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Electricity Authority
Te Mana Hiko

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Tēnā koutou

CROSS SUBMISSION DISTRIBUTION CONNECTIONS: PRICING PROPOSED CODE AMENDMENT AND CONNECTION PROCESS STAGE 1

Unison Networks Limited (**Unison**) and Centralines Limited (**Centralines**) submitted jointly on the Authority's distribution connection pricing proposed Code amendment, and Stage 1 distribution connection process proposals. This cross submission collates feedback on both proposals.

The purpose of this cross submission is to identify our alignment with submitters and some opposition. We have considered submitters concerns with the status quo or proposals. Notably, there are many concerns from access seekers about costly and inefficient proposals, despite their support for improved outcomes.

Our concerns remain

Primarily, Unison and Centralines continued to be concerned with:

- lacking industry expertise grounding the Authority's process proposals. Industry workshops to improve technical specifications and align stakeholders are required for fit-for-purpose regulation.¹ We support the Electrical Engineers' Association (**EEA**):² *"We support a tailored, stakeholder-informed approach that balances consistency, efficiency, and accessibility to achieve New Zealand's broader energy goals"*; and
- high risk pricing proposals that are not supported by economic principles or most access seekers.

Unison and Centralines support reissued consultations with evidence-based problem definitions and options supported by a robust cost benefit analysis. The network technical working groups were not used to their potential, helping to test the Authority's problem statement and develop appropriate solutions. The Authority should seek input on how to improve facilitation. More input on the problem definition will also enhance the process and input of the industry.³ It seems

¹ We support Vector's comments in para [44], page 7 of their Network Connections Project – Stage 1 submission: [Vector_submission_EA_connections_proposal.pdf](https://www.ea.govt.nz/documents/6377/EEA_submission_on_Network_connections_proposal.pdf).

² Electrical Engineers' Association, pg 8:

https://www.ea.govt.nz/documents/6377/EEA_submission_on_Network_connections_proposal.pdf.

³ Vector say: We consider that this consultation could have benefitted from greater directed engagement with EDB staff, including workshops with EDBs prior to the consultation papers being released, para 44:

https://www.ea.govt.nz/documents/6292/Vector_submission_EA_connections_proposal.pdf. MEUG also refer to industry workshops, see para 18: https://www.ea.govt.nz/documents/6246/MEUG_-_DCP_Submissions_2024.pdf

there is a reluctance to leverage distribution sector knowledge when proposals impact it. We emphasise the value of industry bodies to improve this.

Process

Our high-level summary of feedback is that submitters broadly align on:

- support for streamlining connections and supporting decarbonisation;
- the need for flexibility and practical thresholds;
- the emphasis on industry-led solutions; and
- the required focus on efficiency and resource optimisation.

Further industry input is required to align the needs of access seekers with cost efficient and effective amendments. At a minimum, for DG and load proposals, we support longer timeframes for large and complex applications, and flexibility for distributors to:

- recategorise medium applications as complex, based on specifying network characteristics that add to the complexity; and
- agree mutually beneficial adjustments to timing with applicants.

We are strongly opposed to automatic approvals and agree with the harm identified by submitters.

Pricing

We acknowledge two disparate views within the EDB sector on capital contribution approaches. Distributors, fairly, emphasise the risk for existing customers in a net incremental methodology approach.⁴ Distributors' need to be able to provide access seekers with a balanced price factoring in both parties' circumstances.⁵

As explained in our submission, Unison and Centralines manage customer payback risk through adjusting the timeframe to recover costs.⁶ This depends on the nature and activity of the access seeker. Without that flexibility, the proposals come at a high risk of harm. The reliance limit risks incentivising manipulated contributions to fit within an arbitrary, unprincipled constraint, and making pricing less efficient for consumers overall.

Alongside distributors, there are access seekers opposing some fast-track pricing proposals, such as the reliance limit and pioneer schemes.⁷ The Authority implementing a swift and stringent approach will not get the best consumer outcomes.

The breadth of economists' opinions submitted is valuable to ensure a robust cost benefit analysis. Regulatory principles must drive the solutions including, least regrets regulation and evidenced economic efficiency. We continue to promote the Authority downscaling the proposals and evaluating them together to minimise perverse outcomes.

