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nova energy

16 September 2024

Submissions Electricity Authority

By email: network.pricing@ea.govt.nz

Nova Energy Limited PO Box 3141, Wellington 6140

Re: TPM amendments: a level playing field for emerging methodologies

Nova Energy (Nova) supports the proposed changes to the Transmission Pricing Methodology.

Answers to the consultation questions are appended to this letter.

Yours sincerely

Paul Baker

Commercial & Regulatory Manager

Nova submission: TPM amendments: a level playing field for emerging methodologies

| Chapter No. | Question | Response |
|----------------|---|--|
| Q1. | Do you agree with the proposed amendment for connection charges for shared connection assets? | Yes |
| Q2. | Will the proposed amendment have any unintended consequences for unusual connection arrangements, eg complex connections? | Nova has not identified any potential unintended consequences. |
| Q3. | Do you agree with the proposed amendment to the residual charge annual adjustment? | Yes |
| Q4. | The residual charge is intended to be non-distortionary and this proposed amendment is aimed at levelling the playing field and avoiding inefficient investment (irrespective of technology). Are there any other approaches the Authority should consider to address this issue? | Nova is satisfied the approach taken is appropriate so long as the Benefit Based Charge reflects the consumer's use of the grid. |
| Q5. | Do you agree with the objectives of the proposed amendment? If not, why not? | Yes |
| Q6. | Do you agree the benefits of the proposed amendment outweigh its costs? | Yes |

| Chapter No. | Question | Response |
|-------------|---|----------|
| Q7. | Do you agree the proposed amendment is preferable to the other options? If you disagree, please explain your preferred option in terms consistent with the Authority's main statutory objective in section 15 of the Electricity Industry Act 2010. | Yes |
| Q8. | Do you agree the Authority's proposed amendment complies with section 32(1) of the Act? | Yes |
| Q9. | Do you agree with the objectives of the proposed amendment? If not, why not? | Yes |
| Q10. | Do you agree the benefits of the proposed amendment outweigh its costs? | Yes |
| Q11. | Do you agree the proposed amendment is preferable to the other option? If you disagree, please explain your preferred option in terms consistent with the Authority's main statutory objective in section 15 of the Electricity Industry Act 2010. | Yes |
| Q12. | Do you agree the Authority's proposed amendment complies with section 32(1) of the Act? | Yes |

| Chapter No. | Question | Response |
|----------------|---|----------|
| Q13. | Do you have any comments on the drafting of the proposed amendment in Appendix A? | No |