

SUBMISSION



Definition of small business – consultation on limiting access to distribution peak export tariffs

To: Energy Competition Task Force, Electricity Authority

Submitter Details:

Waiheke Resources Trust (CC34108)

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Tēnā koutou,

Waiheke Resources Trust (WRT) is a community-led environmental trust dedicated to sustainable resource use, environmental restoration, and long-term resilience on Waiheke Island. Our mission is to enhance the mauri (life force) of our environment by protecting our wetlands, coastlines, and ecosystems for future generations. Our vision is a thriving, resilient Waiheke, guided by kaitiakitanga (guardianship) and sustainable living practices.

Introduction & Context

Waiheke Resources Trust (WRT) is a community-led environmental organisation working on regenerating Waiheke Island's ecosystems, resilience, and sustainability. As part of our *Electrify Waiheke* work, we strongly support the deployment of distributed generation (solar) and battery storage across our community, in homes, community buildings, and critical resilience hubs.

We submit in support of Rewiring Aotearoa's position that the proposed cap of **45 kVA connection size** and **45 kW export generation capacity** is too restrictive, and would unfairly exclude many small businesses, community organisations, and local resilience assets from accessing fair "peak export" payments.

Why This Matters for Waiheke (and Communities Like Ours)

- *Community resilience & backup power:* WRT is actively pursuing distributed energy and battery storage as part of our resilience strategy. Local solar and battery systems (e.g., at community buildings, marae-equivalents, or other gathering places) can be critical in outage scenarios, especially during extreme weather. Fair peak export payments significantly improve the business case for these systems.
- *Incentivising investment in storage:* The peak export tariff provides an important economic signal to pair solar with batteries. Without fair compensation, community actors may under-invest in storage, undermining both their resilience and the broader system benefit of avoiding network peaks.
- *Equity & fairness:* Many community organisations, schools, small businesses, and environmental organisations don't have the scale or bargaining power to negotiate bespoke export deals with distribution businesses (EDBs). The 45 kW / 45 kVA cutoff excludes precisely the kinds of actors who deserve protection.
- *Lowering system costs:* By encouraging more distributed generation and
- 3 storage, especially from community and smaller-scale actors, the network can avoid or delay costly infrastructure upgrades, lowering costs for all. This aligns with the Electricity Authority's own objectives.
- *Local co-benefits:* On Waiheke, increased local generation and storage support decarbonisation, reduce reliance on external generation, and foster community-led energy solutions. These are not abstract economic arguments; they form part of our trust's core mission.

Concerns with the Proposed Limits

- The **45 kVA / 45 kW limits** are too conservative and exclude many legitimate small-scale and community actors.
- The rationale that "larger customers can negotiate directly with EDBs" assumes a level of capacity, expertise, and resources that many small community organisations simply do not have.
- By limiting access to peak export payments for these actors, the policy discourages investments in generation and storage that would otherwise deliver value to the network and local community.
- The proposed cut-off undermines the principle of *fairness protection* in the Electricity Authority's design: only some community actors would get rewarded, but others, equally deserving, would be left out.

Recommendations

In light of the above, WRT strongly recommends that:

1. **Raise the cut-off threshold:** The limit should be **increased from 45 kW / 45 kVA to at least 1 MW** of export/generation capacity. This would still exclude very large utility-scale generators but include community organisations, farms, small businesses, and resilience hubs.
2. **Allow for a fair process for export limits:** Rather than an arbitrary cap, use a transparent, industry-developed assessment method (like what is being proposed for export limits in other consultations) so each site's export limit can reflect its physical network context.
3. **Enable stronger protections for organisations without bargaining power:** Many small community actors lack the technical, legal or commercial capacity to negotiate with EDBs. The Electricity Authority should ensure that these actors are not disadvantaged simply because of size.
4. **Monitor and review:** After implementation, monitor the impact of the cap on community actors, distributed generation uptake, and network cost outcomes. If uptake by community organisations is significantly constrained, revisit the cap in future

Conclusion

WRT believes this consultation presents a critical opportunity for the Electricity Authority to support **equitable, resilient, and community-led energy transition**. The current thresholds under the proposed rule changes risk sidelining many community-scale actors who could deliver real benefit, in generation, storage, and resilience, for their local networks and the wider system.

We urge the Authority to adopt higher, more inclusive limits and more equitable mechanisms, so that the promise of distributed generation for small organisations and communities is fully realised.

Thank you for considering our submission. We would welcome the opportunity to engage further or provide data from our community-led energy projects.

Thank you for your consideration.

Nāku noa, nā,

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