

# **Monitoring distributors' performance processing distributed generation connection applications**

Insights from distributors' data on distributed generation connection applications  
(November 2021 – October 2025)

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# 1. Introduction

- 1.1 In December 2025, the Electricity Authority Te Mana Hiko (Authority) requested data on how electricity distributors were processing applications to connect distributed generation to their networks. We requested data for each of the previous four years (1 November 2021 to 31 October 2025), including the number of applications received, size of the distributed generation, application outcomes, and processing timeframes.
- 1.2 We analysed the data to establish a baseline of current distributor performance in processing distributed generation connection applications. This baseline will enable the Authority to assess changes in performance over time, and evaluate the impact of [upcoming Code requirements](#) that will come into effect on 1 December 2026. The analysis contained in this report is summarised at a high level and aggregated across all distributors. The analysis also highlighted further opportunities to make application processes faster, simpler, more consistent and more equitable for consumers.
- 1.3 This data collection and analysis was part of the Authority's multi-stage '[Network connections project](#)' that is improving the efficiency of connecting to networks. This represents an initial step towards more comprehensive monitoring by the Authority of performance in connecting to electricity networks.

## **This report is organised according to the three distributed generation connection processes in Part 6 of the Code**

**Part 1A** of the Code applies to distributed generation connections with a total nameplate capacity of 10kW or less, that complies with both parts of AS/NZS 4777, and that has settings that meet the distributor's connection and operation standards. Distributors must process qualifying applications within 10 business days.

**Part 1** applies to applications for distributed generation with a total nameplate capacity of up to 10kW that do not meet the criteria for the streamlined Part 1A process. Applications under Part 1 may require a more detailed network assessment and must be processed within 30 business days (unless extended with both parties' agreement) once a completed application is received.

**Part 2** applies to distributed generation applications with a total nameplate capacity of more than 10kW. Part 2 incorporates a two-stage application process to reflect the greater complexity and potential network impacts associated with larger distributed generation installations. The process begins with an initial assessment, followed by a detailed technical evaluation, before a final connection decision is reached. For applications less than 1MW, the processing timeframe is 45 business days, increasing to 80 business days for connections larger than 5MW. The processing timeframe may be extended if the applicant agrees.

## **Most applications are approved well within the required timeframes**

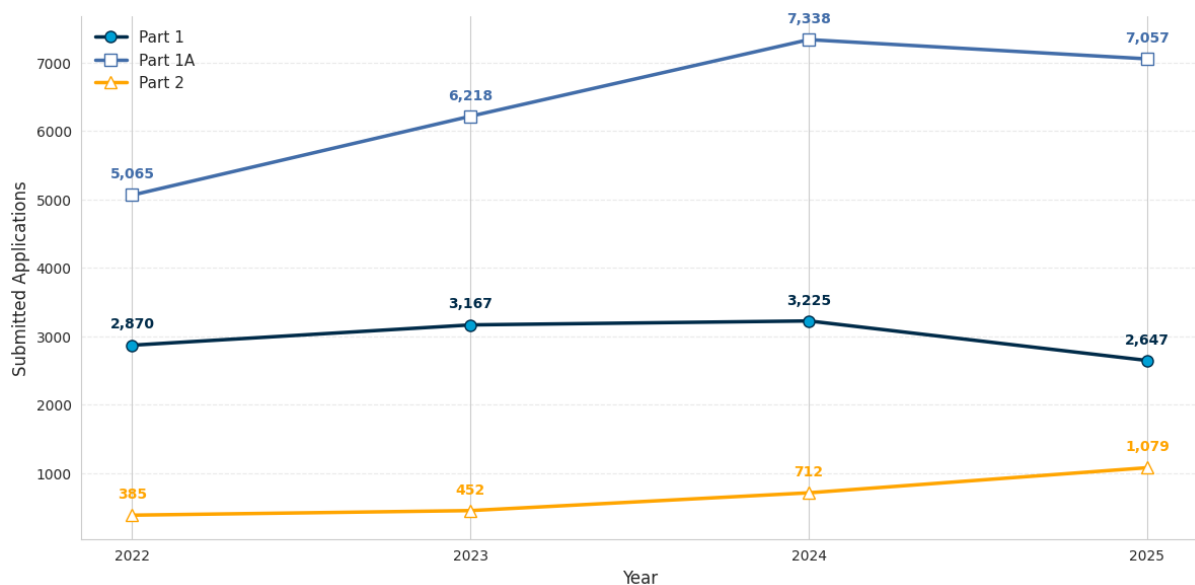
- 1.4 Most applications were approved within the Code's required timeframes, indicating that distributors are generally processing applications efficiently and providing timely outcomes to applicants.
- 1.5 The analysis identified inconsistencies between distributors in how application milestones and processing timeframes are recorded, which are discussed further in Section 2.

