Line Delivery Price Guidelines for prices applying from 1 April 2024

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1. Introduction

This document provides guidance on Marlborough Lines Limited's (MLL's) line delivery prices and is published primarily for electricity retailers. These guidelines are applicable to the prices which are effective from 1 April 2024. They may be superseded by subsequent pricing guideline publications. The information may be useful to electricity consumers connected to MLL's network also. These guidelines should be read in conjunction with the Default Distributor Agreement (DDA). Where there is a conflict, the material included in the DDA will apply.

The guidelines in this document are separated out into Residential, General, Irrigation and Commercial and Industrial consumer groups, along with other prices and additional information to assist retailers in understanding MLL's pricing structure.

Line delivery prices include the recovery of costs for the local lines network (distribution prices), as well as the recovery of costs charged to MLL for the use of the national grid (transmission prices).

MLL's network is characterised by a relatively high number of remote connections in areas such as the Marlborough Sounds, where MLL incurs significant costs in order to maintain supply of line function services. MLL has been granted ministerial exemptions for low fixed charge price category eligibility in remote areas (along with other exemptions). Similarly, discount payments are not made to up to 10% of MLL's consumers (typically those connections that are deemed remote).

MLL reserves the right to consider and apply an alternative price category for specific cases whereby dispensation is sought by a consumer, or their authorised agent. Where relevant criteria is met, MLL will accept a price category change request, but in doing so is under no obligation to make the change retrospectively.

2. Residential consumers

Residential consumers are those connections that supply domestic premises. Domestic premises are defined in Section 5 of the Electricity Industry Act 2010 as:

premises that are used or intended for occupation by a person principally as a place of residence; but does not include premises that constitute any part of premises described in <u>section 5(c) to (k)</u> of the Residential Tenancies Act 1986

For clarity, those places described in section 5(c) to (k) of the Residential Tenancies Act 1986 have been included in Appendix 1.

There can be ambiguity in interpretation of domestic premises which have a 'working from home' type business, or, which can also be used for short term accommodation of paying guests. The same can be said for domestic premises which are intended to house workers.

MLL therefore sets out the following to assist in determining which connections can be considered a residential consumer. The domestic premise:

- a) must meet the above definition;
- b) may include a 'working from home' type business, including Air BnB and bed and breakfasts where these are part of the consumer's place of primary residence;
- c) cannot be rented out as short-term (<28 day) holiday accommodation (i.e. is a holiday home or bach available for rent (whole house where the consumer is not principally residing, advertised on Air BnB or other such short-term accommodation websites);
- d) may be used for long term accommodation (i.e. be a rental property occupied by long term tenants, other than the exceptions noted below).
- e) must not have been modified or constructed to house workers, in a style of a backpackers or similar and used for that purpose;
- f) may also include a pump for groundwater to supply the residential dwelling. However, if the connection services solely an irrigation/water supply pump, it cannot be considered as domestic premises by definition;
- g) Must have local government body consent to be a residential dwelling; and
- h) The principal use of the building should not be a commercial premise.

If these conditions are satisfied, MLL will consider the connection to be residential. If not, MLL will assign it to an appropriate General pricing category. MLL reserves the right to consider exemptions for applications from community facility connections, such as halls used infrequently by community groups, and may assign these to the residential group.

2.1 Price categories

The following price categories are available for domestic consumers. The applicable price category will depend on the size (capacity) of the connection, and its physical location (refer to the MLL <u>pricing website</u> for a map highlighting areas denoted remote and extreme remote). Residential connections cannot exceed 50kVA capacity.

Approved temporary connections for the construction of residential dwellings will be allocated to a residential pricing category that is relevant to its capacity and location. The maximum length of time that a connection can be in a temporary state is 12 months, after which time the connection must be either made permanent or removed. MLL may apply some discretion if there have been unforeseeable delays to the construction process, however routine safety inspections will be required until the connection has been made permanent.

If the connection is still in a temporary state after 12 months and no exemption has been granted by MLL, then the ICP will be shifted to a general price category and routine safety inspections will be required until the connection has been made permanent.

