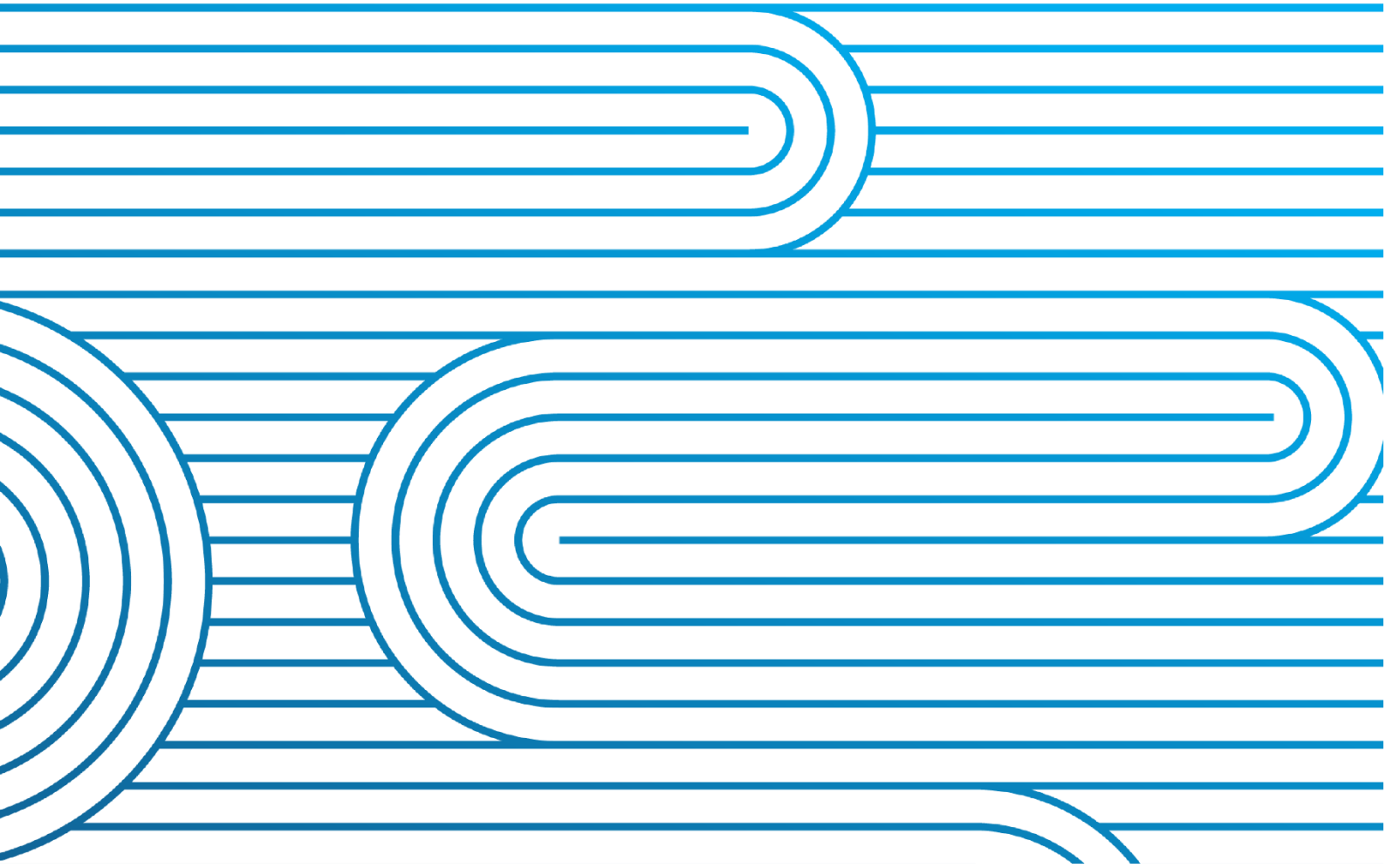
TRANSPOWER

New ‘load and other’ connections: proposed application process

May 2026



Purpose of this document

Transpower's core purpose is to empower the energy future for New Zealand. This requires Transpower to deliver new and enhanced grid connections at a pace which meets customers' expectations, so they can invest with confidence and at scale in new grid-connected generation and load.

This consultation proposes changes aimed at increasing the pace at which we can deliver these outcomes.

In this document, "load and other connections" refers to new and upgraded load connections, and customer-initiated requests such as grid asset modifications, relocations, and other non-generation connection activities. Internally, these projects are referred to as "non-generation" connections.

Transpower is a key player in electrifying the economy

Electrification lies at the heart of New Zealand's commitments to build a low carbon economy and deliver safe, reliable electricity for residential, commercial, and industrial customers.

Electrification of our economy offers a secure and affordable energy future for our country and a potential source of global competitive advantage. New Zealand has a wide range of renewable electricity generation sources, including wind, solar, geothermal, and hydro generation options.

