20 December 2024

Electricity Authority

By email to: connection.feedback@ea.govt.nz

Tēnā koe

Response to 'Network connections project – stage one"

Thank you for the opportunity to respond to Network connections project – stage one.

Overall the Authority has presented a thorough and thoughtful set of recommendations to remove non-price barriers to network connections. We agree with the Authorities view that regulation is the best approach to ensure that access to distribution networks are more complete, consistent, streamlined and robust and will support the investment in electrification in NZ.

We are also very supportive of the two-staged approach, to ensure critical measures can be fast-tracked and implemented as soon as possible.

We provide detailed responses to the consultation questions below. As we are in agreement in principles with the objectives of the Authority and most recommendations, there is no major call-outs to highlight.

Please contact me at ███████████████████████████ f you wish to discuss further.

Ngā Mihi

Questions

Proposal A questions: Amend the application processes for larger-capacity DG applications
A) What are your thoughts on the proposal to replace nameplate capacity with maximum export power?
A pragmatic update that makes sense.
B) Do you support the proposed Process 2 for medium DG (>10kW and <300kW), including the proposed requirements and timeframes? What are your thoughts on the proposed size threshold? What other changes would you make to the medium DG application process, if any?
The size threshold makes sense.
We would like the overall timeline reduced to 30 business days as the standard, with an ability for a Network to apply to have this extended to 40 days when they are experiencing an atypical number of requests.
Additionally, we would recommend a two-stage process for medium DG that does not extend the overall timeline. Adding in an additional step that requires the Network to complete a high-level review of the request and information provided and confirm to the applicant that they have all the information they require to proceed with the detailed review, for both initial and final applications. This milestone could be set at say 10 Business Days. Once this has been completed, additional information can be requested from the applicant while completing a detailed review, but it does not reset the timeline to 0 days. We believe this additional step will remove an ability to employ delaying tactics as the deadline approaches.
C) Do you support the proposed Process 3 for large DG applications (≥300kW), including the proposed requirements and timeframes? What are your thoughts on the proposed size thresholds? What other changes would you make to the large DG application process, if any?
We support the three stage process (initial, interim, final). 40 business day overall feels appropriate for Large DG applications.
As per answer to question B). we would advocate for an extra step/milestone to be included within each application process, whereby the Network would confirm to the applicant that they have all the information they require to proceed with the detailed review.
The lower end of size threshold makes sense, however may need a "very large" class too, that for instance are looking to connect to sub-transmission and have extra complexity for analysis. The potential "complex" categorisation proposed may cover this, but more guidelines required on what defines an application as complex.

D) Do you think the Authority should apply any of the proposed changes for large DG to medium DG applications also?

No.

Proposed information disclosure requirements that identify and highlight congestion should be sufficient. This process could be improved through an increase in frequency of updates as congestion is identified.

E) What are your thoughts on industry developing the detailed policies to complement the Code changes proposed in this paper?

This makes sense. Code changes are inflexible and difficult to update. Policies need to be able to be revised as technology changes.

F) What are your thoughts on the Authority's summary of capacity rights allocation?

We agree in principle that milestones should be required to be met to continue to hold capacity rights. As discussed, there is the ability to confer capacity rights sooner.

However, we believe further discussion and guidance on how capacity rights are removed or managed, once conferred to a connecting party, is required.

As Capacity rights can be allocated at any time during the connection process, it would be beneficial for an applicant or interested party to see the status of capacity rights at any time, given they may be at a different status to the rest of the application.

Proposal B questions: Add application processes for larger-capacity load

G) For Process 3 for medium load (>69kVA and <300kVA) applications:

- **Do you support the proposed process and why?**

- **What are your thoughts on the proposed requirements, size thresholds and timeframes?**

- **What changes would you make to the medium-load application process, if any?**

We support a two stage process.

Same feedback as provided to question B). We would advocate for a reduction to 30 Business Days and an extra milestone within each process.

Size threshold makes sense. We support aligning medium and large with DG application size thresholds. Consistency in the process will be beneficial for all parties.

H) For Process 5 for large load (≥300kVA) applications:

- **Do you support the proposed process and why?**

- **What are your thoughts on the proposed requirements, size thresholds and timeframes?**

- **What changes would you make to the large load application process, if any?**

Same feedback as for question C). Consistency between a Large DG application and Large Load application is desirable..

