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Submissions
Electricity Authority
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By email: submissions@ea.govt.nz

Wind Offer Arrangements

Thank you for the opportunity to provide feedback to the Electricity Authority (the Authority) on the discussion document Wind Offer Arrangements.

Genesis agrees with the intention and rationale behind the proposed changes to the Wind Offer Arrangements, specifically those changes that provide an ability for the market and investors to plan effectively through improved forecasting.

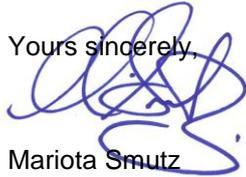
The short-term outcomes of an improved ability to forecast in Genesis' view may also provide an increasing level of comfort in the longer term for investors and decision makers as they consider the economic viability of investing in further wind generation. This would be a positive move in the right direction as industries and communities seek a level of certainty as they consider the next steps towards a low emissions economy.

We note too, the cost and benefit estimates provided and are supportive of the conclusions drawn for the proposed amendment. It will, however, be important to measure and evaluate the effectiveness of the amendment to ensure the intended outcomes occur and unintended consequences are avoided. We would recommend the Authority schedule a one year review to ensure indicators of success are being met.

Genesis agrees that the Authority has identified the correct option to pursue and that the alternative option, that allows wind generators to withdraw generation based on their own expectations of upcoming market conditions, would provide sub-optimal benefits and should therefore be disregarded.

Once again, thank you for this opportunity to provide feedback. Please do not hesitate to contact me should you have any questions at mariota.smutz@genesisenergy.co.nz or +64 9 951 9137.

Yours sincerely,



Mariota Smutz

Group Manager – Policy and Regulation