

From: Karen Boyes [REDACTED]
Sent: Monday, 27 July 2026 11:57 am
To: Network Pricing <Network.Pricing@ea.govt.nz>; [REDACTED]
Cc: Darren Gilchrist [REDACTED]
Subject: Consultation paper proposed TPM amendments

Good morning,

My apologies for not getting the MEUG submission in on this consultation paper by the Friday deadline (travelling and a cold).

We have reviewed the paper and would like to table the following comments if possible:

- MEUG continues to have strong reservations about the efficiency and effectiveness of the TPM and questions whether it is actually delivering on the benefits promised during its introduction in 2023. We note that:
 - It is becoming increasingly difficult for even sophisticated businesses to estimate transmission charges - the method is overly complex and variable, with total charges from multiple network investments hard to predict or estimate.
 - There is a lack of transparency on how charges are being set, and how groups of customers are determined to be beneficiaries. A large volume of the costs remains smeared across charges which are attributable to larger customers.
- We consider that the Authority need to fundamentally review the TPM and consider what approach would support the electricity system and consumers, as we go through the energy transition - with greater forecast demand, and a strong move to electrify both transport and process heat. The current TPM reflects the historic approach of operating the transmission system, not reflecting current patterns of generation and demand, more bidirectional flows and differing use of the HVDC.
- We do not believe that making minor changes at the edges will achieve any benefits for consumers, but will address some of the administrative burden facing Transpower with implementing this complex methodology.
- We support the amendments put forward by the TPM operational review group (phase 1) - these have been informed by technical input from the expert group, alongside consultation with stakeholders.

- We are comfortable with amendments to ensure WACC alignment. Consistency between the Commerce Commission and Authority oversight of Transpower is essential.
- We do not support the Authority's proposal that would see offtake by battery storage should be exempt from the Demand Factor. We support a technology agnostic approach to technology, as see this proposed change at risk of unduly favouring batteries. This proposal requires further discussion.

We are preparing a separation submission on anticipatory capacity, as this an important issue that needs to be resolved, balancing affordability for consumers alongside the build out of the network for future demand.

As you are aware, the TPM is an issue of significance to many of our members and we would welcome the opportunity to discuss this paper further with Authority staff. If possible, we would like to host the Authority at an upcoming MEUG meeting, to discuss this further,

Kind regards,



Karen Boyes

Executive Director

Major Electricity Users' Group

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