- 1.6 The review also identified opportunities to improve both distributor processes and the clarity of some Code requirements. The actions being taken to address these issues are discussed in Section 3.

## The number of applications to connect distributed generation has increased

- 1.7 As shown in Figure 1, applications have increased significantly across Part 1A and Part 2 distributed generation application pathways in recent years. For Part 1A applications, annual application volumes grew by nearly 39% between 2022 and 2025.
- 1.8 Part 2 applications increased substantially each year, growing by 180% from 2022 to 2025. Part 1 applications increased slightly in 2023 and 2024 but were lower in 2025.
- 1.9 The growing number of applications highlights the importance of ensuring application processes remain efficient and fit for purpose as demand continues to increase.

*Figure 1: Annual number of submitted applications by pathway*



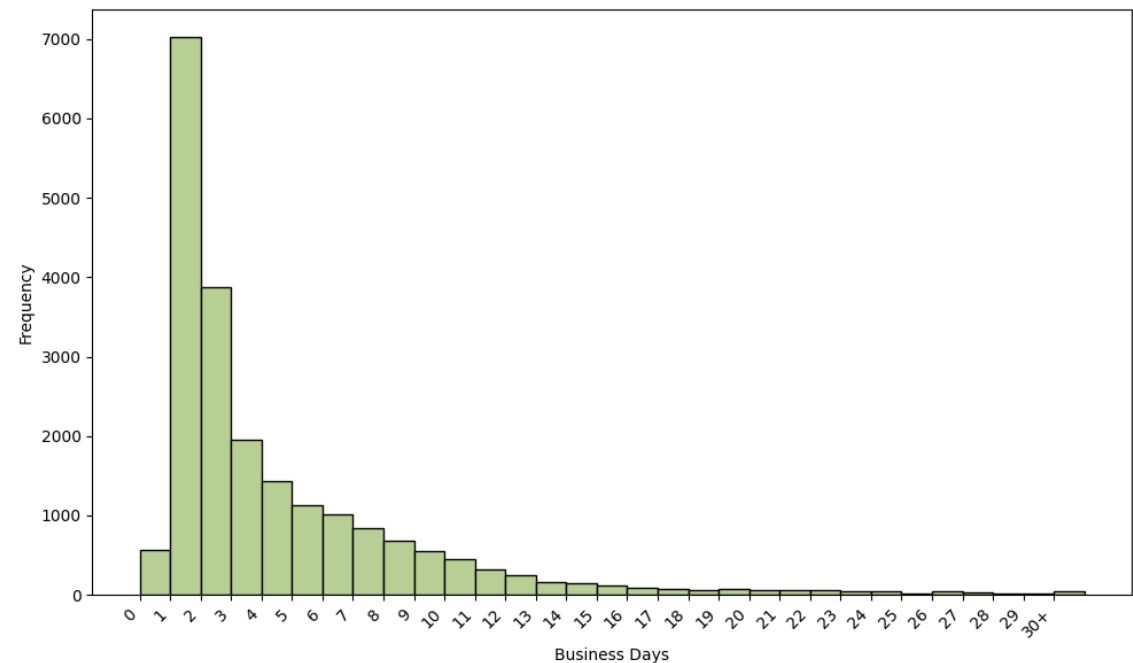
## Snapshot of analysis: Part 1A applications

*Part 1A is the streamlined application process for applications for less than 10kW.*

### Key findings

- 87% of applications were processed within the required 10 business day timeframe, while 13% exceeded the requirement
- The median processing time was approximately two business days
- Delays were often associated with requests for additional information, incomplete applications, or outstanding application fees
- Some distributors were processing all sub-10kW applications through Part 1 rather than Part 1A (the Authority has proposed to address this issue through proposed clarifications set out in a [consultation paper](#) released on 8 September 2026).

