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Reducing barriers for new connections

Transpower welcomes the opportunity to provide feedback on the Authority's consultation, *"Reducing barriers for new connections: up-front charges and distributor obligations"* published 17 November 2025. This submission is made in Transpower's capacity as grid owner and responds to the proposal under Part B, to create an obligation on Distributors (EDBs) to make a connection offer.

Part B: A general obligation on Distributors to make a connection offer

The current Default Distribution Agreement (DDA) permits Distributors to decline connection applications, and the Authority is considering removing this option.¹

We consider this provision is important to retain because there are circumstances where a network owner should have the right to deny an application, such as:

- If the connection would violate system security standards (including thermal, voltage, stability, or protection limits)
- If the connection would threaten reliability or safety for current users
- If the required upgrades are excessive compared to the scale of the connection (since connections should encourage efficient investment and pricing, not lead to uneconomic network expansion)
- If the connection characteristics are more suitable for a grid connection.

The Authority needs to consider whether removing this provision in the DDA, when coupled with changes to the allocation of costs, could lead to instances of inefficient outcomes such as generators seeking to connect to distribution rather than transmission, if they face different 'cost reflective' charges.

Please contact Micky Cave Senior Regulatory Advisor, for any questions about this submission.

Yours sincerely
Joel Cook
Head of Strategy and Regulation

¹ Para. 11.17 [Reducing barriers for new connections: up-front charges and distributor obligations](#)