

## **Submission on Electricity Authority's consultation to limit customers who can access distribution peak export payments**



Kia ora, I am submitting from the Castle Hill Community Energy Project.

Our project team would not support the proposal to limit customers who can access peak export payments to 45kVA connection capacity and 45MW maximum exportable generation.

Supporting collective local generation through community sized battery systems of up to 1MW is an economical and resilient solution, especially for remote communities such as ours and should be supported- as it is across Australia, the UK and many other countries. Removing barriers to solar/storage investment is particularly relevant for our remote village (and others like it) as installing solar/ battery storage is key to us building a sustainable and resilient community.

This proposal would make it much less attractive for communities to invest in such schemes as it would greatly decrease the potential return on investment.

There is a broader benefit to having local storage capacity in remote, high natural hazard areas such as Castle Hill, which sits in the Alpine Fault AF8 zone, and has experienced serious flooding and fire events within the past 5 years.

Firstly, incentivising more (battery) storage will build resilience during network outages such as those witnessed recently in Otago. Castle hill village is the main Civil Defence hub for the basin it sits in, and could potentially host over 1000 stranded people in the event of a large disaster.

Secondly, it will help to offset the need for otherwise expensive capacity upgrades for the lines infrastructure over time.

Limiting those who can access peak payments to domestic sized systems will greatly limit the incentive for remote communities to collaborate and build much more efficient community sized storage and could also disincentivise the burgeoning community investment and ownership structures currently being developed. We think increasing the limit up to 1MW would be more reasonable and could be managed within the current system.

Ngā mihi

Kate Hodgins, on behalf of the Castle hill Community Energy Project