

## 14 June 2023 – Connection point clarification

### Questions

1. If the variable E for a connection point has been determined as a **connected asset owner** because the offtake is greater than injection at that point and a new distributed generator greater than 10 MW connects within the distributor's network connected to that connection point, then the customer (in this case an EDB) share of Appendix A BBIs allocation will be calculated not at that connection point but the electrically closest connection point.
2. Is the electrically closest connection point the connection point with the lowest impedance from the actual connection point or is some other method used?

### Response

1. If large embedded generating plant connects to a distributor, the new Appendix A BBI allocations will be calculated as if the embedded generator had connected to the grid at the distributor's connection location. Therefore, the comparator customer(s), who may or may not be connected at that connection location along with the distributor, would be other (grid-connected) generator(s) and their benefit factors would be used to calculate the new Appendix A allocations. Those allocations would then be attributed to the distributor, as Transpower's customer, who would presumably pass the incremental benefit-based charges through to the embedded generator.
2. Most of the time the electrically closest comparator customer will be the closest one by physical electrical connection (i.e. circuit length). We have not had to consider any "close calls" so far and so have not had to develop a methodology based on impedance or any other electrical measure.