As New Zealand increasingly electrifies its economy, the national grid is critically important in enabling economic growth alongside the transformation of the energy sector. Transpower is responsible for the safe, timely connection of new generation, load and other customer projects to support the reliable delivery of a growing volume of electricity to consumers.

Transpower has not had a formal process for 'load and other' connection requests

Currently, we do not have a formal process to receive and process investigation requests for load and other projects. These include enhancements to existing connections, new connections for Electricity Distribution Businesses (EDBs) for general load growth (mass consumption including by residential consumers), new connections for EDBs for industrial or commercial point loads, new connections for direct connect large electricity users, and requests from non-connected customers to modify or relocate existing grid assets.

To date we have not assessed the readiness of load and other projects and have not required application fees. This is a key difference when compared to generation and storage connections.

Investigation requests are presently prioritised for resource allocation using a Transpower assessment of strategic importance and urgency. Regular reprioritisation can result in allocation of resources to priority break in projects ahead of previously requested but lower priority projects.

The problems we are seeking to address

Electrifying and growing our economy is driving ongoing interest in upgrades to existing connections to the grid and new connections to the grid. Connecting more loads also requires the connection of new generation to supply this load. Connecting more new generation and load then brings forward the case for transmission upgrades. All workstreams compete for access to the same pool of industry resource.

As our industry resources are oversubscribed, there is a compelling case to prioritise allocation of resources to projects which are more likely to be constructed and away from projects which are less likely to be constructed, recognising we have imperfect information of which projects will be constructed.

Transpower implemented and subsequently adjusted a formal application process for generation and storage connections[1] to partially address this problem. This process incorporates readiness criteria and an application fee. Since then, multiple reviews have identified this change as delivering significant efficiency benefits.

With the objective of further increasing resource allocation efficiency and overall connection throughput, we believe there is merit in introducing a similar formal application process for load connections and other customer projects.

Proposed load and other application process

We propose to introduce a formal application process similar to our existing[2] generation and storage application process.

This process will:

- Require completion of an application form
- Require evidence of project readiness
- Require an application fee for commercially driven projects.

Transpower will review applications received within a calendar month over the first 10 business days of the following month. Accepted projects will be added to our load and other pipeline, where they will continue to be prioritised for investigation resourcing. Rejected applications may re-apply with additional information at any time.

Q1. Do you agree the introduction of a formal 'load and other' application process would further increase resource allocation efficiency and overall connection throughput for New Zealand?

[1] In 2022, Transpower introduced the Connection Management Framework (CMF), adding an application stage, increasing transparency and certainty for investors, and shifting our operating model from first-come-first-served to first-ready-first-served. Two years later, we reviewed our processes in an end-to-end programme, revised the CMF settings and started an acceleration programme. Since then, we have measured our progress relative to international norms and identified improvement opportunities.

[2] Application stage for generation and storage connections

Proposed key readiness features of a load and other application

We propose to replicate the key readiness features already established in our generation and storage application process.

Where applicable to the application in question, the applicant must provide:

- **Clearly defined need:** what will be connected and when
- **Service level need:** what resilience level is required
- **Realistic connection timetable:** understanding of the typical duration of connection projects
- **Completed Concept Assessment:** attached Concept Assessment with one or more feasible connection options
- **Technical support:** evidence of in-house or contracted technical support for the development
- **Progress on property rights:** access to land required for the development (minimum requirement is an exclusive option)
- **Progress on consenting:** minimum requirement a written consenting strategy
- **Progress on stakeholder engagement:** minimum requirement of a written stakeholder engagement plan with all key stakeholders identified
- **Progress on iwi/hapu engagement:** minimum requirement of a written iwi / hapu engagement plan with all key iwi/hapu identified.

Q2. Do you agree with the inclusion of the proposed key features for a non-generation application? If not, what would you change and why?

Q3. Do you believe additional features should be added? If yes, please describe these features and explain why they should be included.

Proposed application fee for commercially driven load and other applications

We propose introducing an application fee for commercially driven load and other applications. Examples of this include:

- Greenfield connections and upgrades to existing brownfield connections for industrial or commercial load customers
- Connections for EDBs where the main end customer is an industrial or commercial point load
- Relocations for property developers.

Q4. Do you agree that the introduction of a load and other application fee would further increase resource allocation efficiency and overall connection throughput for New Zealand?

We propose to continue not requiring an application fee for resilience-driven load applications for EDBs, and other applications from government agencies.

Examples of resilience-driven non-generation applications include:

- Grid Exit Point (GXP) and line enhancements for EDBs to accommodate general load growth
- Greenfield GXPs and new lines for EDBs to accommodate general load growth
- GXP safety improvements
- Divestment of Transpower assets to EDBs
- Relocations for transport agencies.

Q5. Do you agree with the proposal to only apply a fee to commercially driven load and other applications? If not, what types of load and other projects should an application fee apply to?

