Generator connection application fees

FY 2025-2026

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1 Introduction

This document explains the roles VicGrid performs in relation to Victorian network connection applications, and the charges VicGrid applies to assess these applications, including alterations to existing generating systems.

VicGrid's Victorian connection responsibilities

In Victoria, VicGrid has a special role, performing many of the responsibilities carried out in other states by the connecting transmission network service provider (TNSP). VicGrid's Access and Connections team receives and assesses enquiries and applications to connect to the transmission network in Victoria (referred to as the Declared Shared Network [DSN] in the National Electricity Law [NEL]) and liaises with the proponent and VicGrid (in its advisory role) on the connection application from submission to registration and commissioning of the plant.

3 Factors that impact connection costs

VicGrid's overall costs in carrying out its connection-related obligations under Chapter 5 of the NER are impacted by a range of factors, including:

- the location of the connection point and complexity of proposed generating system
- whether the connection is to the transmission network or a distribution network
- the size of the proposed generating system
- whether it is a new connection or an alteration to an existing generating system
- whether the proposed generating system is connecting to a weak part of the network
- the quality and accuracy of the information submitted and the number of iterations required to assess the application
- the contestability process if network augmentation works are required for a connection
- the extent of commercial negotiations required with the DTSO and the Proponent

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4 VicGrid's fees and charges

Different roles are required throughout the connection assessment process. Rates for these roles reflect both direct (e.g. labour) and indirect (e.g. management, legal, digital, training and travel) costs. Fees are charged on a time and material basis and invoiced monthly.

The rates below are effective from 1 July 2025 and are applicable in VicGrid's Access and Connections role managing the Victorian DSN connection process.

Table 1: Rates effective 1 July 2025

Description	\$ rate per hour (excl. GST)
Analyst / Engineer	\$345
Senior	\$375
Principal	\$420
Manager / Specialist	\$480
Third party labour (VicGrid may need to engage contractors or consultants or seek specialist advice (e.g. legal advice) in relation to an assessment.	Cost +15%
Site visits ¹	Rate per hour (+ 15% for third-party labour) including travel time, and travel expenses.

4.1 Connection enquiry fee

From 1 July 2025, transmission connection enquiries in Victoria incur a fixed fee of \$18,500, payable at lodgement of the Connection Enquiry and required to initiate the assessment process.

4.2 Registration fees

Market registration fees are separate from connection enquiry and assessment fees. Market registration fees are reviewed annually and are based on the time required for VicGrid's employees to complete the registration or any amendment to existing registration conditions.

Third party costs incurred by VicGrid in the process of registering a participant are included within the market registration fee.

A list of market registration fees is included in VicGrid's FY26 Budget and Fees

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¹ VicGrid may witness such tests in accordance with clause 5.8.5(a) of the NER and is entitled to be reimbursed for staff time and out-of-pocket expenses associated with this, such as travel and accommodation