

Jo Mackay

From: Martin Post <mjp.ets@orcon.net.nz>
Sent: Saturday, 30 June 2018 9:10 PM
To: Submissions Mailbox
Subject: Consultation Paper - List of distributed generation eligible to qualify to receive ACOT, lower North Island

Hello

I have read the list of all DG in the lower North island eligible to receive ACOT.

Our 100 kW capacity hydro generation is not on the list, and this email need to record an objection - to either the logic used to create the list or the administration error that has created our omission.

Our ICP is 0036740443PC87E and we are on the MARTON GXP.

Considering that other far smaller (likely PV) generation are on the list, I would like to know how this decision was arrived at, especially considering our plant generates in winter evening peaks and all PV will not (unless they have batteries which is unlikely due to the cost) as the sun will not be shining.

The Mitton Report claims justification for leaving some GXP's off the list based on local load considerations.

We submit this is too narrow a view as any DG in the North island reduces transmission losses from South Island Generation - especially if generating at peak since peak load determines line capacity. Whether lines are overbuilt via gold plating by planners in the past should not be a consideration - this decision making process is historical and has resulted in some local constraints - but if past decisions had been to gold plate the current lines identified in the Mitton report instead i.e. the ones identified with capacity constraints - there would be a completely different set of GXP's on the list.

Therefore we would argue in favour of all DG that generates on peak independent of size and location, to be paid ACOT as any DG should not be be discriminated against due to past planning decisions from NZED and its successors. Those past decisions have favoured some parts of the grid and not others often as the result of local lobbying.

The same logic applies for DG as for load control operation - line companies cut hot water on peaks for national as well as local reasons - if the power system ran unconstrained nationally then the entire power system would be under threat as load could exceed generation. DG that generates during peaks reduces peak load just as hot water cylinder cuts do.

If line companies invest in load control to reduce peak load and those companies get a return on that investment, then DG operating on peaks to reduce the same load should also be entitled to the same return.

All DG that generates during winter peaks has definite value, and to not be paid for that is against common sense and natural justice.

We have a letter from Powerco that states we are on regulated terms, which is available to the authority on request.

Regards

Martin Post
Director
Drysdale Hydro Company Limited.