Submission: Addressing common quality information requirements

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The challenges identified in the paper must have been addressed in other jurisdictions

The consultation paper mentions a number of overseas jurisdictions and the challenges they have faced. New Zealand seems to have a relatively small amount of IBR compared with those other jurisdictions. For example, at times rooftop solar is over 50% of electricity production in the eastern Australian electricity market – there must be learnings New Zealand can take from Australia.

Learn from the Wind Grid Integration Project

The electricity sector is going through a major change. In the early 2000s the industry recognised that wind was going to be a major source of generation for New Zealand. The response was a comprehensive exploration of the issues via the wind grid integration project. This project was developed at a time when there was little experience internationally with wind development, i.e. the industry was at the early stages of development globally.

A key difference from the wind grid integration project is that much of the world is ahead of New Zealand in terms of the amount of IBR. It would therefore seem that a study like the wind grid integration project focused on IBR would be about applying the learnings developed overseas to the characteristics of the NZ power system.

A way forward

We recommend that rather than explore lots of issues via consultation documents and the likes of the Common Quality Working Group, a comprehensive project is established that learns from other jurisdictions. New Zealand is a relatively late adopter of IBR compared to other jurisdictions. Let's make good use of that advantage and design a process for updating our practices (including the Code) making full use of the learnings from overseas.

Questions

Q1. Do you agree with the key drivers of change in power system modelling requirements identified in this section? If you disagree, please explain why.

It is clear that the power system is going through a major change.

Q2. Are there any other drivers of change in power system modelling requirements which are not covered in this section? If so, please elaborate.

Unless we thoroughly explore approaches overseas we won't really know the answer to this question until the new technology is actually modelled. We are in a learning, exploratory phase in the power system.

Q3. Do you agree with the Authority's elaboration on the common quality-related information issue set out in this section? If you disagree, please explain why.

We suggest a thorough review of overseas approaches. This suggestion is made throughout this submission.

Q4. Do you agree that the current provisions in the Code are insufficient to address the common quality-related information issue described in this section? If you disagree, please explain why.

Please refer to the answer to question 3.

Q5. Do you consider there to be any other aspects of the common quality-related asset information issue that are not covered in this section? If so, please elaborate.

Please refer to the answer to question 3.

Q6. Do you agree with the short-listed options presented by the Authority? If you disagree, please explain why.

The options need to be referenced to international best practice and the learnings from other jurisdictions. The document appears partially, and only partially, informed by international developments. We suggest the Authority explores in more depth what is

going on in other jurisdictions, share that with the New Zealand industry and identify the best ways forward. If that has been done it is not clear from the document.

Q7. Do you have any feedback on the desirability of a document incorporated by reference in the Code specifying various common quality-related information requirements?

That approach does have some logic assuming that it is much easier to change/update than the Code.

Q8. Do you agree with the pros and cons associated with each option? What costs are likely to arise for affected parties (eg, asset owners, network operators and network owners) under each of the options?

This question is hard to answer because the options are so high level and vague.

Q9. Do you consider any perceived conflicts of interest arising under the second and third short-listed options to be material in nature? If so, please elaborate.

Without understanding how these options could play out in practice it is hard to assess what the conflicts of interest might be.

Q10. Do you propose any alternative options to address the common quality-related information issue? If so, please elaborate.

As above, have a thorough look at overseas approaches. The Wind Grid Integration Project provides an example of the kind of approach needed. Except that unlike that project, there is now a lot of international experience that New Zealand can draw upon.