

16 December 2024

Wellington Airport submission – Network Connections Project – Stage One Consultation

We wish to thank the Electricity Authority for sharing and engaging with customers (e.g. non participants) who are directly affected by Electricity Distribution Businesses (EDB) network connection charges.

We endorse the process as presented by the EA and wish to provide some additional insights that may serve in further refinement of the new connection charges project.

Wellington Airport plays a fundamental role in the city, region and country's social and economic wellbeing. The Airport accommodates aircraft movements associated with scheduled, general aviation operations, for domestic and international flights, corporate jets, the New Zealand Defence Force and helicopters.

The Airport provides an important national and international transport link for the local, regional and international community and has a major economic influence, generating over 14,500 jobs and \$2 billion in GDP to the Wellington region's economy

The Airport is also a provider of emergency services and is a lifeline utility under the Civil Defence Emergency Management Act 2002 ("CDEM 2002").

We observe that The Code does not presently differentiate between the nature of consumers and the required resilience or prioritisation for essential consumers of electricity. This differentiation is presently at the discretion of the EDB.

Internally our electrical network connects many smaller tenants with different electrical reliability requirements, but in general a loss or unstable electrical supply jeopardises efficient business operation. We endorse the proposal to improve the transparency and regular disclosures of the existing external EDB network capacity so we may better understand our external energy risks. Similarly, we appreciate that the EDBs benefit from open discussions with consumers to allow improved capital development planning and welcome any forum that may provide this feedback path.

Internally WIAL is promoting significant decarbonisation targets. These targets also include those of tenants and larger users of energy with stringent availability requirements (e.g. airside equipment all electric, aircraft etc). Some of these targets are immediate with ongoing medium-term growth with a small degree of uncertainty.

To date engagement with the local EDB has been positive, but it is evident that other larger consumers in the region are anticipating growth also, so we are challenged to secure capacity. We endorse the proposal to improve transparency of recovery of upstream costs where multiple consumers require significant capacity enhancements within the same sub transmission zone.

We also endorse the proposed connection charge reconciliation pricing methodology. This would improve cost certainty when undertaking capital development master planning should this information be disclosed by the EDBs.

We appreciate the opportunity to provide feedback on the proposed changes and are committed to maintaining an open line of communication for further consultation. Should you have any questions or require further information please contact:



Network connections project: Stage one amendments

Submission form

Introduction

The Electricity Authority Te Mana Hiko seeks views on the DG proposals in the 'Network connections project: Stage one amendments' consultation paper. To assist you, this submission form includes the questions in that paper in one place, in Microsoft Word and in tabular form.

A) You are not limited by the questions provided and are encouraged to provide other comments you think are relevant to the Authority's proposals.

Submission details

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| Submitting organisation | Wellington International Airport Ltd. |
| Contact person | ██████████ |
| Contact email | ██ |

Questions

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| 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? |
| This is not applicable to our site so we have no further comment |
| 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? |
| This is not applicable to our site so we have no further comment |
| 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? |
| This is not applicable to our site so we have no further comment |

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| D) Do you think the Authority should apply any of the proposed changes for large DG to medium DG applications also? |
| This is not applicable to our site so we have no further comment |
| E) What are your thoughts on industry developing the detailed policies to complement the Code changes proposed in this paper? |
| We endorse working with industry on developing policy |
| F) What are your thoughts on the Authority's summary of capacity rights allocation? |
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| Proposal B questions: Add application processes for larger-capacity load |
| G) For Process 3 for medium load (>69kVA and <300kVA) applications: <ul style="list-style-type: none"> • 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? |
| N/A |
| H) For Process 5 for large load (≥300kVA) applications: <ul style="list-style-type: none"> • 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? |
| Yes, WIAL supports the proposed process. To date engagement with the local EDB has been positive, but it is evident that other larger users in the region are anticipating growth also, so we are challenged to secure capacity. Furthermore, the proposed process does not currently consider the nature of the connected consumer. We feel this is particularly important as a lifeline utility |
| 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? |

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| <p>Yes – the proposed pricing structures make absolute sense. This is currently a major issue for any large consumer as often “the first cab off the rank takes the hit” for major capacity enhancements.</p> |
| <p>J) What are your thoughts on the Authority’s summary of capacity rights allocation?</p> |
| <p>No comment with the exception of consideration towards the nature of the connected consumer (refer item k below)</p> |
| <p>K) What else does the Authority need to consider beyond the proposals in this paper and why?</p> |
| <p>As a lifeline utility, we observe that The Code does not presently differentiate between the nature of consumers and the required resilience or prioritisation for essential consumers of electricity. This is presently at the discretion of the EDB.</p> |
| <p>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</p> |
| <p>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?</p> |
| <p>Yes, we endorse the proposed connections pipeline as it provides a mechanism for all parties to sensibly invest at the right time.</p> <p>It also enables us to understand projects that may have short term impacts on our security of supply</p> |
| <p>M) What are your thoughts on the proposal for distributors to provide information directly to the Authority on an ongoing basis?</p> |
| <p>We endorse the proposal for EDBs to provide information directly to the Authority on an ongoing basis. Information relating to external network capacity will allow WIAL the ability to improve managing risk relating to security of supply.</p> |
| <p>Proposal D questions: Require distributors to provide more information on network capacity</p> |
| <p>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?</p> |
| <p>We endorse the proposal to improve transparency and regular disclosures of network capacity. Internally our electrical network connects many smaller tenants with different electricity requirements. WIAL is promoting significant decarbonisation targets including</p> |

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| those of tenants and larger users with stringent availability requirements (all electric airside equipment, electric aircraft, etc.). Improved transparency will allow us to better understand our external energy risks. |
| O) What are your thoughts on the scope and granularity of the information to be published? |
| We would look to review this published data during regular reviews of our site masterplan e.g. 6 monthly |
| Proposal E questions: Update the regulated terms for DG |
| P) What are your thoughts on the proposed changes to the regulated terms? |
| We have no comment relating to this item |
| 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? |
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| 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? |
| We endorse the proposed dispute resolution changes. |
| 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? |
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| 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, we support any proposals for record keeping that promotes easier analysis of the network and informs investment decisions |

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| 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? |
| We have no comment on part 1 changes |
| V) What other terms do you think the Authority should define and what definitions do you propose for those terms? |
| We have no comment on part 1 changes |
| 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? |
| We support the minor and incidental changes |
| 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. |
| To maintain the good communication and keep providing updates to timeframes on when this all will likely occur. |
| Y) What proposals do you consider the most important? How long do you think is needed to implement these? |
| Pricing of EDB capacity enhancements i.e. depth of connection charge and transparency of these costs to a large consumer as well as security of supply. |
| 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? |
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