

FN-26-07 Fortnightly report 17 April 2026

This report summarises items that may be of interest to the Minister for Energy and Associate Minister for Energy but do not require a formal briefing. Further information can be provided on request. Substantive items and decision papers will be provided by briefing.

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Mobile: s 9(2)(a) 

1. Upcoming publications

Decision – Market making review: strengthening price discovery in the forward electricity markets	
Strategic outcome	Affordable, reliable
Purpose	The Authority is introducing Code changes to: • require gentailers to market make the standardised super-peak hedge contracts on an over-the-counter (OTC) platform • extend market making requirements for baseload contracts traded on the ASX out to 5 years, from 3 years currently • reduce the total offer volume from 12 MW to 8 MW for baseload contracts with a duration of 3 to 5 years. In parallel, the Authority is facilitating an industry-led process to select an improved OTC trading platform for standardised super-peak contracts. The selected platform will be published with the market making review decision paper in late April. These measures will increase forward price transparency, supporting market competition, and facilitating investment in new generation and storage, contributing to electricity reliability at the least cost for consumers. We will provide a separate briefing following Board decisions.
Action and timing	Intended publication: late April 2026 (subject to Board approval)

Energy Competition Task Force to continue in 2026	
Strategic outcome	Affordable
Purpose	The Energy Competition Task Force is close to completing its initial work programme. However, we have identified further Task Force work to continue strengthening competition and improving affordability for consumers: • Level playing field – final decisions and implementation • Non-network solutions in grid exit point upgrades • Distribution network connections issues. We are also considering including market power as a barrier to competition in flexibility services. The Task Force is a collaborative effort, with the Authority working with the Commerce Commission (and MBIE as an observer) to maximise our organisations' expertise and regulatory tools.
Action and timing	Media release: 28 April 2026 (TBC)

Decision – Electricity Information Exchange Protocol 14A – Retailer product information

Strategic outcome	Affordable
Purpose	The Authority will publish a decision paper establishing a new regulated protocol EIEP14A: Retailer Product Information. EIEP14A will provide the specific format retailers must use to provide information about their plans in the market. Access to better product information enables innovation and improves the accuracy of tools like the Authority’s comparison service, Billy. It also supports a standardised format for product data exchange ahead of designation of the electricity sector under the Consumer and Product Data Act 2025.
Action and timing	Publication: 30 April 2026 (TBC)

Decision – Level playing field measures: Code amendment decision

Strategic outcome	Affordable
Purpose	The Authority is amending the Code to introduce mandatory non-discrimination obligations for the four largest gentailers from 1 July 2026 (subject to approval at May Board). This will prevent these companies from favouring their own retail arms when selling future electricity contracts “hedges”. The changes will require gentailers to supply hedges on even-handed terms unless they have a clear, evidence-based reason not to. Other obligations will be introduced around dealing fairly and competitively, including a requirement to keep records that prove compliance. The package also introduces the Retail Price Consistency Assessment to improve transparency about whether retail pricing compares with underlying supply costs, backed by monitoring and external audits. These changes are expected to strengthen market competition and confidence, supporting lower costs and better outcomes for consumers. It will be supported by a comprehensive monitoring and enforcement programme. We will provide a separate briefing following Board decisions.
Action and timing	Intended publication: 21 May 2026

2. Consultation: Future and current

Consultation on improving information on high-voltage network capacity	
Strategic outcome	Reliable
Purpose	The Authority will consult on a draft Code amendment to improve public information on high-voltage network hosting capacity. Standardised, up-to-date hosting capacity estimates will reduce information asymmetry and help consumers make more informed network connection decisions, including siting, connection capacity, and behind-the-meter design. Greater transparency will help optimise the use of existing network capacity and defer or reduce the need for costly network upgrades, which will put downward pressure on prices for consumers.
Action and timing	Consultation: 28 April 2026 or 5 May 2026 (subject to Board approval)

