



Electricity Authority Te Mana Hiko
Level 7, Harbour Tower
2 Hunter Street
Wellington 6011

15 May 2026

By email: distribution.feedback@ea.govt.nz

Dear Sir / Madam

Consultation – Improving information on high-voltage network capacity.

Tenco Limited (Tenco) welcomes the opportunity to make this submission on the Electricity Authority Te Mana Hiko's consultation paper, Improving information on high-voltage network capacity, dated 5 May 2026. Our submission is set out below.

1. Introduction and overview

Tenco Limited (Tenco) welcomes the opportunity to submit on the Electricity Authority Te Mana Hiko's (Authority) consultation paper, Improving information on high-voltage network capacity (the Consultation Paper).

Tenco operates embedded networks at private properties throughout New Zealand on behalf of our clients. Our submission is made from the perspective of an embedded network owner and operator and focuses on a single, practical issue: ensuring that the proposed obligations in Part 6 of the Electricity Industry Participation Code 2010 (Code) apply only to electricity distributors, and not (whether deliberately or by ambiguity) to embedded networks operating within a host distributor's area.

In short, Tenco supports the Authority's objective of improving network visibility for parties seeking access to monopoly distribution networks. We do not, however, consider that extending those obligations to embedded networks would deliver any meaningful benefit to access seekers, and we are concerned that doing so would impose disclosure costs on private property owners with no corresponding public-interest gain.

2. Tenco's key submission

The Authority's proposal should expressly exclude embedded networks from the scope of the new disclosure obligations under proposed clauses 6.3(2)(dg)–(dk) and 6.3A of the Code. The exclusion should be made clear either on the face of the Code or, at a minimum, in the supporting technical specifications. Our reasoning is set out below.

2.1 Embedded networks are private property, not regulated open-access infrastructure

The Authority's entire rationale for the proposed amendments rests on the fact that distribution networks are regulated monopolies with an open-access function. Access seekers have a right to seek connection to a distribution

network and the Code provides the framework within which that connection is granted. Information transparency is the corollary of that open-access regime: without published capacity information, prospective connecting parties cannot make efficient decisions and the monopoly distributor holds an unjustified informational advantage.

None of that logic applies to an embedded network. Embedded networks are private property. There is no public right of access to them. A party that wishes to take supply from premises served by an embedded network does so by entering a lease, licence, occupation agreement or similar private arrangement with the property owner. The arrangement is commercial, contractual and bilateral – not regulatory.

2.2 Capacity within an embedded network is allocated by lease, not by published map

Capacity within an embedded network is allocated as part of the property leasing process, not by reference to a public capacity map:

- Where capacity exists at the property and the prospective tenant's requirements can be accommodated, capacity is granted to that tenant under their lease.
- Where capacity does not exist at the property to meet the prospective tenant's requirements, the embedded network owner works directly with the host distributor to establish additional capacity at the parent connection as part of securing that lease.
- In either case, the relevant negotiation is between the prospective tenant and the embedded network owner (and, where required, the host distributor). It is not a process in which a third-party access seeker has any role.

Publishing embedded network capacity to the world at large would not contribute to that allocation process. It would simply expose private commercial information – the spare capacity at a particular site, the load profile of existing tenants, planned expansions and the embedded network owner's commercial strategy – without enabling any decision that is not already enabled by direct contact with the owner.

2.3 The Authority's statutory objective is not advanced by embedded network disclosure

The Authority's objective under section 15 of the Electricity Industry Act 2010 is to promote competition in, reliable supply by and the efficient operation of the electricity industry for the long-term benefit of consumers. There is no competitive market for capacity within a single privately-owned embedded network – by its nature, the embedded network is a single allocation problem for a single property. The Authority's competition objective therefore does not extend across the boundary at the parent ICP, and disclosure of embedded network capacity does not advance any of the limbs of section 15.

2.4 The host distributor's disclosure already provides the relevant signal

Where additional capacity is required at an embedded network – typically because a new tenant's load or generation cannot be accommodated within the existing parent connection – the constraint that matters is the host distributor's HV capacity at the relevant grid exit point, zone substation, sub-transmission feeder or distribution feeder. That information will already be published by the host distributor under the proposed amendments.

Layering an additional disclosure obligation on the embedded network would therefore be duplicative. The embedded network owner already has direct visibility of its own assets and is the appropriate counterparty for any party considering occupying the property. The host distributor's disclosures are sufficient to inform any decisions about whether the wider network can support an upgrade.

2.5 Privacy and commercial sensitivity weigh against publication

Embedded networks typically serve a single property e.g. an industrial park, commercial building, residential apartments, shopping centres or similar. At that level of granularity, capacity information is functionally equivalent to information about identifiable tenants: their load, their growth, their hours of operation and (if generation is present) their export behaviour. Public disclosure would therefore expose tenant-level commercial information that would not be appropriate for publication.

