
Definition of small business Code amendment proposal

From Duane Fernandes [REDACTED]
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To TaskForce <TaskForce@ea.govt.nz>

[REDACTED]

Subject: Submission on Peak Distribution Export Tariffs

My name is Duane Fernandes, and I represent a body corporate of 34 homes in Tākaka, Golden Bay. Like many in our community, we are passionate about enabling everyday consumers to help reshape our energy future for the better.

Our community owns a 61 kW solar PV system and a 50 kW/200 kWh battery setup, which together are designed to supply 60% of our collective demand. We value self use and local resilience above all else, and our vision includes expanding into on-site EV charging for residents and acting as a resilience hub for Golden Bay during outages—providing backup power, communication, and essential services.

As regular homeowners, we simply do not have the time, expertise, or resources to negotiate custom arrangements or contracts with EDBs or other market participants. We strongly believe that fair tariffs should recognize the value we add by exporting to the network—especially at times that are critical for grid stability and community welfare. We are not large distributed generators, nor should we be classed as such under the current code.

I agree with the stated aim of encouraging customers to supply power to the network when it's needed, and rewarding them when the power they supply at peak times benefits the network. Incentivising storage alongside solar investment for all customers—through a peak distribution export tariff that provides a fair payment reflecting the long-run cost of avoided network investment—would increase benefits for everyone.

However, I do not agree with the Task Force's limit on what constitutes a "small business." The proposed 45 kVA connection or 45 kW maximum generation capacity limit would unfairly exclude many small businesses and organisations, like schools, marae, farms, community bodies, and groups such as ours, from accessing fair peak distribution export tariffs.

Many such organisations and businesses—which exist to serve the community, not profit from generation—are not equipped to negotiate directly with distributors. Without simple, equitable access, we would simply miss out.

In our own experience, even understanding the complex rules and seeking fair terms is beyond the reach of most residents. We have previously tried to explore more equitable export pricing for our community scheme, but hit barriers when trying to communicate or negotiate with the local network company. We are fundamentally a group of ordinary

homeowners—hardly the profile of a “large generator” that would justify bespoke negotiations or exclusion.

The peak export tariff will provide a fair incentive for customers to combine battery storage with solar and to support distributed generation where it is most valuable. This not only reduces the need for expensive network upgrades and helps everyone’s bills, but also builds local resilience. Community centres, marae, and shared residential hubs like ours could act as lifelines in outages, a role that will only become more vital as extreme weather events become common.

The cost of electricity networks is crucial, representing roughly half of most households’ power bills and expected to be the main driver of future price rises. Reducing and deferring network investment by encouraging smarter, decentralised solutions helps make energy more affordable and secure for everyone.

In our rural area, solar and batteries are both an economic and community win. They offer new revenue streams, help contain system costs, and enable practical rollouts of services like public or shared EV charging—especially important in remote regions like Golden Bay.

The proposed restrictive definition of “small business” will be a step backwards—denying customers and communities the tools and incentives they need to help make our electricity supply more flexible, resilient, and affordable.

If the Authority feels a limit is required, it should be set far higher—at a level that includes all genuine community groups, businesses, and typical non-utility users, up to 1 MW of generation capacity. This would ensure local organisations are not unfairly excluded, while still excluding industrial or utility-scale generators.

Had we received a fairer payout for peak exports, our group would have been able to accelerate investment in further battery capacity and more ambitious EV charging infrastructure—delivering even more benefit to our residents and the wider community by supporting the grid when it’s most valuable.

Thank you for considering this feedback from a real world perspective, based on lived experience as local residents dedicated to supporting the energy transition while keeping things fair and workable.

Regards,

Duane Fernandes

M: [REDACTED]
E: [REDACTED]