**Figure 2: Distribution of Part 1A application processing times**



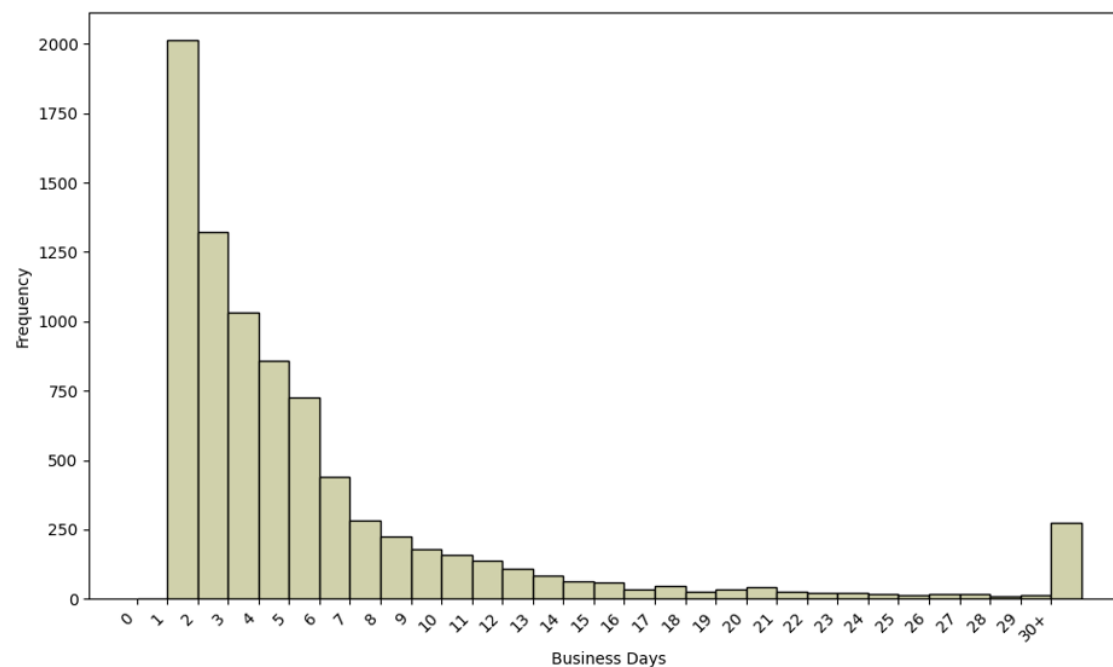
## Snapshot of analysis: Part 1 applications

*Part 1 is the application process for applications for less than 10kW where criteria to use the Part 1A process are not met.*

### Key findings

- Average processing time was approximately 7 business days
- Most applications were completed well within the 30-business-day requirement
- Around 3% exceeded the required timeframe
- Processing speed varied between distributors and applications
- Approximately 97% of applications were approved, either without changes or subject to conditions.

**Figure 3: Distribution of business days from Part 1 application submission to decision notification**



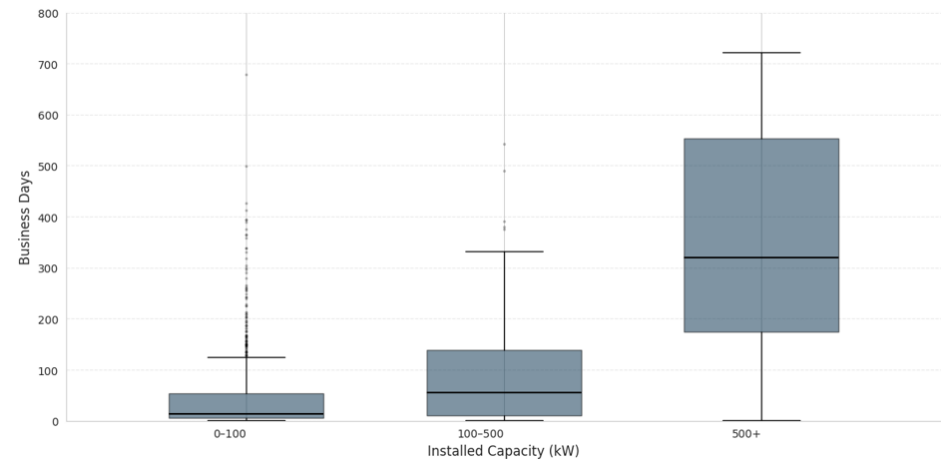
## Snapshot of analysis: Part 2 applications

