

Connection application fees

FY 2026-2027

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Prepared by: VicGrid

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1 Introduction

This document explains the role that VicGrid performs in relation to Victorian Transmission network connection services as a TNSP, and the charges VicGrid applies to provide the services under the NER Chapter 5 rules, including alterations to existing generating systems.

2 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 (referred to as the Declared Shared Network [DSN] in the National Electricity Law [NEL]) and liaises with the Connecting Applicant and AEMO (in its advisory role) on the connection application, 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 but not limited to:

- the location of the connection point and complexity of the proposed system the plant is connecting into
- directing and authorising the potential augmentation works that are required
- the size of the proposed connecting system
- whether it is a new connection or an alteration to an existing system
- whether the proposed 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 required
- producing and negotiations of the scope of works for the augmentation works of the DSN
- the extent of commercial negotiations required with the DTSO/TNSP and the Proponent.

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. Invoice terms are 10 days from invoice date.

The rates below are effective from 1 July 2026 and are applicable in VicGrid's role managing the Victorian DSN connection process.

Table 1: Rates effective 1 July 2026

Description	\$ rate per hour (excl. GST)
Office Intern	\$310
Project Manager/ Engineer / Analyst	\$362
Senior Project Manager / Senior Engineer / Senior Analyst	\$394
Principal Project Manager / Principal Engineer	\$441
Manager / Specialist	\$504
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.

*Please note that GST is not chargeable on VicGrid labour costs.

4.1 Connection enquiry fee

All transmission connection enquiries in Victoria will incur a fixed fee. From 1 July 2026, the connection Enquiry fee cost will be as follows:

- Generation connection enquiries: **\$20,500**
- Large Inverter Base Load (IBLs) (over 100MW) (e.g. data centres) connection enquiries: **\$35,000***
- Hybrid (large IBL and generation) connection enquiries: **\$35,000***

The connection enquiry response includes:

- Assessment of the type of transmission service and augmentation required
- The proposed connection program
- Connection options assessment
- Specific locational challenges
- System design requirements
- Proposed connection arrangement assessment and possible options
- Preliminary system strength impact assessment
- Technical requirements

*As connection enquires for IBLs involve a higher level of technical complexity, including detailed network planning, load forecasting, system impact assessments and coordination across multiple stakeholders, the fee of \$35,000 reflects the additional time, expertise and resources required to undertake these assessments.

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

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 [FY27 Budget and Fees](#)