Upcoming consultation on batteries and hybrids	
Strategic outcome	Reliable
Purpose	The Authority will release two consultation papers on proposed changes to better integrate utility-scale battery energy storage systems (batteries) and hybrid battery-generation projects (hybrids) into the electricity market. The changes are to: • improve wholesale market arrangements for batteries • create trading arrangements for hybrids • set common quality requirements for hybrid plants and idle batteries. Batteries and hybrids will play a critical role managing variable solar and wind generation, while supporting efficient investment. These changes will help ensure a secure, reliable, and lower-cost electricity system for consumers as renewable generation grows.
Action and timing	Consultation: 6 weeks, mid-May to late June 2026

Current consultation	Consultation period
Consultation – Improving prudential security arrangements	26 March - 24 April

Omnibus of common quality Code amendment proposals: consultation paper	31 March - 12 May
Reforming distributed generation pricing to promote efficient investment	2 April - 19 May

3. Upcoming Electricity Industry Participation Code 2010 amendments

3.1. The following table has Electricity Industry Participation Code amendments that need to be presented to the House by the Minister's office within 20 working days following the date the amendment is made.

Tracking number	Name	Date made	Date of Gazette notification	Date in force	Due date for presentation to the House
EIPCA-26-008	Half Hourly Data for Reconciliation	30 March 2026	31 March 2026	1 October 2026	On or before 30 April 2026
EIPCA-26-009	Export Limits	9 April 2026	13 April 2026	11 May 2026	On or before 8 May 2026

4. Investment pipeline monthly update: 16 April 2026

Generation investment pipeline snapshot				
45.8GW total capacity	67.6TWh/yr total energy	284 projects	107 developers	83.3% intermittent renewable

Key changes since last update on 19 March

- ▲ 968MW of new generation commissioned since November 2023 (+100MW since last update due to Glenbrook BESS).
- ▲ 1,628MW is currently under construction (+335MW since last update).
- ▼ 38.7GW of projects progressed beyond the first stage of Transpower's grid connection process (-0.1GW since last update due to commissioning). Of those, 17.6GW are planned for completion before 2030 (+0.2GW since last update), and of these, 13.0GW are owned independently (+0.1GW since last update).¹

¹ Our generation investment pipeline data is gathered by Transpower from developers. We go through Transpower as we cannot require developers who are not participants to provide data to us, and Transpower has pre-existing processes and relationships with developers. Developers do not always provide timely and complete updates to Transpower, so we make additional corrections based on publicly available information as appropriate. This means the information provided is subject to change as developers make announcements, or provide further updates to Transpower. We are working to improve the quality and timeliness of the pipeline data we receive.