MLL offers a low fixed charge price category, DL. For consumers to be eligible for this price category, the connection must meet the following criteria:

- a) Consumption less than 8,000kWh per annum;
- b) Be the consumer's principal place of residence;
- c) Be a residential consumer;
- d) Not be located in an area deemed remote or extreme remote by MLL;

- e) Not be served by a single line that serves few homes and no other significant electricity consumers;
- f) Not be supplied by three phases; or
- g) Not be greater than 15kVA in capacity.

Further information on DL eligibility criteria, including the two granted ministerial exemptions, can be found on MLL's <u>pricing website</u>.

Table 1 presents a summary of the residential fixed price categories.

Price category fixed component code	Price category description		
DS15	Permanent residential connection up to 15kVA capacity		
DS15TOU	Permanent residential connection up to 15kVA capacity and has AMI		
DC20	communicating metering.		
DS30	Permanent residential connection between 16kVA and 30kVA capacity		
DS30TOU	Permanent residential connection between 16kVA and 30kVA capacity and has AMI communicating metering.		
DT	Permanent residential connection 31kVA to 50kVA capacity		
DTTOU	Permanent residential connection 31kVA to 50kVA capacity and has AMI communicating metering.		
DSR15	Permanent residential connection up to 15kVA capacity in an area deemed Remote by MLL		
DSR30	Permanent residential connection between 16kVA and 30kVA capacity in an area deemed Remote by MLL		
DTR	Permanent residential connection 31kVA to 50kVA capacity in an area deemed Remote by MLL		
DL	A Residential connection that is <15kVA capacity, is not three phase, is		
	located in a non-remote area, be the consumers' principal place of residence, consumes <8,000kWh per annum and is not served by a		
	single line that serves few homes and no other significant electricity		
DLTOU	consumers.		
DLIOU	A Residential connection that is <15kVA capacity, is not three phase, is		
	located in a non-remote area, be the consumer's principal place of residence, consumes <8,000kWh per annum and is not served by a		
	single line that serves few homes and no other significant electricity		
	consumers, and has AMI communicating metering.		
DXR	Permanent residential connection under 50kVA capacity in an area		
	deemed Extreme Remote by MLL (note there may be some connections		
	within areas deemed Remote that are prescribed the DXR price		
	category by MLL if they are supplied by long dedicated lines and/or		
	require significant costs to provide line function services).		

Table 1 – Summary of residential price categories

2.2 Variable price components

The residential variable price components are summarised in Table 2 below. Note that all price components are priced in \$/kWh of energy consumed.

Peak periods are applicable for trading periods between 7:00am to 11:00am, and 5:00pm to 9:00pm, weekdays only.

Off-peak periods are applicable for trading periods between 11:00am to 5:00pm, and 9:00pm to 7:00am, weekdays only. Off-peak also includes all of Saturdays and Sundays.

Price Component	Description	Applicable fixed price categories	
Code			
10	Uncontrolled energy	DS15, DS30, DT, DSR15, DSR30,	
12	Controlled energy	DTR, DXR	
18	Night only energy		
13	Uncontrolled peak energy	DS15TOU, DS30TOU, DTTOU	
14	Uncontrolled off-peak energy		
02	TOU Controlled energy		
08	TOU Night Only energy		
11	Uncontrolled energy – low user	DL	
16	Controlled energy – low user		
17	Night only energy – low user		
15	Uncontrolled peak energy – low user	DLTOU	
19	Uncontrolled off-peak energy – low		
	user		
06	TOU Controlled energy – low User		
07	TOU Night Only energy – low user		
DG	Distributed generation	DS15, DS30, DT, DSR15, DSR30,	
		DTR, DXR, DL	

Table 2 – Summary of residential variable price category codes

"All inclusive" pricing plans are not offered by MLL.

Controlled Loads¹ must have relays that provide automatic ripple control. Supply to meters on controlled energy, price component code 12 (standard), 02 (standard TOU), 16 (low fixed charge), 06 (low user TOU) will generally be available for 16 hours per day.