I) Do you think the Authority should apply any of the proposed changes for large load to medium-load applications also? If so, which ones and why?

No

J) What are your thoughts on the Authority's summary of capacity rights allocation?

Same feedback as for question F). Consistency between a Large DG application and Large Load application is desirable.

K) What else does the Authority need to consider beyond the proposals in this paper and why?

Proposal C questions: Require distributors to publish a 'network connections pipeline' for large-capacity DG and load, and provide information on this pipeline to the Authority

L) Do you support the proposed network connections pipeline, why, why not? What changes would you make, if any? What are your thoughts on the scope of the information to be published?

Yes, we support development of a network connections pipeline. The scope of information to be published feels sufficient, however the design should allow for adjustments in future.

We see no downsides of this being developed. A pipeline will allow customers to:

1) understand where they may be in competition for capacity and collaboration may result in a better outcome for all parties; and
2) where upgrades may already be planned that they can share the costs / benefits of and potentially accelerate.

M) What are your thoughts on the proposal for distributors to provide information directly to the Authority on an ongoing basis?

This will improves transparency, and allow oversight and understanding of connection trends over time.

We imagine this regular communication, transparency and depth of information will also benefit both Networks and the Authority when there is a dispute.

Proposal D questions: Require distributors to provide more information on network capacity
N) What do you think of the proposal to publish more information on network capacity? What challenges do you see with providing the data? What changes would you make, if any?
This information is valuable to access seekers and helps provide a more level playing field in terms of access to data. We would like to see Geospatial data at MV level and above. We understand that for most Networks this data already exists at MV level and above. The benefits will only be realised if the data is maintained and updated in a timely matter. So we would like to see additional guidance provided around how often this information will be refreshed.
O) What are your thoughts on the scope and granularity of the information to be published?
Scope appears right, granularity makes sense, however as per our response to question L). the design should allow for adjustments in future.
Proposal E questions: Update the regulated terms for DG
P) What are your thoughts on the proposed changes to the regulated terms?
We believe this makes sense and needs to occur.
Proposal F questions: Add regulated and prescribed terms for load applications and amend dispute resolution requirements
Q) What are your thoughts on the proposed regulated and prescribed terms for load? What changes would you make, if any?
R) What are your views on the proposed dispute resolution changes for Part 6? In what ways could dispute resolution be further improved? What are your thoughts on the alternative options to deliver dispute resolution discussed in this paper? Do you have any feedback on the 20-business day timeframe proposed?
In our opinion, the most important factor is consistency. The disputes process needs to be same for all applicants, regardless if deemed industry participant or not.

S) Do you consider the alternative contractual terms option discussed in this paper (and in the Distribution connection pricing consultation paper) would be better than the proposal without contractual terms? What are your thoughts on the other alternative options referred to?
Same feedback as provided in question R).
Proposal G questions: Increase record-keeping requirements for distributors
T) Do you support the proposal to increase the record-keeping requirements for distributors and why? What changes would you make, if any?
Yes, as noted by the Authority, the sector is rapidly changing and additional information is required for adequate monitoring.
Proposal H questions: Introduce new Part 1 definitions and amend existing definitions (Part 1 only)
U) What are your thoughts on the proposed new definitions and amended definitions for Part 1 of the Code? What changes would you make, if any?
V) What other terms do you think the Authority should define and what definitions do you propose for those terms?
No additions.
Proposal I question: Make minor and incidental amendments to Part 6
W) What are your thoughts on the proposed minor and incidental changes to Part 6? What minor and incidental changes has the Authority missed and what changes would you make, if any?
Proposed changes seem appropriate and sensible.
Transitional arrangement questions

X) What are your thoughts on the transitional arrangements for the proposals in this paper? Submitters can consider individual proposals when responding to this question.
As industry is already working on processes (ENA workstream) and technical guidelines (EEA workstream), we would like to see a shorter transition period from the point where changes are finalised by the Authority.
Y) What proposals do you consider the most important? How long do you think is needed to implement these?
Adding load connections is the most important in our opinion and we would like to see these implemented within 6 months.
Code drafting question
Z) Do you have comment on the Authority's drafting of the proposed Code changes? What changes would you make, if any?