The Authority has acknowledged the privacy concern in the proposed clause 6.3A(2)(a), which empowers the technical specifications to deal with measures to protect the privacy of individuals. The cleanest way to manage that risk in respect of embedded networks is to exclude them from the disclosure regime entirely, rather than attempting to anonymise data that is inherently re-identifiable at single-site granularity.

2.6 The cost-benefit case does not stack up for embedded networks

Even if the Authority were to assume some hypothetical benefit from embedded network disclosure, the cost imposed on private operators – GIS publication, quarterly updates, methodology documentation, ongoing compliance with the technical specifications and the implementation cost of standing up these capabilities – would in our view exceed any conceivable benefit, given that the population of access seekers who could act on the information is essentially zero. Any prospective tenant of the property has a direct contractual route to the same information.

3. Suggested drafting

Tenco recommends that the Authority confirm in the Code, or at a minimum in the technical specifications to be published under proposed clause 6.3A, that the obligations in clauses 6.3(2)(dg) to (dk) do not apply in respect of embedded networks. A drafting option for the Authority's consideration would be to add to clause 6.3 a clarifying subclause along the following lines:

“For the avoidance of doubt, the obligations in subclauses (2)(dg) to (dk) do not require a distributor to publish, in respect of any embedded network connected to its distribution network, information beyond the capacity information published in respect of the host distribution network at the parent connection point.”

Tenco would welcome the opportunity to work with the Authority on the drafting of any such clarification, including in the technical specifications process.

4. Responses to consultation questions

Tenco's responses to the questions in Appendix B of the Consultation Paper most relevant to the position outlined above are set out below. Where a question is not addressed, Tenco does not have a particular view.

Q5. Statutory objective	<p>Yes, in respect of high-voltage assets owned and operated by distributors. Improved transparency of distributor-owned HV networks supports the section 15 objective by reducing informational asymmetry between monopoly distributors and parties seeking to connect to (or use) those networks.</p> <p>Tenco does not consider that extending those obligations to embedded networks would advance the section 15 objective. Embedded networks are not subject to an open-access regime, are not monopolies in the relevant sense and do not constitute a market in which competition can be promoted. Capacity within an embedded network is allocated through private leasing arrangements between the embedded network owner and the property's tenants.</p>
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Q6. Matters missing from the proposed Code amendment	The Consultation Paper and the proposed Code amendment do not expressly address how the obligations interact with embedded networks. Tenco recommends that the Code (or, in the alternative, the technical specifications under proposed clause 6.3A) be amended to make clear that the disclosure obligations do not extend to embedded networks. Suggested drafting is set out in section 3 of this submission.
Q11. Starting with high-voltage networks	<p>Tenco agrees with the proposal to start with high-voltage networks owned and operated by distributors. We agree with the Authority's assessment that distributors generally already have the data and capabilities required for HV disclosure and that the cost of obtaining low-voltage data would not currently be justified by the benefits.</p> <p>We urge the Authority to confirm, however, that "high-voltage networks" in this context refers to high-voltage assets of distributors and is not intended to capture privately-owned embedded networks (whether HV or LV) operating within a host distributor's area.</p>
Q15. Costs of network visibility	Tenco considers the Authority's identification of costs is broadly reasonable in respect of distributor obligations. If the obligations were to be extended to embedded networks, however, the Authority's cost analysis would understate the true regulatory burden. Embedded network operators would face implementation costs (GIS publication, methodology, ongoing quarterly updates) in respect of small, single-site networks where there is no corresponding public benefit.
Q22. Preferred to other options	Tenco supports the Authority's preference for a Code-based, distributor-focused regime over the alternatives considered. We do not support any extension of the obligations to embedded networks. As set out in section 2, neither the status quo nor the proposed amendment relies on embedded network disclosure to function: the host distributor's HV map provides all of the upstream capacity information that any party considering an embedded network connection would need.
Q24. Drafting comments	Tenco recommends a clarifying amendment to clause 6.3 (or equivalent treatment in the technical specifications) confirming that the disclosure obligations do not require a distributor to publish capacity information in respect of embedded networks beyond the host network's capacity at the parent connection. Suggested drafting is set out in section 3.

5. Conclusion

Tenco supports the Authority's intent to improve transparency of distribution network capacity for access seekers. We ask only that the regime be confined to its proper subject matter – the regulated, open-access distribution networks owned and operated by distributors – and that the Authority confirm, on the face of the Code or in the technical specifications, that embedded networks are not within scope.

Tenco would welcome the opportunity to discuss this submission with the Authority and to participate in the development of the technical specifications.

Tenco wishes to be consulted during development of the technical specification.

Yours sincerely

Stephen Peterson

Director

Tenco Limited