The price component codes 18, 17, 07, 08 are for "night only" consumption. These prices are only available for consumption with a separately metered supply to a permanently wired appliance, such as a hot water cylinder or a night store heater, which is subject to load control by MLL. The supply will generally be available between 11pm and 7am. These prices are only available for consumption with a separately metered supply to a permanently wired

¹ A controlled load is one that can be temporarily de-energised by MLL. This would typically occur when the network is experiencing high demand (load) and is a way of controlling or managing the demand.

appliance, such as a hot water cylinder, night store heater, or **Mode 3 electric vehicle charger**, which is subject to load control by MLL.

Hot water cylinders or night store heaters shall be a minimum of 1.5kW load. The Mode 3 EV charger may range from 3.0kW to 7.4kW single phase. Larger three phase EV chargers may also be considered for load control on a case by case basis with MLL.

Multiple controllable loads, defined above, may be connected to a single control variable price component code and relay. However, note that large load combinations (e.g. existing hot water cylinder and new EV Charger) may require a contactor to be installed to switch the load.

Note that if any controlled load is not exclusively controlled by MLL, then it will not be eligible for a controlled load price (i.e., it will be considered to be uncontrolled load by MLL).

3. General consumers

General consumers are those that are not residential, and that are not one of the other main consumer groups (irrigation, unmetered, streetlights, or large commercial and industrial). Typically, General consumers will be small to medium businesses, and may also include (but not limited to) sheds, workshops, domestic water supplies and irrigation pumps below 7.5kW.

The maximum connecting fusing to be considered General, is a three phase 200 Amp supply.

3.1 Price categories

The price categories are set for various capacity (kVA) ranges as summarised in Table 3.

Price category fixed component code	Price category description		
NS	Up to 15kVA capacity		
NSTOU	Up to 15kVA capacity and has AMI communicating metering.		
NH	16kVA to 30kVA capacity		
NHTOU	16kVA to 30kVA capacity and has AMI communicating metering.		
NT	31kVA to 50kVA capacity		
NTTOU	31kVA to 50kVA capacity and has AMI communicating metering.		
RT	51kVA to 70kVA capacity		
RTTOU	51kVA to 70kVA capacity and has AMI communicating metering.		
RV	71kVA to 105kVA capacity		
RVTOU	71kVA to 105kVA capacity and has AMI communicating metering.		
RX	106kVA to 150kVA capacity		
RXTOU	106kVA to 150kVA capacity and has AMI communicating metering.		
NSR	Remote up to 15kVA capacity		
NHR	Remote up to 16kVA to 30kVA capacity		
NTR	Remote up to 31kVA to 50kVA capacity		
NXR	Extreme Remote up to 50kVA capacity in an area deemed Extreme Remote by MLL (note there may be some connections within areas deemed Remote that are prescribed the DXR price category by MLL if they are supplied by long dedicated lines and/or require significant costs to provide line function services).		

Table 3 – Summary	of General fixe	d price categories
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3.2 Variable price components

The general variable price components are summarised in Table 4 below. Note that all price components are priced in \$/kWh of energy consumed.

Peak periods are applicable for trading periods between 7:00am to 11:00am, and 5:00pm to 9:00pm, weekdays only.

Off-peak periods are applicable for trading periods between 11:00am to 5:00pm, and 9:00pm to 7:00am, weekdays only. Off-peak also includes all of Saturdays and Sundays.

