

12 November 2024

Consultation: Addressing common quality information requirements

Electricity Authority

Level 7, AON Centre

1 Willis St

Wellington 6011

Submitted by email to fsr@ea.govt.nz

To whom it may concern,

Electricity Networks Aotearoa (ENA) appreciates the opportunity to make a submission to the Electricity Authority (the Authority) consultation on *Addressing common quality information requirements*.

ENA represents the 29 electricity distribution businesses (EDBs) in New Zealand (see Appendix B) which provide local and regional electricity networks. EDBs employ 10,000 people, deliver energy to more than two million homes and businesses and have spent or invested \$8 billion in the last five years.

ENA has reviewed the consultation material and supports the Authority's **Option 2** – to '*Update and clarify common quality-related information requirements in the Code and enable the system operator and distribution network operators to share common quality-related information*'. Our responses to the consultation questions are contained in Appendix A of this submission.

ENA notes that the issue the Authority is trying to address with this proposal "*...relates to the provision of common quality-related information to network operators and network owners.*"¹ [emphasis added]. The proposals in this paper to allow for greater sharing of common quality-related information *between* the SO and network owners is an attempt to address this issue. ENA therefore has concerns that EDBs may be burdened with obligations to obtain common quality-related information from asset owners simply to provide it onwards to the SO and other network owners, rather than for their own purposes. EDBs will need to develop processes, systems and policies related to the obtaining, storing and transmitting common quality-related information, but not directly benefit from doing so.

ENA is not opposed to the above but wishes to see greater clarity from the Authority as to the scope of changes needed to the Code and EDB processes, etc to address the fundamental issue at play i.e. provision of common quality-related information to network operators and owners from asset owners. We would welcome further engagement with the Authority to define in some

¹https://www.ea.govt.nz/documents/5739/Addressing_common_quality_information_requirements.pdf, pg. 2.

detail what is required and assure ourselves that this is both the minimum intervention necessary to address the issue identified and that it is both practical and workable from an EDB perspective.

Do not hesitate to get in touch with ENA if you'd like to discuss any of the points raised in our submission.

Yours sincerely,



Richard Le Gros
Policy and Innovation Manager
Electricity Networks Aotearoa

Appendix A - ENA response

Submitter Electricity Networks Aotearoa

Questions	Comments
<p>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.</p>	<p>ENA agrees with the drivers of change that the Authority has identified.</p>
<p>Q2. Are there any other drivers of change in power system modelling requirements which are not covered in this section? If so, please elaborate.</p>	<p>ENA is not aware of any other drivers of change that could have been included in this section.</p>
<p>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.</p>	<p>ENA agrees with the Authority's explanation of common quality-related information issues in the distribution sector.</p>

Questions	Comments
<p>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.</p>	<p>ENA agrees that the Code does not currently provide sufficient mechanisms for network owners to obtain common quality-related information from asset owners. ENA notes that, in addition to greater provision of this information at the time of connection of DER to the distribution network, greater access to smart metering data for distributors would also help to ensure the efficient management of the distribution networks.</p> <p>ENA wishes to highlight that the role and of the SO and that of distributors with respect to maintain power quality across their respective systems is different and distinct, and while distributors will increasingly become more active managers of their networks, this distinction will still in large part remain.</p> <p>It's therefore important that the behaviour and performance of DER (e.g. distributed generation, BESS, etc) continue to be primarily managed via appropriate and robust technical standards, connection processes and asset commissioning and review processes. The provision of greater common quality-related information to network operators and owners should not be seen as a replacement for these standards and processes and the corresponding obligations on DER owners and operators.</p>
<p>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.</p>	<p>As noted above, greater levels of ongoing access to smart metering data for distributors would also help to address network security and performance risks arising on the distribution networks.</p>
<p>Q6. Do you agree with the shortlisted options presented by the Authority? If you disagree, please explain why.</p>	<p>ENA agrees with the shortlisted options identified by the Authority.</p>
<p>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?</p>	<p>ENA would prefer a document incorporated by reference in the Code specifying various common quality-related information requirements.</p>

Questions	Comments
<p>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?</p>	<p>ENA does not agree that the ‘con’ identified under option 2 (5.21(a)) is a significant or plausible risk that arises under this option. There is no evidence that we are aware of that this kind of unfair advantage has ever arisen in NZ, and in any case there is a robust set of competition law in place, as well as a competent and active competition regulator, to mitigate these risks and provide avenues for redress.</p>
<p>Q9. Do you consider any perceived conflicts of interest under the second and third shortlisted options to be material in nature? If so, please elaborate.</p>	<p>As noted above, ENA does not agree that the conflict of interest identified under option 2 (5.21(a)) is a significant or plausible risk, for the reasons given.</p>
<p>Q10. Do you propose any alternative options to address the common quality-related information issue? If so, please elaborate.</p>	<p>No comment.</p>
<p>Q11. Do you agree with the Authority’s high-level evaluation of the short-listed options to help address the common quality-related information issue? If you disagree, please explain why.</p>	<p>No comment.</p>

Appendix B: ENA Members

Electricity Networks Aotearoa makes this submission along with the support of its members, listed below.

Alpine Energy

Aurora Energy

Buller Electricity

Centralines

Counties Energy

Electra

EA Networks

Firstlight Network

Horizon Energy Distribution

MainPower NZ

Marlborough Lines

Nelson Electricity

Network Tasman

Network Waitaki

Northpower

Orion New Zealand

Powerco

PowerNet

Scanpower

The Lines Company

Top Energy

Unison Networks

Vector

Waipa Networks

WEL Networks

Wellington Electricity Lines

Westpower