



12 November 2018

Submissions
Electricity Authority
PO Box 10041
WELLINGTON 6143

Dear Authority

Integrating hosting capacity into Part 6 of the Code on low voltage networks

Contact Energy welcomes the opportunity to respond to the Electricity Authority's Access to WITS and the registry consultation paper.

We have provided a general comment instead of answering each of the 12 questions. Our views are as follows:

Integrating hosting capacity into Part 6 of the Code

Contact supports mandatory adoption of advanced power quality support modes for inverters, as long as the review finds that such a requirement will not add new costs for SSDG inverters or create any other adverse consequences. We agree with the comments that SSDG systems "can also provide services useful for improving local and national power quality and for mitigating local network congestion". Contact recommends the question is "How to incentivise these services?", and we agree that "markets for such services have not yet developed, and may not develop for quite some time".

Contact also agree with the EA's view on the "general pitfalls of mandated approaches", and have reservations about a standards-based approach as an interim measure. We are particularly concerned with potential approaches such as those in clause 6.10 to mandate EV charging in a way that addresses network capacity problems. Our concern with distributors accessing mandated control of inverters (and potentially EVs) is it will reduce an incentive for distributors to develop into "system operators". This may hinder or prevent the development of competitive markets at the distribution level for capacity and power quality.

As the EA mentions, solar PV is at a low level in New Zealand, and without policies to incentivise investment, deployment has been fairly consistent for the last few years. Therefore, given there is no pressing need to do anything now, our view is to wait and review lessons from international distributors taking a market-based approach to solving these potential issues.

Should you have any questions please don't hesitate to contact me.

Yours sincerely

A handwritten signature in black ink that reads "Dobby Abrahams".

Dobby Abrahams
Commercial Manager