⁴ Vector, para 87 [https://www.ea.govt.nz/documents/6268/Vector - DCP and NCP submission 2024.pdf](https://www.ea.govt.nz/documents/6268/Vector_-_DCP_and_NCP_submission_2024.pdf)

⁵ See Contact Energy and Simply Energy's submission on Q1, pg 2:
[https://www.ea.govt.nz/documents/6227/Contact_Energy - DCP Submission 2024.pdf](https://www.ea.govt.nz/documents/6227/Contact_Energy_-_DCP_Submission_2024.pdf)

⁶ Unison and Centralines response to Q20, pg 15:
[https://www.ea.govt.nz/documents/6344/Unison_and_Centralines_DCP - NCP - Submissions 2024.pdf](https://www.ea.govt.nz/documents/6344/Unison_and_Centralines_DCP_-_NCP_-_Submissions_2024.pdf)

⁷ We note that MEUG's support of Pioneer Schemes is not matched by BP,
[https://www.ea.govt.nz/documents/6246/MEUG - DCP Submissions 2024.pdf](https://www.ea.govt.nz/documents/6246/MEUG_-_DCP_Submissions_2024.pdf) ; and
[https://www.ea.govt.nz/documents/6276/BP_NZ - Combined submission 2024_17niT4n.pdf](https://www.ea.govt.nz/documents/6276/BP_NZ_-_Combined_submission_2024_17niT4n.pdf)

Summaries

We revise our proposed improvements to the fast-track stage in the table below, factoring in that access seekers:

- want improved consistency and certainty;⁸
- do not universally support pioneer schemes; and
- acknowledge the harm of the reliance limit.

Our appendices include one pricing and one process table that identifies our support or opposition to some of the useful comments and proposals put forward by submitters.

We look forward to a constructive path forward in the interests of Aotearoa's electrification and energy affordability journey.

⁸ For example, Contact Energy's response to Q2, [Contact Energy - DCP Submission 2024.pdf](#) and BP, pg 1 [BP_NZ - Combined submission 2024_17niT4n.pdf](#).

Table of summarised recommendations (revised for cross submission)

Fast track	Recommendation
Pricing	
Pricing Principles	Apply to capital contributions including adding: <ul style="list-style-type: none"> mitigating first mover disadvantage; and applying a net incremental cost methodology to connection requests.
Connection cost enhancement requirement	To avoid ‘under-scoped’ design requirements that cost existing consumers more in the future, the distributor must be able to set the design standards (in accordance with good industry practice, including on a least cost life cycle basis).
Capacity costing requirement	Add locational capacity (urban suburb and rural rates) to improve cost reflectivity.
Pioneer scheme requirement	Disproportionate burden without widespread support from access seekers. Remove.
Connection charge reconciliation requirement	Exclude standardised rates from individual reconciliations. Set standard rates annually in pricing methodology.
Relliance limit	Disproportionate and high risk constraint. Remove. ⁹
Dispute resolution	Appropriate to delay until full reform following updated pricing principles that apply to capital contributions.
Exemption guidance	Important to promote certainty.
Process	
Non pricing measures for distributed generation (DG) including automatic approval	Require industry workshops to agree appropriate technical specifications and categories. ¹⁰ At a minimum, extend the large category to large and complex with timing adjustments to be agreed. ¹¹ EDBs need flexibility to recategorise medium connections that are complex because of specified network characteristics.
Maximise Commission information disclosure regime prior to full reform	Proportionate, lower cost and lower risk mechanism to obtain visibility and incentivise improvement.
Non pricing measures for load connections	In principle, a prescribed process for load akin to Part 6 may be appropriate if proportionate and pragmatic, with industry led categorisation for load connections that are different from DG. ¹² Require industry workshops to agree appropriate technical specifications and categories. At a minimum, extend the large category to: large and complex with timing adjustments to be agreed. ¹³ Provide flexibility for EDBs to recategorise medium

⁹ [https://www.ea.govt.nz/documents/6342/Unison and Powercos joint submission - Incenta Report.pdf](https://www.ea.govt.nz/documents/6342/Unison_and_Powercos_joint_submission_-_Incenta_Report.pdf)

¹⁰ Lightyear Solar step through adverse outcomes of the current proposals for access seekers and distributors, i.e. paras 4 and 5: [https://www.ea.govt.nz/documents/6311/Lightyears - Netwo.pdf](https://www.ea.govt.nz/documents/6311/Lightyears_-_Netwo.pdf).

¹¹ The EEA say “Timeframe Flexibility and Monitoring: While defined timeframes are essential, incorporating a flexible mechanism that accounts for unique network conditions (e.g., constrained areas) or unforeseen complexities would improve practicality. Additionally, ongoing monitoring and reporting of compliance with these timeframes could help identify systemic issues and areas for improvement.” Pg 16 and 17 step through inequitable implications.