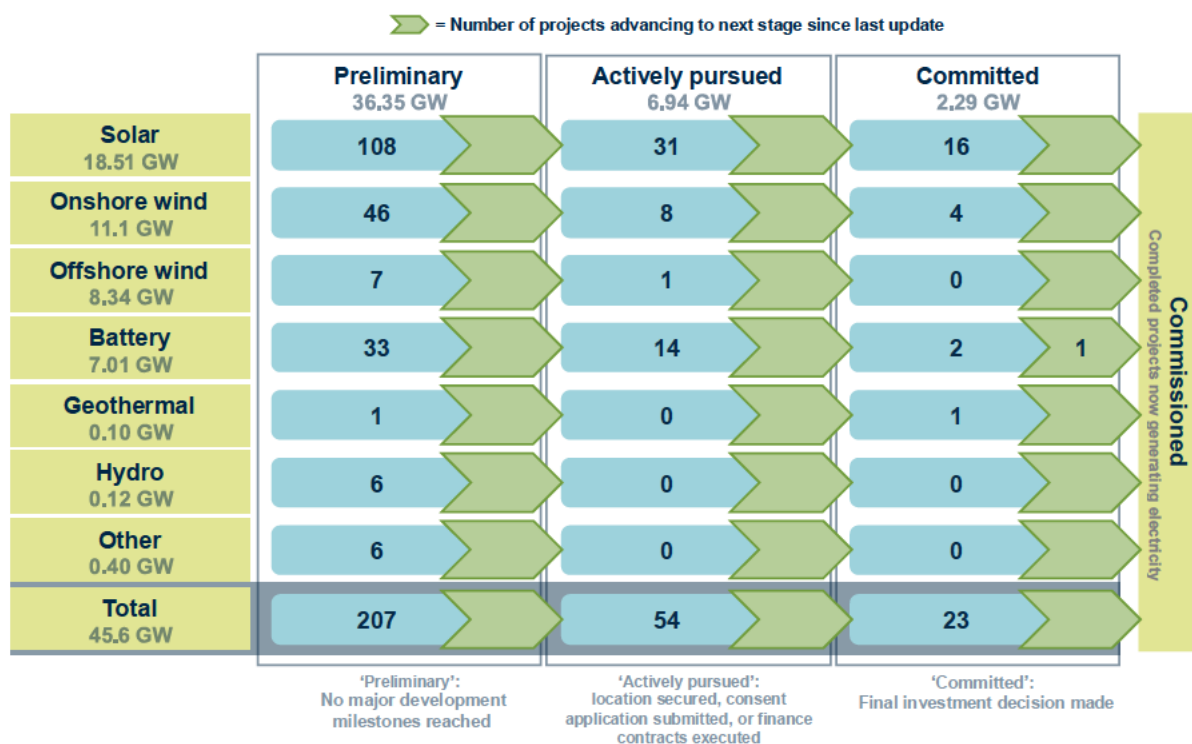
Generation development summary

- 4.1. This section provides a key project development update and an update on the pace of generation being built relative to demand. In summary:
- (a) Generation built in the last 3 years (2022-2025) was more than double that built in the previous 8 years (2015-2022).
 - (b) Generation build is expected to outpace demand growth over the period to 2033 – building generation faster than demand growth will help support security of supply, including in dry years.
 - (c) Overall, we are 509MW better off this winter compared to the record peak from August 2023, although this is contingent on no significant unplanned outages.
 - (d) Both gentailers and independent developers are building new generation and different development options are being utilised.

Key project development updates

- 4.2. Bright Fern Energy's 23MW **Dannevirke Solar Farm** is now under construction. It is unknown when this solar farm is expected to be completed.
- 4.3. Yinson's 95MW **Mount Cass Wind Farm** started construction, and is expected to be completed in 2028. Genesis Energy has a 70% PPA for generation from this wind farm.
- 4.4. Contact Energy's 100MW **Glenbrook BESS** has been commissioned, and its 200MW **Glenbrook BESS 2.0** has started construction and is expected to be completed Q1 2028.
- 4.5. Genesis Energy's 117MW **Edgecumbe Solar Farm** has started construction. First generation is expected mid-2027.
- 4.6. Contact Energy's 380MW **Southland Wind Farm** received Fast-Track approval. The final investment decision is expected in June 2027, with construction expected to begin in August 2027.