Application fee structure

For commercial load connections a $/MW fee, in line with the $/MW generation application fee.

The application fee has a cap and ceiling and is calculated on a per MW basis:

- Minimum fee $50,000
- Up to 100 MW: $2,000 per MW
- From 101 to 200 MW: $1,000 per additional MW
- From 201 to 300 MW: $500 per additional MW
- From 301 to 500 MW: $250 per additional MW
- Maximum fee: $400,000

For commercial line modifications and line relocations a total fee of $50k per modified span with the same maximum fee of $400k.

The initial $50k will be invoiced on application acceptance, and the balance will be invoiced approximately three months prior to resource allocation.

Q6. Do you agree with the proposed fee structure? If not, how would you change it?

Allowing load-driven projects with storage or generation components to join our 'load and other'[3] pipeline

We propose to allow load-driven projects with storage or generation components to join our 'load and other' pipeline. Transpower is starting to receive requests to investigate connections which include a mixture of load and generation, or storage, or both.

Examples might include:

- A data centre connection with a battery component
- A wind farm connection with a "power-to-X" component
- A dairy factory connection with a solar generation and storage component

Presently, Transpower assesses the primary driver of the project and the relative size of the different components, to determine which application process the project is required to follow.

Load projects with subsidiary generation and storage components join our load and other pipeline. Generation projects with storage or load components join our generation and storage pipeline. EDB upgrades to enable embedded generation or storage, join our generation and storage pipeline.

We propose to continue to allow load-driven projects with storage or generation components to join our load and other pipeline.

Q7. Do you agree with the proposal to allow load-driven projects with storage or generation components to join the load and other pipeline? If not, how should Transpower deal with hybrid connections?

Prioritisation of load and other applications

Generation and storage applications are sequenced in their own pipeline, unless they meet limited acceleration criteria. Load and other applications are prioritised against other load and other projects in a separate pipeline. 'Generation and storage' and load and other projects are not prioritised against each other. Rather, throughput of the two customer pipelines, together with Transpower's own workstreams, is regularly adjusted to manage overall supply, demand and transmission capacity, in line with New Zealand's strategic goals.

We propose to continue to prioritise and re-prioritise yet-to-be resourced load and other applications against other load and other applications, using a Transpower assessment of strategic importance and urgency.

- **Strategic importance** reflects the consequence of not meeting a project's underlying need.
- **Urgency** reflects the date by which we need to start a project, to complete by the underlying need date.

Once projects are resourced, they then progress at their own pace.

[3] This pipeline was previously named our non-generation pipeline.

Prioritisation examples include:

- An EDB upgrade required to keep the lights on for a major town or city, having a higher priority than an industrial load connection
- An industrial load upgrade to support electrification to keep the site commercially viable, having a higher priority than a greenfield data centre connection
- A relocation required for a much larger project of national significance, having a higher priority than a relocation for a commercial property developer.

Lower priority projects will have their priority gradually increased the longer they wait, to avoid any projects waiting indefinitely.

Q8. Do you agree with the retention of prioritisation based on strategic importance and urgency? If not, how should non-generation applications be prioritised against other non-generation applications.

Timetable and questions

We are committed to developing and implementing a formal application process for load connections and other customer works, including introducing an application fee for commercially driven projects. Through this consultation, we are seeking feedback on the proposed approach, key design features, and fee structure. We also invite submitters to share any additional observations or suggestions they consider relevant. The feedback received will inform the final policy design. Subject to consideration of submissions, we expect to develop and publish the new policy for operation in July 2026.

Q9. Do you consider the proposed application process for non-generation connections is the best option, as opposed to other possible approaches? If not, why / what are those other possible approaches?

We appreciate you taking the time to comment on this proposal.
Submissions are due by 5pm on 7 June 2026 at
customer.solutions@transpower.co.nz

Consultation questions

Q1. Do you agree the introduction of a formal 'load and other' application process would further increase resource allocation efficiency and overall connection throughput for New Zealand?

Q2. Do you agree with the inclusion of the proposed key features for a non-generation application? If not, what would you change and why?

Q3. Do you believe additional features should be added? If yes, please describe these features and explain why they should be included.

Q4. Do you agree that the introduction of a load and other application fee would further increase resource allocation efficiency and overall connection throughput for New Zealand?

Q5. Do you agree with the proposal to only apply a fee to commercially driven load and other applications? If not, what types of load and other projects should an application fee apply to?

Q6. Do you agree with the proposed fee structure? If not, how would you change it?

Q7. Do you agree with the proposal to allow load-driven projects with storage or generation components to join the load and other pipeline? If not, how should Transpower deal with hybrid connections?

Q8. Do you agree with the retention of prioritisation based on strategic importance and urgency? If not, how should non-generation applications be prioritised against other non-generation applications.

Q9. Do you consider the proposed application process for non-generation connections is the best option, as opposed to other possible approaches? If not, why / what are those other possible approaches?

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