¹² Powerco say: 10. The Authority is required to have regard to the Government Policy Statement (GPS).

The GPS has a focus on optimising network capacity to avoid unnecessary costs flowing through to consumers. Our experience with Part 6 to date is that the regulations do ensure access, but this is at a cost to the service customers receive. [https://www.ea.govt.nz/documents/6327/Powerco submission EA Network Connections Project Stage 1 2 0 Dec 2024.pdf](https://www.ea.govt.nz/documents/6327/Powerco_submission_EA_Network_Connections_Project_Stage_1_2_0_Dec_2024.pdf)

¹³ The EEA say “Allow Timeframe Adjustments for Complex Applications: Include provisions for extending

Fast track	Recommendation
	connections that are complex because of specified network characteristics.
DG and Load: Automatic approval	<p>Disproportionate, with high risk to existing consumers.¹⁴ Remove.</p> <p>We support recommendations that the Authority should:</p> <p>(1) undertake further analysis to understand the systemic barriers and challenges;</p> <p>(2) adopt the Commission’s regulatory approach – relying on one set of IDs (not replicating a new Authority ID regime) and then implement penalty/incentives. We support consideration of a ‘Scorecard’ to allow the sector to track identical KPIs and offer distributors a path for continuous improvement.¹⁵</p>
Load: Obligation to connect >69kVa	Amendment to primary legislation, implementing a process consistent with natural justice, would be the appropriate vehicle to analyse and implement that proposal. ¹⁶
Distributor sets, measures, and complies with its policy	Transparent and certain policy for processing connection requests set by the distributor, alongside target timelines and how extensions are to be managed, with requirements to keep applicants informed. Commerce Commission Information Disclosures (IDs) should be used (minimally) for monitoring and incentives.

Nā māua noa, nā

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timeframes where required for technically complex connections or where additional stakeholder engagement is necessary. Introduce a "stop the clock" mechanism to pause the timeframe when awaiting critical information or actions from the applicant or third parties.” Pg 13, para 4.

¹⁴ Lightyear Solar say “Many DG applications are complicated, or not technically feasible, and placing a ‘default approved’ timeframe will mean that distributors will move to decline these applications prior to timeout, or request spurious information in order to extend timeframes – similar to how District Councils process Resource Consent applications.” Pg 1, para 4: https://www.ea.govt.nz/documents/6311/Lightyears_-_Netwo.pdf

¹⁵Powerco, pg 17: *We believe a less prescriptive approach, combined with comparison of practices among EDBs, like the Authority’s pricing scorecards model, would better encourage continuous improvement while meeting customer needs.*
https://www.ea.govt.nz/documents/6327/Powerco_submission_EA_Network_Connections_Project_Stage_1_20_Dec_2024.pdf.

¹⁶ Vector, para 9 - 17: https://www.ea.govt.nz/documents/6292/Vector_submission_EA_connections_proposal.pdf.

APPENDIX ONE: STAGE 1 PROCESS PROPOSALS

TABLE SUMMARISING SUBMISSION POINTS BY GROUPS AND OUR COMMENTS

Submitter or submitter group	Position / comment	Our position / comment
Application processes for larger-capacity Distributed Generation (DG)		
EDBs	Calls for principles-based approach is more appropriate.	Support. This will reduce the unnecessary administrative burden and costs.
EDBs	Proposed times are unrealistic and impractical	Support. The proposed framework is too rigid and fails to account for the variability in complexity of both generation and load connection applications. A "one-size-fits-all" approach does not allow for the unique circumstances of each application and may slow down the connection process.
Industry bodies	Thresholds are arbitrary, suggesting that the process should be driven by the complexity of the connection, not just capacity. They propose categorising connections as low, medium, or high complexity.	Support. Categorisation by complexity is supported by some EDBs too.
Generators	Changes to threshold proposed for both medium and large categories.	Support. Suggest industry led workshop to arrive on the most appropriate categorisation.
Generators	Netpower suggest automatic approvals if the maximum timeframe elapses	Oppose. EDBs argue that automatic approvals compromise their ability to perform proper due diligence. If EDBs must approve applications without a thorough assessment due to time constraints, it could lead to unsafe or unstable connections, potentially impacting the reliability of the network
Adding application processes for larger-capacity load		
EDBs	EDBs advocate for higher thresholds.	Support. EDBs contend that many small-scale applications will require processing and monitoring, many of which have minimal impact on network capacity. This would impose a substantial administrative burden on distributors, requiring them to manage numerous applications with little benefit to overall network operations or access seekers.
EDBs	Tiered fees to deter speculative applications and reflect process complexity	Support. By implementing a tiered fee system, EDBs can discourage applications that are not serious or fully prepared. A non-refundable, tiered initial fee, particularly for large DG, would help to minimise wasted

