



Electricity Authority

18 September 2024

By email: info.ea.govt.nz

Visibility of generation investment: clause 2.16 information notices

We appreciate the opportunity to comment on the information provision notice applicable to Transpower, under Code 2.16.

After reviewing the information sought alongside our own needs for project information under our connections process, we suggest that the Authority consider the following:

- The **initial enquiry stage is too early to get all information sought**, so the information set will have blanks. Initial enquiry includes speculative enquiries that go nowhere. In our view the *concept assessment* or *application* stage would be a stronger start to ensure relevant information.
- **'Projected Demand' should only target significant and new i.e. above 100MW** to capture batteries and new industrial plant that will connect directly to the grid ('direct consumer'). We do not support collecting and supplying information for EDB projected load growth at grid exit points. This would have a high administrative burden and may lead to confusion with information already published by Transpower in the Transmission Planning Report (the Grid Reliability Report) and our annual Individual Price-quality Path disclosures.
- **The confidentiality flag should exclude what Transpower already publishes.**
- The Authority should request information on **planned outage rates** from the generators when they are commissioned. The purpose stated (security of supply) does not accord with the primary purpose for the information about investment.
- **The notice should have a review date** to assess that the information provision is meeting its purpose.

Transpower is not responsible for the failure of parties to provide Transpower with information, nor for the accuracy of that information. Information provided by Transpower is

provided on a *non-reliance* basis. Transpower is not at risk of any Code breach for the failure of third parties to provide what is requested or it provides inaccurate or misleading information.

In the table below, we comment on select provisions.

Information aspect	Description	Comment (if blank, we agree)
Connecting party / proponent	The entity developing the project. If a joint venture, any entities participating in the joint venture should be listed.	
Operator (generation only)	If the planned operator of the plant is different to the connecting party / proponent, then provide the name of the operator (i.e., the entity that will be submitting offers for the generating station)	
Date	The date of the initial inquiry to Transpower	
Update date	The date of the most recent update for the information in the submission.	The information should be "as is" every month, recognising that it may not have been updated (i.e. the month of the information delivery is the update date).
Project name	The intended generating station name. If no formal name has been selected, a name can be a working name or linked to the location of the proposed generating station	
Connection location	GIP/GXP, or transmission circuit if requiring a new GIP/GXP	
Co-ordinates	Latitude and longitude (5 decimal places)	
Capacity (generation only)	The planned capacity of the generating station provided in MW. If different, please provide both MWp and MWac	

Information aspect	Description	Comment (if blank, we agree)
Projected demand (load only)	The expected peak demand of the load, provided in MW. For battery energy storage systems, provide the charge rate. For pumped hydro, provide the maximum load.	This should be limited to new or upgraded direct consumers. We do not support supplying information for distributors' projected load growth at grid exit points. This would have a high administrative burden and may lead to confusion with information already published by Transpower in the Transmission Planning Report (the Grid Reliability Report) and our annual Individual Price-quality Path disclosures..
Additional MW	For projects to expand or repower existing generating stations—or for load—the additional MW value expected	For load, only for direct consumers.
Capacity factor (generation only)	A best estimate of the expected capacity factor (as a percentage) <i>(This information may be more likely to be considered sensitive by participants and would be treated accordingly by the Authority)</i>	
Connection voltage	The connection voltage to the transmission network (in kV)	
Technology type (generation only)	Selected from: • Onshore wind • Offshore wind • Photovoltaic panels • Hydro • Pumped hydro • Geothermal • Open cycle gas turbine • Closed cycle gas turbine • Co-generation • Pulverised coal • Chemical battery energy storage • Waste to energy • Other (please specify)	The list should also include biomass.

Information aspect	Description	Comment (if blank, we agree)
Fuel type (thermal generation only)	Selected from: • Gas • Coal • Diesel • Biomass • A combination of the above fuel types	We consider this information is already provided by "technology type" and this row could be deleted.
Asynchronous or synchronous (generation only)	Whether the generating station is synchronous or an inverter-based resource (asynchronous)	
Planned outage rates (generation only)	If contracts for supply and installation of generating equipment prescribe expected outage rates, provide that information (in trading periods per year or similar)	This information is not relevant for the primary purpose of the investment pipeline. This information should be elicited via the notice on generator participants.
Battery	Does the generating station or load have an associated battery energy storage system as part of the project; response should be yes or no	
Storage capacity (generation only)	To be provided in MWh (for chemical battery energy storage and hydro only)	
Application number/project ID	Identifier (intended to be a consistent number to help the Authority to avoid duplicate projects)	
Land	<i>As per the definition for 'committed projects' in the Code: "The proponent has acquired or executed an agreement to acquire land (or commenced legal proceedings to acquire land), or has executed an agreement for the leasing of land, for the purposes of construction."</i>	We note that if the categorisations are too granular this could be a barrier to information provision. We suggest "commenced negotiations"

