

# Submission

## 5 Minute Settlement Discussion Paper

29 June 2026



Fonterra welcomes the opportunity to provide input to the Electricity Authority's 5-minute Settlement (5MS) Discussion Paper.

Fonterra is a dairy co-operative owned by over 8,000 New Zealand farming families with 24 manufacturing sites across the country, making us the country's largest exporter and a major supplier of dairy products to the domestic market.

With manufacturing operations spread throughout New Zealand, Fonterra is a major electricity user. We rely on stable and affordable access to electricity to support our operations. This reliable affordable access underpins New Zealand's export competitiveness.

Fonterra supports the Electricity Authority's position. Fonterra agrees that at this time there does not appear to be a driver for the change to 5MS and therefore the costs to implement cannot be justified. The current market monitoring team are doing a good job ensuring that market participants are not taking advantage of the existing 30-minute settlement.

We welcome the continued work of the Authority to improve battery energy storage systems (BESS) participation in the market. Fonterra recommends that a continued watching brief on the number and overall capacity of BESS connected to the electricity market. If this monitoring suggests there would be clear market efficiency improvements and acceptable cost benefit from 5MS implementation, we would support taking another look.