Price Component	Description	Applicable fixed price categories	
Code			
23	Uncontrolled energy 0 to 50 kVA	NH, NS, NT, NHR, NSR, NTR	
24	Uncontrolled peak energy 0 to 50 kVA	NSTOU, NHTOU, NTTOU	
25	Uncontrolled off-peak energy 0 to 50 kVA		
31	Uncontrolled energy 51 to 70 kVA	RT	
32	Uncontrolled peak energy 51 to 70 kVA	RTTOU	
33	Uncontrolled off-peak energy 51 to 70 kVA		
40	Uncontrolled energy 71 to 150 kVA	RV, RX	
41	Uncontrolled peak energy 71 to 150 kVA	RVTOU, RXTOU	
42	Uncontrolled off-peak energy 71 to 150 kVA		
34	TOU Controlled energy 0 to 140kVA	NSTOU, NHTOU, NTTOU, RTTOU, RVTOU, RXTOU	
35	TOU Night only energy 0 to 140kVA	NSTOU, NHTOU, NTTOU, RTTOU, RVTOU, RXTOU	
22	Controlled energy 0 to 150 kVA	NH, NS, NT, NHR, NSR, NTR, RT, RV, RX	
28	Night Only energy 0 to 150 kVA	NH, NS, NT, NHR, NSR, NTR, RT, RV, RX	
DG	Distributed generation (Mass Market ICP's)	NH, NS, NT, NHR, NSR, NTR, NSTOU, NHTOU, NTTOU, RT, RTTOU, RV, RX, RVTOU, RXTOU	
TOUDG	Distributed generation for ICP's on TOU metering measuring reactive power and submitted via EIEP3 (C&I TOU ICP's)	NH, NS, NT, NHR, NSR, NTR, NSTOU, NHTOU, NTTOU, RT, RTTOU, RV, RX, RVTOU, RXTOU	

Table 4 – Summary of General variable price categories

Loads must have relays that provide automatic ripple control. Supply to meters on controlled energy (price component code 22 and 34) will generally be available for 16 hours per day.

The price component code 28 and 35 are for "night only" usage. This price is only available for consumption with a separately metered supply to a permanently wired appliance such as a hot water cylinder or a night store heater, which is subject to load control by MLL. The supply will generally be available between 11pm and 7am.

A minimum load of 1.5kW is required to be connected for price component codes 22, 28, 34, and 35.

4. Irrigation consumer group

Irrigation consumers are connections that supply a pump(s) for irrigation or water supply purposes. Irrigation connections require a single meter installation with a single register.

4.1 Fixed price categories

Table 5 presents a summary of the irrigation fixed price categories.

Price category fixed component code	Price category description	
PK PK applies for connections with installed pump capacity above 23		
РМ	PM applies for smaller irrigation connections with installed pump capacity between 7.5kW and 23kW.	
PH PH was set up for a particular circumstance and is now closed.		
PKU PKU is equivalent to PK, but will be an uncontrolled supply.		
PMU PMU is equivalent to PM, but will be an uncontrolled supply.		

Table 5 – Summary of Irrigation fixed price categories

The following is applicable to irrigation consumers:

- Half hour metering is required for supplies with capacity provided greater than 150kVA.
- To be eligible for either the PM, PK or PH pricing plan a functioning relay that provides automatic ripple control must be installed. Supply will generally be available for a minimum of 16 hours per day subject to MLL requirements.
- The fixed charges apply all year. The fixed price, expressed as a \$/connection/day (PM) or \$/kW/day (PK), is based on the annual cost of providing supply, spread over 12 months. MLL does not allow consumers to disconnect during the off season and reconnect in the summer when irrigation is required. For clarity, the kW value allocated to connections on PK, PKU or PH is generally based on the nameplate rating of irrigation pump(s).
- For a consumer to shift from PK or PM to their uncontrolled price category equivalents, evidence will need to be provided that there is no functioning relay installed for the connection (which would have been required to be eligible to be on the lower price controlled price categories).

4.2 Variable price components

The variable pricing component for irrigation connections is 96. MLL historically included seasonal pricing (97 the price component that covered winter months), however, the prices were aligned (i.e. seasonality removed) and with no price differential, price component 97 has been removed accordingly.

5. Commercial and Industrial consumer group

Any connection with capacity provided in excess of 150kVA is required to have half hourly (Time of Use) metering and (unless it is an irrigation connection) will be in the Commercial and Industrial (C&I) consumer group. Industrial connections require a single meter installation.

