

Genesis Energy Limited Level 6 155 Fanshawe Street PO Box 90477 Victoria St West Auckland 1142 New Zealand

T. 09 580 2094

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To: The Electricity Authority Email: forecasting@ea.govt.nz

Forecasting provisions for intermittent generation – Genesis Submission

Genesis Energy Limited (**Genesis**) welcomes the opportunity to comment on the Electricity Authority's (**the Authority**) *Review of forecasting provisions for intermittent generators* paper. Please see our responses to the consultation questions on page two.

Yours sincerely,

Mitch Trezona-Lecomte

Mitchell Trezona-Lecomte

Senior Advisor, Government Relations and Regulatory Affairs

Questions	Comments
Q1. Do you agree that the proposed Code amendments are necessary to give effect to the Authority's policy decisions? If not, please explain why.	It will be important to ensure clarity regarding the process generators need to follow to validate FOGPs as received from the forecaster, particularly where a generator disagrees with the generation forecast as provided. To help generators validate the generation forecast, we suggest that the forecaster be required to provide data inputs and key assumptions to generators as well as the generation forecast expressed in MW.
Q2. Do you agree that intermittent generators will be required to submit their first offer six days before the beginning of the trading period to which the offer relates? What impacts, if any, would this change have on you?	We suggest the Authority should satisfy itself that forecasts can be provided up to 6 days ahead at a sufficient level of accuracy such that the benefits of collecting this information will outweigh the added administrative costs (from forecasters providing forecasts, and retailers revising their offers every 30 minutes). We note that the Authority's Issues and Options Paper published in June last year found that forecasts (for wind) are only accurate hours ahead.
Q3. Do you agree with the revised decision that all industry participants (ie, not only generators) should be required to contribute to the costs of the centralised forecast rather than generators only?	Yes, we agree on the basis that all participants benefit from the forecasting service.
Q4. Do you agree the Authority's proposed Code amendments complies with section 32(1) of the Act?	Yes.
Q5. What inputs would intermittent generators need to provide to the centralised forecaster to produce accurate generation forecasts? Would there be issues with intermittent generators providing this information?	The information for intermittent generators to provide will depend on whether it is solar or wind being forecast, and the forecasting method being used. Some methods use detailed on-the-ground engineering information (e.g. inverters, solar strings, solar irradiance, wind speed etc) whereas other methods source satellite and other information, actual generation and use machine learning techniques to produce forecasts and bring in outage information from POCP to determine capacity. These are both valid methods. However, there are costs involved in providing on the ground equipment, and there is a question as to who will pay for necessary equipment where required. Also, to provide SCADA information to the centralised forecaster will involve costs and considerations such as cyber security and what level of communications redundancy is required (which also involves costs). We suggest careful consideration and engagement with generators is needed to explore and help define this better.