*Part 2 is the application process for applications more than 10kW in size.*

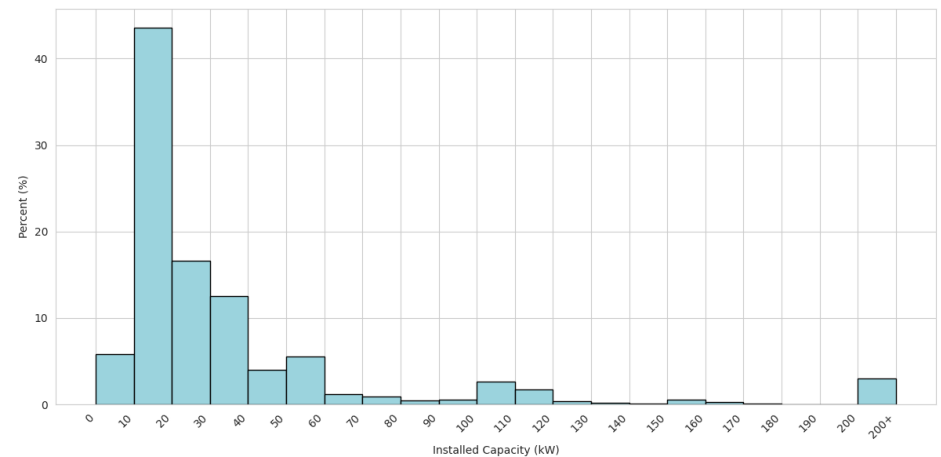
### Key findings

- Applications below 1MW had a median processing time of approximately 15 business days
- Larger projects generally required longer assessments due to the increased complexity of the network studies required
- Detailed network studies are often required to maintain network safety, power quality, and capacity management
- Less than 3% of Part 2 applications were declined
- Main reasons for declining applications were network constraints, technical non-compliance, and incomplete applications
- Median installed capacity was approximately 20kW.

**Figure 4: The distribution of processing times for Part 2 applications**



**Figure 5: Installed capacity for Part 2 applications**



## 2. Detailed analysis

### Some Part 1A applications took longer than 10 business days

- 2.1 Several issues of concern were uncovered in the way distributors processed Part 1A applications. Around 13% of submitted applications took longer than the required 10 business days to process, as shown by the distribution in Figure 2. This is despite the Code requiring any application (that is complete and accurate and is for DG that meets the requirements) that is not approved within 10 business days to be deemed approved<sup>1</sup>, or otherwise declined.
- 2.2 The Authority engaged with distributors whose applications exceeded the mandated processing timeframe and understands many of these instances were due to delays in the applicant responding to requests for more information, incomplete applications or late payment of fees.
- 2.3 Some distributors were not processing applications under Part 1A despite these qualifying for the streamlined process.
- 2.4 Section 3 outlines steps we are taking to clarify requirements where the applicant is required to provide more information and to ensure access to the Part 1A process.

### Most Part 1 applications were processed well in advance of the 30-business day requirement

- 2.5 Part 1 applications were processed in an average of around seven business days<sup>2</sup>, from the application submission to decision notification, as shown in Figure 3. While processing times varied across distributors and individual applications, many were completed within relatively short timeframes (median processing time of around three business days).
- 2.6 However, around 3% of applications were not completed within the required 30 business days' timeframe, although some instances of this apparent non-compliance may have resulted from incomplete or inaccurate applications.

### Part 2 processing times reflected the size of the application

- 2.7 Part 2 applications generally took longer to process, reflecting the more detailed technical assessments required for larger connections. The average processing time from initial submission to final decision for applications below 1 MW was approximately 15 business days. Processing times varied considerably depending on the technical requirements of each project (Figure 4). The larger the proposed connection, the more complex the engineering studies required to ensure network safety and power quality are maintained.
- 2.8 Figure 5 shows the distribution of installed capacities for Part 2 applications, with a median installed capacity of around 20kW. Around 2% of applications had installed capacities greater than 300kW. A small number of recorded installations have capacities below the 10kW threshold. These cases may reflect projects that were ultimately installed at a lower capacity than originally proposed, or from data recording inconsistencies by distributors.
- 2.9 Less than 3% of Part 2 applications were declined. Most rejections were due to network and technical constraints, or incomplete or non-compliant application submissions.

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<sup>1</sup> Clause 9F(3) of Schedule 6.1

<sup>2</sup> Excluding retrospective applications, ie, where application is made after the installation is complete

## **A common cause of delays or declined applications was incorrect or incomplete information provided by the applicant**

- 2.10 Although Parts 1A, 1 and 2 differ in their purpose and level of assessment, distributors reported a number of common factors that contributed to delays or applications not proceeding to approval.
- 2.11 Incomplete, incorrect or missing information was one of the most common issues across all application pathways. For Part 1A applications, delays often arose when distributors needed to request and verify additional information before processing could continue. Similar issues affected Part 1 applications, where errors in customer, installer, retailer, ICP, address, capacity, or application details required clarification, confirmation or resubmission. Distributors have different approaches to how these delays were recorded in their system, making it difficult to evaluate the distributor's performance. The steps outlined in section 3 will make it clear how distributors should be recording processing timeframes.
- 2.12 For Part 2 applications, unsuccessful outcomes were often associated with missing documentation, inaccurate customer or site information, duplicate or cancelled applications, and cases where applicants did not respond to requests for further information. About 3% of all Part 2 applications were declined.

