

## ELECTRA NETWORK EXTENSION POLICY

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### **Why this policy**

Kapiti Coast and Horowhenua District Councils require all new subdivisions, regardless of size or number of lots, to have electricity reticulated to the road boundary of each lot.

This policy outlines the responsibility of the Developer and Electra in providing this electricity reticulation.

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### **Developer's responsibility**

The developer, through one of Electra's Authorised Contractors (Electra Distribution Operations, Connetics or Scanpower), will develop and forward a design for the works to Electra for approval.

The Developer is responsible for ensuring that the design of the reticulation complies with amongst others: -

- The Electricity regulations
- Electrical Codes of practice
- District Schemes
- Resource Management Act
- Electra's Design and Construction manual
- Electra's Technical standards

The developer of the subdivision will pay for any and all assets required to reticulate the subdivision with electricity and comply with the relevant Council requirements. This is as in the case of roading, sewage and water supply.

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### **Electra's responsibility**

Electra will answer general queries regarding overall policy and design of Network extensions.

Electra will approve the Developer's design prior to any work commencing. If the design meets Electra's design criteria (including Electricity regulation compliance) a design approval will be given for the works to be connected to the Electra Network.

Once design approval has been granted, Electra will offer to purchase from the developer the completed works for a price determined using an economic model giving the Net Present value of the revenue generated by the new installation.

Once the works are completed, Electra will approve livening on receipt of the Network Purchase Agreement, and the completion of satisfactory tests and inspections.

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**Transfer of ownership of the Electricity reticulation**

Transfer of the ownership of the electricity reticulation is through a “Network Purchase agreement”. This agreement may include the capital contribution from Electra and transfers responsibility for all maintenance and other statutory obligations to Electra.

If the developer wishes to retain ownership of the works, they also retain responsibility for all maintenance and statutory obligations relating to those works. Electra may require the developer to install metering at the point of supply to those works and treat them as one installation prior to connection.

Once the works are completed and pass an audit Inspection by Electra, the transfer may take place and the works become the property of Electra Ltd. Electra’s asset register is then updated using information supplied by the Authorised Contractor.

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**Electra fees**

Electra does not require an application fee for design approval of the proposed electricity reticulation.

Electra does not require a connection fee for connecting the new electricity reticulation to the network.

Electra does not require payment for the inspection that ensures Compliance with the previously approved design.

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**Electra’s contribution**

For subdivisions Electra uses a Contribution Model to ascertain the level of capital contribution (if any) to be made to the developer.

For commercial installations requiring a Network extension again the contribution is determined using an Economic Model giving the Net Present value of the revenue generated by the new installation.

The amount of the contribution will be no greater than the ODV handbook value of the network extension assets and no less than \$0.00

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**Next Review**

This policy will be reviewed in September 2020

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