



4 June 2024

Electricity Authority
PO Box 10041
Wellington 6143

Via email: policyconsult@ea.govt.nz

Tēnā koutou

Consultation Paper - Code Amendment Omnibus #3

WEL Networks (WEL) appreciates the opportunity to provide feedback on the Electricity Authority's (the Authority) Consultation Paper - Code Amendment Omnibus #3 (the Consultation).

WEL is New Zealand's sixth largest electricity distribution company and is 100% owned by our community through our sole shareholder WEL Energy Trust. Our guiding purpose is to enable our communities to thrive, and we work to ensure that our customers have access to reliable, affordable, and environmentally sustainable energy.

Inflation adjustment for prescribed maximum fees

It is well understood that the prescribed fees for distributed generation applications in Part 6 of the Code are outdated. WEL agrees that adjusting these fees for inflation is a positive first step, however, the proposed adjusted fees will still fall well short of the actual costs distributors incur processing applications for distributed generation greater than 1MW. WEL supports ENA's submission that, pending a more fulsome review of Part 6 of the Code, the Authority should:

- adopt the Transpower approach to application fees for Part 2 applications by setting a maximum per MW fee (rather than a fixed rate) for projects greater than or equal to 1MW
- include an automatic adjustment mechanism in the Code to adjust the maximum prescribed fees by CPI on an annual basis.

This will reduce cross-subsidisation of DG application costs being funded by other consumers.

Expanding distributed generation information in the Registry

WEL supports collection of more information about distributed energy resources in the Registry and believes this will be positive both for distributors managing their network and for flexibility providers. However, WEL is not convinced that the proposals in this first stage of the proposal will deliver the benefits the Authority assumes.

WEL believes that populating information regarding the maximum export limit for each ICP is a positive first step. However, a set-and-forget number in the Registry remains a poor substitute compared to the more enduring solution (e.g. distributors providing up to date dynamic information at the time a connection application is made and updated on an ongoing basis).





Additionally, we wish to highlight to the Authority that distributors are likely to continue to face challenges sourcing DER information to populate the Registry as they are not required to engage with their EDB unless a connection change is required. Particularly in relation to residential EV charging and V2G information.

Should you require clarification on any part of this submission, please do not hesitate to contact me.

Ngā mihi nui

David Wiles

Revenue and Regulatory Manager