5.1 Fixed Price components

The fixed connection price (price component codes, BF, BHM and BHC) are in \$/connection/day and relate to whether the supply is low or high voltage, and whether the assets immediately supplying the connection are MLL or consumer owned.

The fixed capacity price (price component codes AL, AM and AH) is based on MLL's assessment of capacity provided to each consumer's connection and is priced in \$/kVA/day.

The chargeable quantity (kVA) takes into account the actual peak demands of the connection and the transformer capacity provided by MLL. In general, the chargeable quantity for the capacity charge will not be less than 60% of the capacity of a dedicated transformer supplying the consumer's connection. For dedicated 500kVA transformers, the chargeable quantity for the capacity charge will not be less than 54% of the transformer capacity (i.e. 270kVA).

When measuring a consumer's peak demand, for the purpose of determining the chargeable capacity quantity, MLL averages the six highest half hourly demands in each month to determine the monthly maximum consumer demand. The chargeable capacity quantity (kVA) is the maximum monthly consumer demand value observed over the prior three full years rounded down to the nearest 5kVA, unless the quantity is less than 60% of the capacity of a dedicated transformer as noted above. This value is assessed each month and if the previous set maximum value is exceeded then the value is reset to the new maximum for the following three years.

Where half hourly data is not available for the prior year e.g. where a consumer has recently connected and no data is available, an estimate will be made by MLL based on a similar sized and type of connection for the first month, until an actual quantity can be determined from available metering data. Alternatively, MLL may apply a minimum assessed capacity amount of 150kVA. No wash up will be undertaken for either of these approaches.

The Fixed Transmission price (component codes WL, WM, and WH) are payable each month and are priced in kVA/day.

The chargeable quantity is reset from 1 April each year. It is calculated by MLL and allocated to Commercial and Industrial consumers based on their average of the most recent² full transmission pricing year (i.e. 1 September to 31 August the year following)'s months maximum demands, or the average of the months the consumer has been connected if not connected for the full most recent transmission pricing year.

The fixed transmission charge will be set at 50kVA as a minimum for new consumers connecting and who did not have monthly maximum demands from the most recent transmission pricing year.

5.2 Variable price components

The variable price component codes 51, 50, 61 and 62 relate to the amount of electricity consumed by the connection. The price is in \$/kWh.The Day period is 7am to 11pm and the Night period 11pm to 7am.

Price Component Code	Description	Applicable fixed price categories
51	Day energy	BF
50	Night energy	
61	Day energy	BHC, BMC
62	Night energy	
TOUDG	Distributed generation	BF, BHC, BMC

Table 6 – Summary of Commercial & Industrial price category codes.

6. Other price categories

6.1 Unmetered connections

A connection can be unmetered (price category US) if it consumes <3,000kWh in any rolling 12 month period, or 6,000kWh if the load is of a predicable type approved and published by the Electricity Authority. All other connections require metering and will not be considered for the unmetered pricing category, US. Determined kWh variable data is to be submitted in the EIEP1 with price component code 88.

A **private unmetered streetlight** is charged as \$/fitting/per day. This is a fixture charge that can be added to an existing ICP. The energy volume (kWh) for the light(s), which is calculated from the unmetered load details, must be submitted in the EIEP1 using the unmetered load price component of 88.

² i.e, for 1 April 2023, the "most recent" full transmission pricing year would be 1 September 2021 to 31 August 2023.

6.2 Power factor prices

Power factor prices are included in the pricing schedule as PFT (power factor for time of use metered connections) and PFI (power factor for irrigation connections).

Power factor charges may be applied to any connection where the load has a power factor of less than 0.95.

Where the metering does not support half hourly data and supply kWh and kVAh but the type of connection would commonly exhibit poor power factor, MLL either requires the equipment to be certified as having a better than 0.95 power factor or charges for low power factor on an estimated basis. This approach is used for smaller irrigation pumps.

