

Data centre connection planning fee guidelines

Purpose

These Guidelines explain the scope and cost recovery principles that apply to the Data Centre Connection Planning Fee (Fee).

The Fee supports additional services undertaken by VicGrid, in its role as transmission planner, to support coordinated planning for data centre connections. These services include strategic connection planning, engagement with participating data centre proponents, sector wide coordination and the development of processes and information to support data centre connection planning.

The Fee is a non-profit cost recovery charge and is intended to recover VicGrid's reasonable costs in providing these additional services to participating data centre proponents.

Scope

The Fee applies to eligible data centre proponents seeking to progress through the pre-application/application stage.

The Fee supports additional services provided at a strategic or cohort level for participating proponents. It does not cover project specific assessments, investigations, studies or connection activities, which may be subject to separate charging arrangements.

Additional Services Supported by the Fee

A. Industry engagement and coordination

Engagement and coordination activities for participating data centre proponents, including activities that facilitate information sharing, coordinated planning and engagement on matters affecting data centre connections.

B. Strategic planning

Strategic planning, coordination and assessment activities relating specifically to data centre development opportunities, connection pathways and common network planning relevant to participating proponents.

The Fee does not recover the costs of general system planning that VicGrid would undertake irrespective of participating data centre proponents.

C. Information and advisory services

The development of data centre specific information, planning inputs, analysis and other materials to assist participating proponents to understand matters relevant to data centre connection planning and broader sector planning.

D. Specialist advice and support

Additional internal and external resources required to deliver the services and activities covered by the Fee. This may include technical, engineering, legal, regulatory and project management support, where required. VicGrid | Data Centre Connection Planning Fee Guidelines

Fee Structure

The Fee is charged as a fixed monthly fee.

The Fee is intended to recover the reasonable costs incurred by VicGrid in providing the additional services described in these Guidelines during the relevant charging period.

VicGrid will monitor forecast and actual costs during the charging period and will reconcile fees against actual costs incurred for that period.

Costs that are recovered through another VicGrid fee, charge or cost recovery mechanism will not be recovered through the Data Centre Connection Planning Fee.

Cost Recovery Principles

- **Cost recovery:** Only reasonable costs attributable to the additional services and activities supported by the Fee will be recovered.
- **Transparency:** VicGrid will maintain appropriate records of the services and activities delivered, and the costs recovered through the Fee.
- **Fairness:** Costs recovered through the Fee will relate to services and activities provided collectively for participating proponents.
- **Efficiency:** The Fee provides a practical mechanism for recovering the shared costs of strategic planning, coordination and related services for participating proponents.

Excluded Activities

The Fee does not cover:

- Individual connection assessments or connection processing services
- Project specific modelling, investigations or studies
- Connection applications or connection offers
- Project specific legal or commercial negotiations
- Other activities for which costs are recovered through another fee, charge or cost recovery arrangement

Fee Applicability

For the purposes of these Guidelines, an eligible data centre proponent is a development that:

- Incorporates a data centre component designed to accommodate groups of networked servers and associated equipment; and
- Has an electrical load exceeding 30 MW

The Fee applies where:

the proponent satisfies the eligibility criteria set out in these Guidelines; and

VicGrid is providing the additional services described in these Guidelines to that proponent during the relevant period.

Governance and Review

VicGrid will administer the Fee in accordance with the cost allocation methodology, fee arrangements and reconciliation framework outlined in these Guidelines.

VicGrid intends to review these arrangements in early 2027 and may review them earlier or at other times if there is a material change in circumstances.

Important Information

Payment of the Fee provides access to the additional services described in these Guidelines.

Payment of the Fee does not guarantee or indicate any particular outcome for a project. In particular, payment does not guarantee:

- Development approval
- Network access
- A connection outcome
- Project prioritisation; or
- Any engagement with VicGrid beyond the services and activities contemplated by these Guidelines

Payment of the Fee does not give a proponent preferential treatment in the assessment, prioritisation or progression of its project.