



24 August 2026

Electricity Authority
PO Box 10041
Wellington 6143

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

Draft for comment – Balance point principle guidance

WEL Networks appreciates the opportunity to provide feedback on the above guideline draft.

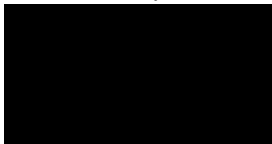
WEL Networks (WEL) is New Zealand's sixth largest electricity distribution company and is 100% owned by our community through our sole shareholder WEL Energy Trust. Our guiding statement of strategic intent is to be leading Waikato's energy future, and we work to ensure that our customers have access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

WEL's view of the of the draft guideline is broadly supportive, though we make the following comment.

Connection Charge reconciliations	The Network Contribution for a customer group may go negative when an EDB has low growth and the customer group may consist of a connection that is uneconomic. Even when combined with the other connections the customer group may still show as a negative.
Revenue linked methodology	NPV models can have cost and revenue escalation assumptions within the methodology, and the further out the assumptions the less impact on the present value of the calculations. Other factors (such as WACC changes) need not be factored into an NPV model if the customer is on standard pricing, as if the WACC increases or decreases, the lines pricing they are exposed to will also increase or decrease with WACC changes. Where there are indicative changes in transmission charges these can also be inputted into the methodology to ensure a reasonable estimate of assumed costs against the connection.

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

Yours sincerely



Andrew Maseyk
Regulatory Specialist

