

Contact Energy Submission on Improving Outage Coordination

Submitter	Contact Energy
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Questions	Comments
Q1. Do you agree with the issues identified by the Authority?	Contact agrees with the issues identified by the Authority and highlights the need to remove ambiguity to help drive transparent and consistent outcomes.
Q2. What other outage coordination issues should the Authority consider for our future programme of work? Please expand.	<p>Improving estimates, and clarity, of likely demand response is important to reduce the number of times Transpower calls on outages to be cancelled and or shifted unnecessarily. These instances increase cost and risk to the system and undermine the process.</p> <p>In relation to the retail and end user impact, the industry in general is lacking reasonable requirements on system and network operators to keep parties informed during an unplanned outage. This was highlighted during the recent Northland incident where communication was slow and sporadic and often unnecessarily referred customers to their retailers, despite retailers not being given any information from the incident source (we were getting most of our updates through media or direct inquiries with parties). Its unhelpful, creates additional customer frustration during an already challenging time and reflects poorly on all parties in the chain. There is a multitude of channels for notifications and communications to be delivered these days and no reason why some minimum communication service level thresholds and requirements shouldn't be established.</p>
Q3. Do you agree with the proposed changes to outage coordination obligations on the system operator and asset owners? If not, what don't you agree with and why?	<p>Generally, Contact agrees with the changes.</p> <p>However, if the EA want to improve outage planning more could be done including:</p> <ul style="list-style-type: none"> • Clarifying the definition of what does and does not constitute an outage would help ensure all participants are adhering consistently to the rules. E.g. It is Contact's view that reductions in generation because of Temperature changes and/or fuel restrictions, including gas, water or geothermal fluid do not constitute an outage, and are better signalled through other mechanisms such as the offer process. • Including an obligation for NZGB to be available for 365 days ahead, from the current 200, to align with the obligation on asset owners.

<p>Q4. Do you agree the analysis presented in this regulatory statement? If not, why not?</p>	<p>Generally, Contact agrees with the analysis however as discussed above more can be done to reduce ambiguity.</p>
<p>Q5. 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 statutory objective in section 15 of the Electricity Industry Act 2010.</p>	<p>Contact agree that the proposed amendment is preferable to the status quo.</p>
<p>Q6. Do you have any comments on the drafting of the proposed amendment?</p>	<p>The shift away from "as soon as practicable" to "immediately" is unnecessary, and may distract from pressing safety matters. The focus, particularly in the event of an unplanned outage, should be on safely shutting down units and ensuring activities to accurately estimate required repairs and estimated return times. In addition, the bone fide process already ensures market participants have timely information on generation capacity reductions.</p>