The estimate, where power factor correction equipment has not been installed, is based on common performance for the type of equipment connected. For small irrigation pumps that have not been certified to have a satisfactory power factor MLL assumes the motors run at a 0.80 power factor.

The power factor charge for loads where half hour metering data is available. is Chargeable kVAr* price per kVAr* days in billing period; where:

- Chargeable kVAr is the maximum of $2 * (kVArh (\frac{kWh}{3}))$
- Chargeable kVAr is rounded to the nearest whole number.

Please contact MLL directly with respect to power factor requirements for distributed generation.

6.3 Connections with Distributed Generation

A price component code of DG applies to volumes injected into the Network from connections with distributed generation that are considered to be Mass Market ICP's. A Mass Market ICP is any ICP whose meter is not settled on a half hourly basis.

A price component code of TOUDG applies to all volumes injected into the Network from connections with distributed generation that are considered to be Time of Use ICP's. A Time of Use ICP is any ICP whose meter is settled on a half hourly basis and both active and reactive power readings are submitted to the distributor.

Electricity retailers must provide both volume extracted (X) and Injected (I).

7. Metering Configuration for MLL Price Categories

RCC	Period of	217Hz Relay	Description	MLL price categories
	Availability	Channel(s)		
UN	24	n/a	Uncontrolled load	DL/DS15/DS30/DT DSR15/DSR30/DTR/DXR NS/NH/NT/NSR/NHR/NTR/NXR/ RT/RV/RX
РК	8	n\a	Periods between 7:00am to 11:00am, and 5:00pm to 9:00pm, weekdays only.	DLTOU, DS15TOU, DS30TOU, DTTOU, NSTOU, NHTOU, NTTOU, RTTOU, RVTOU, RXTOU
ОРК	16	n\a	Periods between 11:00am to 5:00pm, and 9:00pm to 7:00am, weekdays only	
CN	18	100.0 - 100.9 103.15 - 103.20	Controlled load, typically hot water cylinders and can include dedicated electric vehicle charge points, requires a ripple relay.	DL/DS15/DS30/DT DSR15/DSR30/DTR/DXR NS/NH/NT/NSR/NHR/NTR/NXR/ RT/RV/RX
	9–12	106.30 – 106.31	Legacy installations with these codes typically relate to night storage heaters. These should be updated to CN18	
	13-17,	100.0 - 100.9	Legacy installations with these	
	19	103.15 - 103.20	codes typically relate to hot water cylinders. These should be updated to CN18	
	20	109.45 – 109.46	Some irrigation installations have been mapped to CN20, this can be identified by their price category. Controlled Irrigation requires a ripple relay. Supply may be subject to control by MLL	РК/РМ
NO	8	102.10 - 102.12 105.25 – 105.26	Controlled load, typically night store heaters, requires a ripple relay. Supply will generally be available between 11pm and 7am	DL/DS15/DS30/DT DSR15/DSR30/DTR/DXR NS/NH/NT/NSR/NHR/NTR/NXR/ RT/RV/RX
S	20	109.45 – 109.46	Controlled Irrigation, requires a ripple relay. Supply may be subject to control by MLL	PK/PM
S	24	n/a	Uncontrolled Irrigation	PMU/PKU
EG	24	n/a	Distributed Generation	DG
n/a	n/a	n/a	Unmetered supply	US
n/a	n/a	111.55 – 111.56	Unmetered Streetlights	MDCFC/PMFC/RNZAF

Table 7 – Overview of register configurations for MLL Price categories

Notes: Day/Night metering is charged as UN24 metering this includes register content codes D/N, DC/NC. Inclusive metering is charged as UN24 metering this includes register content codes DIN/NIN and IN. The register content code is likely to remain at UN in the registry for ICPs that opt into TOU price categories. In this instance, please submit the peak volume in the EIEP1 with a register content code of PK and period of availability of 8 and the off-peak volume with a register content code of OPK and period of availability of 16.

8. Additional information

The annual discount payment is made to qualifying/eligible consumers only. Further information on the discount payment is available on the <u>MLL website</u>.

