		Top Energy Limited		Guide	
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Application of Capital Contribution

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1. SUMMARY

A customer may be required to contribute towards the cost of extending or upgrading the Top Energy Distribution Network, in order to provide an electricity supply, a Capital Contribution.

The value of the Capital Contribution is calculated from the total actual cost of the extension work and reduced by the value of the Top Energy connection subsidy, and is consistent with Top Energy's pricing principles.

The Capital Contribution represents the uneconomic cost of constructing the line, but does not grant any ownership rights, Top Energy retaining ownership, and responsibility for repairs and refurbishment of the reticulated extension.

An independent contractor can undertake all or some of the work covered by the Capital Contribution provided they submit to Top Energy Network the following documentation for approval prior to commencing work:

- Single line diagrams.
- Proposed cable routes, cable sizes and lengths including fusing and Volt drop calculations for each circuit.
- Type and brand of equipment to ensure it meets Top Energy Specification.
- Proof of competency for similar projects and written approval from the appropriate authority to undertake the work within the Public or road reserve.
- Completed certificate of compliance and written guarantee that any faults within a 12 month period will be at the cost of the electrical contractor.
- Pay any inspection or connection charges associated with the connection of the reticulation.

2. CAPITAL CONTRIBUTIONS


There are two types of Capital Contributions:

- Non-refundable Capital Contribution
- Refundable Capital Contribution

2.1 Non-refundable Capital Contribution

These apply to:

- Subdivisions
- One off upgrades to Network assets for one customer's additional load that will only benefit that customer.
- Transformer or other Top Energy asset inside a private property where no other property owner can receive a connection.
- Where the reticulation within private property does not have an easement in gross in favour of Top Energy.

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- Transformer upgrades are defined as Transformer Capacity Charges. A copy of the Transformer Capacity Charges Guide is available from Top Energy on request. In summary for domestic situations, the transformer upgrade schedule is based on a 15kW (60 amp) single phase or 15kW (30 amp) 2-phase connection with an After Diversity Maximum Demand of 4kW per single Residential Individual Connection Point (ICP). Upon receiving a customer’s application form, Top Energy will clarify the demand and determine the requirement for upgrading any existing transformer. The schedule of fees for upgrading transformers 15kVA to 100kVA is detailed below. All fees are inclusive of GST. Non-domestic requirements for transformer upgrades are dealt with on a case-by-case basis.

Transformer kVA	Upgrade Cost per 4kW (GST Inclusive)		
	1-phase	2-phase	3-phase
15	At Cost	At Cost	N/A
30	\$1,610	\$3,220	\$4,830
50	\$1,121	\$2,243	\$3,364
75	\$863	\$1,725	\$2,588
100	\$713	\$1,426	\$2,139

2.2 Refundable Capital Contribution

These apply to:

- A new customer requiring an electricity connection where a Network asset needs to be installed within a public road or where an easement in favour of Top Energy is put in place and that will enable other property owners to be able to get an electricity supply from that asset.
- An up-grade of a Top Energy Asset due to the number of connections including the new connection exceeding the limitations of that asset (reticulation, pillar, fusing). This excludes subdivisions—see below.
- A refund may be applicable should a new customer connect to the Network extension within a 5 year period from the date of payment by the applicant that made the original contribution.
- The refund is calculated such that the connection subsidies are applied to assets jointly used and the remaining Capital Contribution required is then shared among the joint users.
- Refunds are made within 1 month of the new customers payment of the re-assessed Capital Contribution, no provision is made for interest, depreciation or inflation.
- No refunds are payable beyond 5 years from the date of the original contribution.
- If the property changes ownership any refund remains with the property owner at the time of receiving payment of the reassessed Capital Contribution.


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3. SUBDIVISIONS

- A subdivision is 3 or more connections.
- All work along the road or within public land shall be priced to the customer at cost to Top Energy Network. No Network contribution or rebates to any work within the road or public land will be applied.
- Where a subdivision already has easements or “Road to Vest” registered the work within the subdivision shall be priced to the customer at cost to Top Energy Network. No Network Contribution or rebates apply to these reticulated lots.
- All work within the subdivision regardless of whether it becomes “Road to Vest” or an easement in gross registered in favour of Top Energy when completed will be priced to the customer at market rates.
- Upon receipt of each title within the subdivision that has been reticulated at market rates a rebate of \$500 (GST inclusive) per reticulated lot (not ICP) will apply, provided an invoice is provided for this amount.
Note: the Network rebate applies in consideration of the reticulation to be taken over as a Top Energy Asset that is not within public or reserve land.
- The rebate cannot exceed the total amount paid and expires 5 years from the connection date to the electricity supply of the subdivision.
- In certain cases where only one lot is created which could have multiple ICPs further clarification will be required from Network in terms of refunds.

4. INDIVIDUAL CUSTOMERS

- Where a single or two-phase 63 amp Low Voltage (LV) connection either to an existing pole or pillar has been provided all costs associated with this connection are chargeable to the new customer \$625 (GST inclusive). This charge applies regardless of whether the customer service main is run by Top Energy or a private contractor.
- Where a 3-phase 100 amp Low Voltage (LV) connection either to an existing pole or pillar has been provided all costs associated with this connection are chargeable to the new customer \$750 (GST inclusive). This charge applies regardless of whether the customer service main is run by Top Energy or a private contractor.
- Where a LV connection has not been provided at a new customer’s boundary a connection subsidy of \$500 (GST inclusive) will apply only to the work outside the boundary on public land.
- Where a High Voltage service line needs to be installed on private land and cannot supply any other customer, no subsidy applies but Top Energy still retain ownership of the transformer unit only.
- Where a refundable Capital Contribution has been applied, this expires at the completion of 5 years from the livening date of the reticulation.
- An inspection fee of \$175 (GST inclusive) will apply to all whole current metering connections or \$250 (GST inclusive) for current transformer (CT) metering or site visits for inspection and certification. These charges include the livening fee.
- Any subsequent visits will be charged additionally.

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- The service main is owned and maintained by the property owner and is priced separately from any required Capital Contribution and does not effect this value in any way.

5. FEES & CHARGES

Fees & Charges from 1 September 2011	GST excl	GST incl
LV connection charge Single or 2-phase 63 amp	\$543.48	\$625.00
LV connection charge 3-phase up to 100 amp	\$652.17	\$750.00
LV connection >100amp Total cost to customers account associated in making connection	Full cost	Full cost
LV connection subsidy	\$434.78	\$500.00
Inspection fee for whole current connections	\$152.17	\$175.00
Inspection fee for CT metering or site visits	\$217.39	\$250.00

All these charges are unit rate based and apply throughout the total Top Energy area.

If further information is required about the Top Energy Capital Contribution Scheme please contact info@topenergy.co.nz and a response will be made within 10 working days of receiving a request.

Top Energy Limited, acting reasonably, reserves the right to change this policy from time to time.