Submitter or submitter group	Position / comment	Our position / comment
		resources in processing applications that would not meet basic requirements.
Generators/Gentailers	Aligning load thresholds with DG thresholds	Oppose. These types of connections are fundamentally different. Uniform approach fails to recognise the differences in complexity, volume, and impact on the network.
Requiring distributors to publish a network connections pipeline for large-capacity DG and load		
EDBs	Supportive in principle of the idea of a network connections pipeline, recognising the potential benefits for transparency and planning.	Support. ENA agrees that this information could assist those wishing to connect to the network.
EDBs	Frequency of updates should balance practicality and usefulness (annual updates are suggested).	Support. EDBs argue that quarterly updates are too frequent and would impose an impractical administrative burden on distributors. The effort required to maintain a frequently updated pipeline may divert resources from providing more meaningful direct customer engagement.
EDBs	Thresholds for inclusion in the pipeline should be reconsidered, with many proposing >1MW for DG and >1MVA for load	Support but note exceptions may be needed. Processing and monitoring smaller applications would impose a significant administrative burden on distributors, requiring resources that could be better allocated to more impactful projects. Unison and Centralines emphasise the importance of EDBs retaining discretion to reallocate a medium application to a large and complex category where it can justify complexity requires more time and investigation. Smaller network connections, with lesser capacity, can still have a significant impact on remaining headroom. The relevance of nuanced network characteristics suit principles or guidance rather than hard and fast rules, or at a minimum, some retained flexibility for EDBs to justify variations.
EDBs	Calls for lower granularity of information published.	Support. Low granularity may not be useful to access seekers without more detailed engagement.
Generators / Gentailers	Generators advocate for detailed information, including location, size, and application status.	Support. Concerns that the pipeline requirement could be administratively intensive and

Submitter or submitter group	Position / comment	Our position / comment
		costly, potentially diverting resources from other important activities. May contain commercially sensitive information.
Industry bodies	Highlight the need for adequate protections for commercially sensitive information.	Support. This information is akin to a sales pipeline and may contain commercially sensitive data (also relevant to load). While customer names could be withheld, the location and size of the connection could make it possible to infer the connecting customer.
Requiring distributors to provide more information on network capacity		
EDBs	Concerns about smart meter data access and capacity accuracy.	Support. EDBs face challenges under the current system in accessing half hourly consumption data. The existing terms of access under the Data Template in the Default Distributor Agreement (part of the Electricity Industry Participation Code 2010) heavily favour electricity retailers, often making it difficult for distributors to obtain data on reasonable terms.
EDBs	Propose annual updates over quarterly updates.	Support. Balance between information availability and cost and administrative burden.
EDBs	Calls for industry collaboration with the EEA for guidelines on defining and calculating capacity.	Support. Industry led workshops to better define how capacity should be calculated.
Industry bodies	SEANZ suggests targeting information for rural, industrial, and commercial areas, noting rooftop applicants may not require detailed data.	Support. Information should be targeted to the users who will most benefit from it. Rooftop solar installations, which are typically smaller and more standardised, do not need the same granular network capacity information as larger-scale project.
Generators / Gentailers	Generators ask for geospatial data.	Support. Geospatial representation of network capacity offers significant advantages over traditional data formats by providing a clear, accessible, and user-friendly way to understand complex information. Powerco has already developed and published hosting and demand capacity maps on their website, which they feel are beneficial to access seekers. However, this again requires access to smart meter data on reasonable terms (given

Submitter or submitter group	Position / comment	Our position / comment
	<p data-bbox="571 241 925 280"><i>Dynamic</i> operating envelopes</p>	<p data-bbox="973 181 1369 241">the monopoly power each smart meter owner has over the data).</p> <p data-bbox="973 241 1369 459">Oppose. The majority of EDBs do not have access on reasonable terms to smart meter data to enable DOEs. Smart meters need to have the capability to enable DOEs which old meters do not.</p> <p data-bbox="973 459 1369 519">We acknowledge EDBs are working toward this future and:</p> <ul data-bbox="1018 519 1369 855" style="list-style-type: none"> <li data-bbox="1018 519 1369 734">• rely on the industries work toward a Distribution System Operation to enable distributed flexibility (including through DOE); and <li data-bbox="1018 734 1369 855">• the Authority progressing their workstream on data access on standard terms. <p data-bbox="973 855 1369 945">Capability is not yet developed to provide DOEs. Currently, Unison uses static operating envelopes.</p>