## **Technical complexity also impacted processing times**

- 2.13 Technical assessment requirements become more significant as application complexity increased.
- 2.14 For Part 1A applications, the criterion for application is specified in clause 1D of Schedule 6.1 of the Code (eg, complying with the applicable Standards and settings that meet the distributor's connection and operation standards as well as meeting the export limit set by the distributor). If an application complies with these requirements, there are no grounds for the distributor to decline or require further assessment.
- 2.15 Part 1 applications often require more detailed technical assessments as these applications will generally have not met the criteria for the streamlined Part 1A process. This could include inverter settings that do not comply with the Standards or the generation capacity exceeding the export limit set by the distributor. Increased assessments include verification of installation records, network capacity assessments, phase or fuse upgrades or downgrades, anti-islanding compliance checks, and evaluation of any associated network works.
- 2.16 Applications linked to broader projects, such as service upgrades, underground conversions, metering changes, or other network modifications, frequently require additional investigation and coordination, which can extend processing times.
- 2.17 For Part 1 applications, engineering approval requirements were a common factor, particularly where non-conforming inverters and batteries required engineering assessment, along with concerns about transformer capacity, and potential network congestion.
- 2.18 For Part 2 applications, delayed or declined applications were more commonly driven by network and technical constraints. These included invalid or ineligible ICPs, connections outside the network area, embedded network restrictions, non-conforming inverters, export limits exceeding permitted thresholds, and insufficient network capacity.
- 2.19 In some cases, customers were advised that network upgrades would be required before their application could proceed. Unlike application-related declines, these cases are

generally constrained by technical standards, network policies or infrastructure limitations rather than applicant actions.

### **3. Next steps for overseeing efficient connections to networks**

#### **We are working towards more transparent application processing**

- 3.1 This is the first time the Authority has collected information about processing connection applications from distributors. We found differences in how key dates and application processing activities are recorded, which required manual verification and follow-up with distributors to support meaningful analysis. The data also contained gaps and quality issues.
- 3.2 These issues appear to stem from a combination of differing interpretations of the Code, potential ambiguities within the Code, and varying record management practices. Some distributors were unable to provide the full four years of data because records were in paper files or archived emails and were costly to retrieve.
- 3.3 The Authority intends to collect this information regularly to monitor the processing of applications for distributed generation and, from 1 June 2027, load. To support this, distributors are expected to maintain complete and readily retrievable records of applications and processing activities.
- 3.4 As distributors gain experience with these reporting requirements, we expect record-keeping practices and data quality to improve. This will enable more robust monitoring and help make the connection application process quicker, easier, more consistent, and fairer for customers.
- 3.5 The Authority will undertake a further data collection covering the period 1 November 2025 to 30 October 2026 and will conduct additional analysis of the results in conjunction with the findings from this report. Ongoing reporting requirements will apply to all distributed generation applications and, from mid-2027, to medium and small load applications.

#### **Medium and large distributed generation connection applications will be subject to new queuing and management policy**

- 3.6 A Code amendment will come into force on 1 December 2026 that includes provision for an industry-agreed clock stop-start mechanism for larger applications. This mechanism, called the '[connection queueing and management policy](#)' is available on the Electricity Networks Aotearoa website<sup>3</sup>. As stated above, we will monitor the effectiveness of this change through reporting requirements to assess whether the implementation is delivering benefits for consumers.

#### **This analysis identified opportunities to clarify some small-scale distributed generation connection requirements**

- 3.7 On 8 September 2026, we released a [consultation paper](#) proposing minor changes to the Code to clarify the requirements and operation of the Part 1A streamlined application process. The proposals for clarifications to the Part 1A process in this consultation are largely informed by the analysis summarised in this report.
- 3.8 The proposals include requiring distributors to accept and process eligible applications under Part 1A and clarifying the timeframe 'clock' stops while applicants provide additional information or pay applicable fees.

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<sup>3</sup> The Connection queueing and management policy will also apply to medium and large load applications from 1 June 2027.