5) of Sch 6.1

Prescribed maximum fees

1 [Revoked]

- 2** A **distributor** may require the payment of fees for any of the following activities prescribed under Part 6 of this Code to the maximum fee specified in the column opposite that activity:

Description of fee	\$ (exclusive of GST)
<u>Part-Process</u> 1 of Schedule 6.1 application	
Application fee under clause 2(21)(c)	310
Fee for observation of testing and inspection under clause 7(5)	90
<u>Part-Process</u> 1A of Schedule 6.1 application	
Application fee under clause 9B 2(2)(c)	140

Fee for inspection under clause 9E ^{Schedule 6.2B} <u>3(3)</u>	80
Deficiency fee under clause 9E <u>5(4)</u>	110

Part-Process 2 and Process 3 of Schedule 6.1 applications

Application fee for distributed generation with nameplate capacity of more than 10 kW but less than 100 kW under clause 11(2)	770
Application fee for distributed generation with nameplate capacity of 100 kW or more in total but less than 1 MW under clause 11(2)	1,540
Application fee for distributed generation with nameplate capacity of 1 MW or more under clause 11(2)	7,690

Fee for observation of testing and inspection of distributed generation with nameplate capacity of more than 10 kW but less than 100 kW under clause 22	180
Fee for observation of testing and inspection of distributed generation with nameplate capacity of 100 kW or more under clause 22	1,850