APPENDIX TWO: NETWORK CONNECTION CODE AMENDMENT PRICING PROPOSALS

TABLE COMMENTING ON SOME SUBMISSION POINTS PRIMARILY FROM ACCESS SEEKERS

Access seeker/industry group	Position / comment	Unison position / comment
Reliance limit		
MEUG	MEUG does not support the introduction of a reliance limit methodology, that seeks to put restrictions on distributors' ability to amend methodologies to increase capital contributions. ¹⁷	Support. MEUG raise many good questions about the impact and harm of the proposal.
Contact Energy and Simply Energy	Request the Authority consider where the access seeker's cost of capital is lower than distributors and requests to pay a higher capital contribution. ¹⁸	Support. The reliance limit removes flexibility for distributors to collaborate on the best overall outcome for each access seeker given their circumstances materially differ.
ChargeNet	ChargeNet supports the static limits approach. ¹⁹	Oppose. Multiple economists oppose the reliance limit because it will not improve the economic efficiency of pricing.
Pioneer Scheme		
BP	"Pioneer schemes are not attractive to us as they create uncertainty in the economics of a project. Economics will be calculated on the worst-case scenario of receiving nothing back from EDBs as there is no guarantee when or if other users will take capacity and the full costs are carried by the first mover until another user comes along." ²⁰	Support.
MEUG	Schemes in Australia and the UK are referred to. ²¹	Oppose. The Incenta report steps through the context of Australian equivalents and considerations for implementation in New Zealand. ²² It says: <i>"In relation to pioneer schemes, however, we think the Authority may have overstated the potential benefits of</i>

¹⁷ Pg 2, para 9: https://www.ea.govt.nz/documents/6246/MEUG_-_DCP_Submissions_2024.pdf

¹⁸ Pg 2, Q1: https://www.ea.govt.nz/documents/6227/Contact_Energy_-_DCP_Submission_2024.pdf

¹⁹ Pg 4, Q17: https://www.ea.govt.nz/documents/6225/Charge_Net_-_DCP_Submission_2024.pdf

²⁰ Pg 3, https://www.ea.govt.nz/documents/6276/BP_NZ_-_Combined_submission_2024_I7niT4n.pdf

²¹ Pg 2, para 9: https://www.ea.govt.nz/documents/6246/MEUG_-_DCP_Submissions_2024.pdf

²² Pgs 13 – 15: [Unison_and_Powercos_joint_submission_-_Incenta_Report.pdf](https://www.ea.govt.nz/documents/6246/Unison_and_Powercos_joint_submission_-_Incenta_Report.pdf)

Access seeker/industry group	Position / comment	Unison position / comment
		<p><i>these schemes. Whilst the Authority is correct that pioneer schemes are part of the standard arrangements in Australia, their purpose would better be described as creating a more equitable outcome, noting that for many EDBs the number of rebates provided to pioneer customers is very low.</i>"</p>
Drive Electric	<p>"The pioneer scheme proposed meets the principle but only if the connection pricing is efficient, otherwise the inefficiencies are exacerbated".²³</p> <p>Drive Electric recommends that, until connection enhancement costs are limited to only network extensions and consumer-selected enhancements, the Pioneer Scheme should not be fully implemented.²⁴</p>	<p>Support: The Authority's proposals will exacerbate inefficiencies created by the reliance limit or inequities cause by being unable to commercially mitigate investment risks.</p> <p>We do not consider there has been enough support for a pioneer scheme from access seekers to justify its introduction.</p>
BusinessNZ Energy Council (BEC)	<p>BEC expresses concern about access seekers' confidence in timely rebates and the administrative burden on distributors. They also question whether access seekers would be confident that other parties would connect or do so in a reasonable timeframe. They believe that the proposal would be burdensome on distributors.²⁵</p>	<p>Support. Wide application of pioneer schemes is:</p> <ul style="list-style-type: none"> • administratively burdensome, while providing limited value to access seekers and low certainty over timelines (see Incenta Report); and • creates potential information asymmetry for access seekers. For example, an access seeker may not be aware that a part of the network it is considering connecting to is subject to a pioneer scheme.
Connection cost enhancement requirement		
Meridian Energy	<p>Meridian express concern that distributors retain significant discretion in determining what constitutes the "minimum relevant scheme design"</p>	<p>Oppose. To avoid 'under-scoped' design requirements that cost existing consumers more in the future, the distributor must be able to set the design standards (in accordance with good industry practice, including on a least cost life cycle basis).</p>

²³ Pg, 10: https://www.ea.govt.nz/documents/6231/Drive_Electric-DCP_Submissions_2024.pdf

²⁴ Pg, 21, paras 4-5.