Similarly, the discretionary distribution payment is also made to qualifying/eligible consumers only. Further information on the distribution payment is available on the <u>MLL website</u>.

MLL reserves the right to 'nominally downgrade' a connection, where appropriate supporting evidence has been made available to MLL.

MLL may charge fixed charges for the period of disconnection where an installation is reconnected with 12 months from the date of disconnection.

MLL's pricing year is from 1 April to 31 March the year following.

MLL's financial year is 1 July to 30 June the year following.

Appendix 1 – Residential Tenancies Act 1986

Section 5

(1) This Act shall not apply in the following cases:

- c. where the premises constitute part of a Corrections prison or Police jail:
- d. where the premises constitute part of any hospital, home, or other institution for the care of sick, disabled, or aged persons:
- e. where the premises constitute part of Police barracks, or Police cells and lock-ups:
- f. where the premises constitute any barracks conducted by the Armed Forces for the accommodation of persons subject to the Armed Forces Discipline Act 1971:
- g. where the premises constitute any barracks or hostel conducted by an employer for the accommodation of employees of that employer or (where the employer is a company) for the accommodation of employees of any associated company (within the meaning of section 2(2)):
- h. where the premises are used to provide accommodation to students
 - a. at a school hostel (being a hostel within the meaning of section 2 of the Education Act 1989); or
 - b. in accordance with the requirements of section 5B:
- i. where the premises constitute part of a building occupied by a club and used by the club for the provision of temporary or transient accommodation to members of the club:
- j. where the premises constitute part of any hotel in respect of which an on-licence is in force under the Sale and Supply of Alcohol Act 2012:
- k. where the premises
 - a. are intended to provide temporary or transient accommodation (such as that provided by hotels and motels), being accommodation that is ordinarily provided for periods of less than 28 days at a time; and
 - b. are subject to an agreement that has been entered into for the purpose of providing temporary or transient accommodation that continues to be provided under the agreement.

Appendix 2 – Examples of Residential Connections

To assist with interpretation, the following are examples of connections that MLL considers to be residential price category consumers (noting that not all situations are covered, and for those that aren't, MLL will apply the relevant legislative definitions where applicable):

- A consumer's primary place of residence is a residential dwelling in Blenheim. They rent out a bedroom, or a garage converted to a bedroom (sleepout) on the property of their domestic premise through Air BnB for short stay paying guests;
- A consumer's primary place of residence is a residential dwelling. A garage attached to the dwelling has been partially converted so that a small hair salon operates out of it.
- A residential dwelling is rented out to a family or a group of individuals (whom if are employed, are not employed by the owner of the dwelling) for a six month lease term.
- A residential dwelling is occupied by workers, however, those workers are not employed by the owner of the dwelling or an associated company.

The following are examples of connections that MLL will not consider as a residential price category consumer:

- A family owns a holiday home in the Marlborough Sounds that they stay in periodically (not their principal place of residence). They rent the bach out on Air BnB when they are not utilising it. This would not be considered a residential connection as it does not meet the definition of domestic premises under the Electricity Industry Act 2010.
- A small dwelling is constructed in a residential neighbourhood, designed to accommodate vineyard workers living and working in Marlborough for up to 12 months at a time. The dwelling is owned by the employer of the workers, or, by a company which is associated with the employer of the workers. This would not meet the definition of domestic premises under the Electricity Industry Act 2010.
- An older residential dwelling is used to accommodate vineyard workers where the owner of the dwelling is the employer of the workers (or where the owner is associated to the employer of the workers).
- A separately metered/separate ICP for a small water pump which is located on the same property as a domestic premises, is not considered residential.
- A separately metered/separate ICP for an ancillary building on the same property as a domestic premises but which is not a domestic premise is not considered residential.

Noting that 'association' is defined in the Residential Tenancies Act 1986 as companies are associated if one is the wholly or partly owned subsidiary of the other.

MLL may not always be aware of all situations, but where information is available and known, will use the information to apply determination as to what connection is eligible to be considered a residential consumer or not.