Information aspect	Description	Comment (if blank, we agree)
	Select from: <ul style="list-style-type: none"> • The proponent has commenced negotiations to acquire or lease land for the purposes of construction • The proponent has commenced legal proceedings to acquire or lease land for the purposes of construction • The proponent has completed legal proceedings to acquire or lease land for the purposes of construction 	"commenced legal proceedings" "Completed (land acquired)"
Contracts	<p><i>As per the definition for 'committed projects' in the Code:</i> "contracts for supply and construction of the major components of the plant and equipment (including any generating units, turbines, boilers, transmission towers, conductors, termination station equipment) have been executed (i.e. all the necessary formal legal requirements have been observed to make the contract valid and complete)"</p> <p>Select yes or no</p>	
Planning	<p><i>As per the definition for 'committed projects' in the Code:</i> "the proponent has obtained all required planning consents, construction approvals, and licences, and fulfilled any other regulatory requirement that must be met before commencing construction"</p> <ul style="list-style-type: none"> • For each stage, provide the date at which the project proponent reached the relevant stage • If the consent has been granted (and is not subject to any appeals), provide the expiry date of the consent. 	<p>We note that if the categorisations are too granular this could be a barrier to information provision from developers.</p> <p>We propose</p> <p>What is the legal route (select one of the three processes)</p> <ul style="list-style-type: none"> • <i>Fast-track Approvals Bill</i> • <i>interim NBA fast-track consenting process</i>

Information aspect	Description	Comment (if blank, we agree)
	<p>Select milestones:</p> <p><i>Under Fast-track Approvals Bill consenting process:</i> • Not yet applied • Application submitted • Consent granted • Consent declined • Appealed • Appeal decided – consent approved • Appeal decided – consent declined</p> <p><i>Under interim NBA fast-track consenting process:</i> • Not yet applied • Application submitted • Consent granted • Consent declined • Appealed Appeal decided – consent approved • Appeal decided – consent declined</p> <p><i>Under Resource Management Act 1991 consenting process:</i> • Not yet applied • Application submitted • Consent granted • Consent declined • Appealed • Appeal decided – consent approved • Appeal decided – consent declined</p>	<ul style="list-style-type: none"> • <i>Resource Management Act 1991</i> <p>What is consent status (select one of list)</p> <ul style="list-style-type: none"> • Application submitted • Consent granted • Consent declined • Appealed • Appeal decided – consent approved • Appeal decided – consent declined
Finance	<p><i>As per the definition for 'committed projects' in the Code:</i> “contracts for the financing of the project, including any debt plans, have been executed (i.e. all the necessary formal legal requirements have been observed to make the contract valid and complete)”</p> <ul style="list-style-type: none"> • Select yes or no 	
Construction	<p><i>As per the definition for 'committed projects' in the Code:</i> “construction has commenced or a firm commencement date for construction has been set”.</p> <p>Select from:</p>	<p>We note the construct “<i>Commercial use date for full operation has been set</i>” is not part of the definition of a committed project.</p>

Information aspect	Description	Comment (if blank, we agree)
	<ul style="list-style-type: none"> • A firm commencement date for construction has been set (or a range of dates, if applicable) • Construction has commenced • Commercial use date for full operation has been set" <p>If any of these milestones have been reached, also provide the relevant date(s)</p>	
Final investment decision	If this milestone has been reached, also provide the relevant date.	

Yours sincerely

Joel Cook

Head of Regulation

Appendix – Response to Questions

Question	Response
Q1. Do you agree with the Authority's proposal to require monthly provision of information to the Authority, to enable a 'rolling' set of information?	We agree information should be delivered "monthly"; but on a "best endeavours basis" should there be any risk that Transpower resource is not available to relay the information to the Authority.
Q2. Do you agree with the Authority's initial assessment that developers will be required to regularly update Transpower when significant information changes for their projects, or should Transpower be required to regularly ask for information from developers?	The Authority has stated it cannot require developers to provide information. Transpower will request that developers keep us updated with information changes. It should be in a developer's interest to keep Transpower informed of its project movements if the wishes momentum in the connection queue to be maintained.
Q3. Do you have any comments on the proposal to require developers (via Transpower) to provide increased information on their generation and load projects?	Transpower is not responsible for the failure of parties to provide Transpower with information, nor for the accuracy of that information. Information provided by Transpower is provided on a <i>non-reliance</i> basis. Transpower is not at risk of any Code breach for the failure of third parties to provide what is requested or it provides inaccurate or misleading information.
Q4. Do you have any comments on the proposal to require generators to provide cost information through a clause 2.16 notice? Do you have any comments on the specific information proposed to be collected in the clause 2.16 notices?	As the Authority intends to publish the anonymised derived levelized cost of energy (LCOE) information it could be helpful to other evaluation process under the Code and Part 4 regulation.
Q5. Do you agree that the appropriate time to collect cost information is when new generation is commissioned, or	When commissioned, which means the generator is now an industry participant and the Authority can oblige information from it.

Question	Response
whether it should be earlier in the development process?	The information on <i>planned outage rates</i> should be sourced under the generator notice, and not via Transpower as it is not information relevant to an investment pipeline.
Q6. Do you agree with the Authority's proposal to aggregate some information provided by Transpower to assess the status or stage of projects, and do you have any comments on the breakdown of the proposed stages?	Yes. The stages need to be as high-level as possible to show discrete changes.
Q7. Do you agree the benefits of the proposed clause 2.16 notices outweigh their costs? If not, what area(s) of the Authority's preliminary assessment of benefits and costs do you disagree with.	Yes.
Q8. Do you agree the proposed clause 2.16 notices are preferable to the other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of Act.	Yes. We consider the notice should also provide a review date to ensure that the information provision is serving its purpose.
Q9. Should the Authority consider further work to monitor and assess the pipeline of new generation and demand?	Ongoing Authority actions would allow assessment for how the information provision is serving its purpose. A notice review date would support ongoing work.