²⁵ Pg 2, para 7: https://www.ea.govt.nz/documents/6279/BEC_-_DCP_Submissions_2024_mj2hNGc.pdf.

Access seeker/industry group	Position / comment	Unison position / comment
	and what work is needed, which may mean the proposed amendment is ineffective (p. 1, para. 4). ⁴	
Capacity costing requirement		
Fonterra	Supports standard rates per MVA where the incremental capacity change is less than 80% of existing spare capacity, or even a zero rate if capacity is expected to be fully absorbed without the need for future capital cost. ²⁶	Oppose. We support standard kVA rates but these should apply to all connections in a given network locality (perhaps with a de-minimus capacity).
Genesis Energy	Genesis note that the proposed approach is fairer as it spreads costs more equitably among a larger customer base, aligning with the principle that users or beneficiaries should pay, rather than burdening new connectors exclusively. It prevents inequitable situations where a new connection bears the full cost of extra capacity, which could discourage new electricity connections and increase the cost of electrification. ²⁷	Support. Unison currently utilises standard rates for smaller connection to simplify the connection process and help access seekers with planning of costs. We note that with larger connections, the actual cost of a connection can vary significantly from the average (within a capacity category) and significant outliers should be charged on per project basis to protect the interests of most consumers.
BP (CPO)	BP notes that the most preferable structure for EV charging is demand charging and the Authority needs to look for a way to create a standardised demand fee for EV chargers. ²⁸	Oppose. Standardised fees should always be location specific to reflect the specificities of capacity constraints <i>and</i> different network characteristics.
Contact Energy	Contact note that because some network capacity upgrades are "lumpy," in practice a connection may trigger an upgrade that costs the network more	Support. We agree that connections projects often result in unplanned capex costs and it is necessary that distributors can mitigate the different risk profile of categories of access seekers. While not material enough to trigger reopeners, any capex overspend will result in

²⁶ Pg.1, para. 7, <https://www.ea.govt.nz/documents/6240/Fonterra - DCP Submissions 2024.pdf>

²⁷ Pg.2, Q6, https://www.ea.govt.nz/documents/6241/Genesis_Energy - DCP Submissions 2024.pdf

²⁸ Pg.3, para. 2, https://www.ea.govt.nz/documents/6276/BP_NZ - Combined_submission_2024_17niT4n.pdf

Access seeker/industry group	Position / comment	Unison position / comment
	<p>than published rates, meaning:</p> <ul style="list-style-type: none"> the network is left with unplanned capex costs, which may incur an IRIS penalty; and unusual capital contributions to mitigate this risk. <p>Contact recommend the Commission to join the project and consider tweaks to the incentive regime to align with the Authority's proposals.²⁹</p>	<p>penalties under the Commission's incentive scheme.</p>
Connection charge reconciliation requirement		
Aurora	<p>The requirement to disclose reconciliation information could force distributors to reveal commercially sensitive information.³⁰</p>	<p>Support. Cost reconciliation requirement should take commercial sensitivity into account.</p>
Orion	<p>Orion seek clarification on various aspects of the reconciliation methodology such as when it should be applied, how to treat different cost components, and how it interacts with other proposed changes.³¹</p>	<p>Support. Cost reconciliation may not be appropriate to every connection at a project level, if standard rates apply. Clarification on how this requirement applies to posted standard rates is needed.</p>

²⁹ Pg.3, Q6: [BP_NZ - Combined_submission_2024_I7niT4n.pdf](https://www.ea.govt.nz/documents/6278/Aurora_Energy_-_combined_submission_2024_I7niT4n.pdf)

³⁰ Pg 15, para. 2 https://www.ea.govt.nz/documents/6278/Aurora_Energy_-_combined_submission_2024_XT193n9.pdf

³¹ Pg.10, Q10 https://www.ea.govt.nz/documents/6252/Orion_-_DCP_submission_2024.pdf