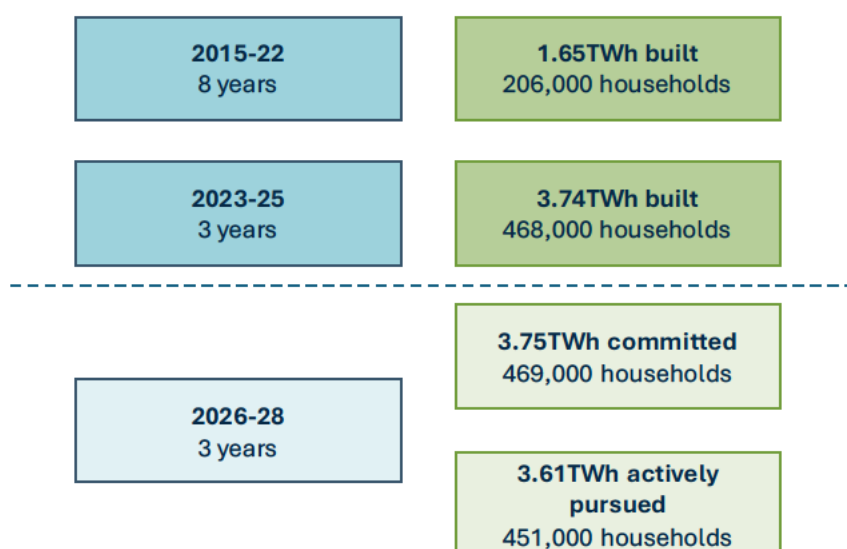
Figure 1: Project advancement since 19 March 2026



Generation built in the last 3 years was more than double that built in previous 8 years

- 4.7. The volume of new generation built in the three years 2023-25 (3.74TWh) was more than double that built in the previous 8 years (1.65TWh).
- 4.8. This rate is expected to continue, with 3.75TWh (+0.13TWh since last update) of committed generation expected in the next three years, and another 3.61TWh actively pursued (-0.18TWh since last update).
- 4.9. Committed projects are very likely to be built as they have had a final investment decision made by the developer. Actively pursued projects depend on multiple factors including the outcome of consent applications and market conditions.

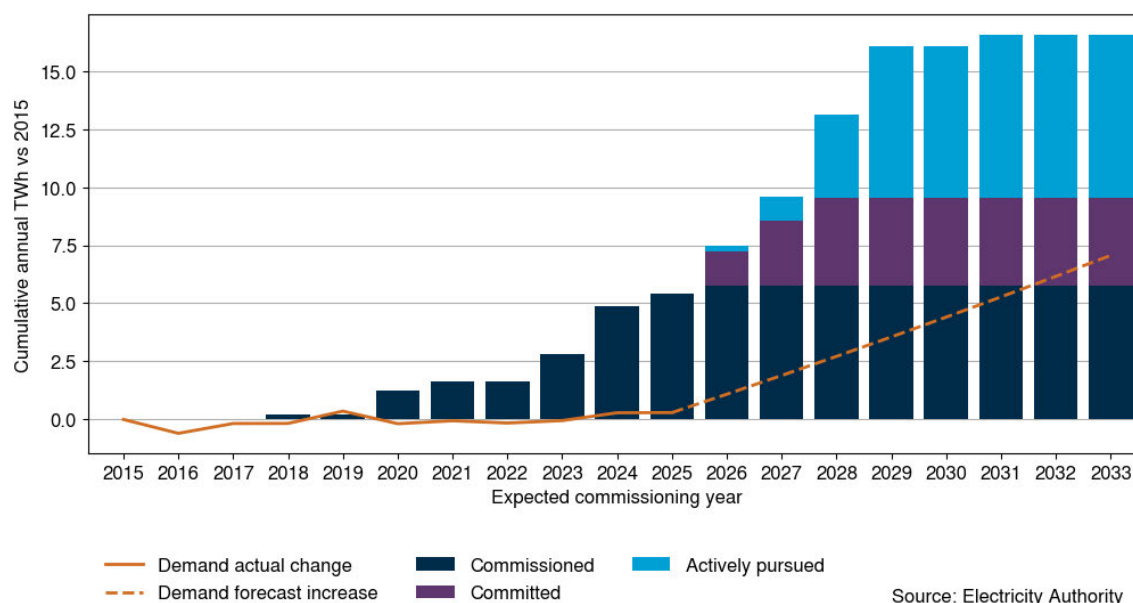
Figure 2: Generation built since 2015 compared to the next three years of projects in the pipeline



Energy: Generation build is expected to meet demand growth, but will not be linear

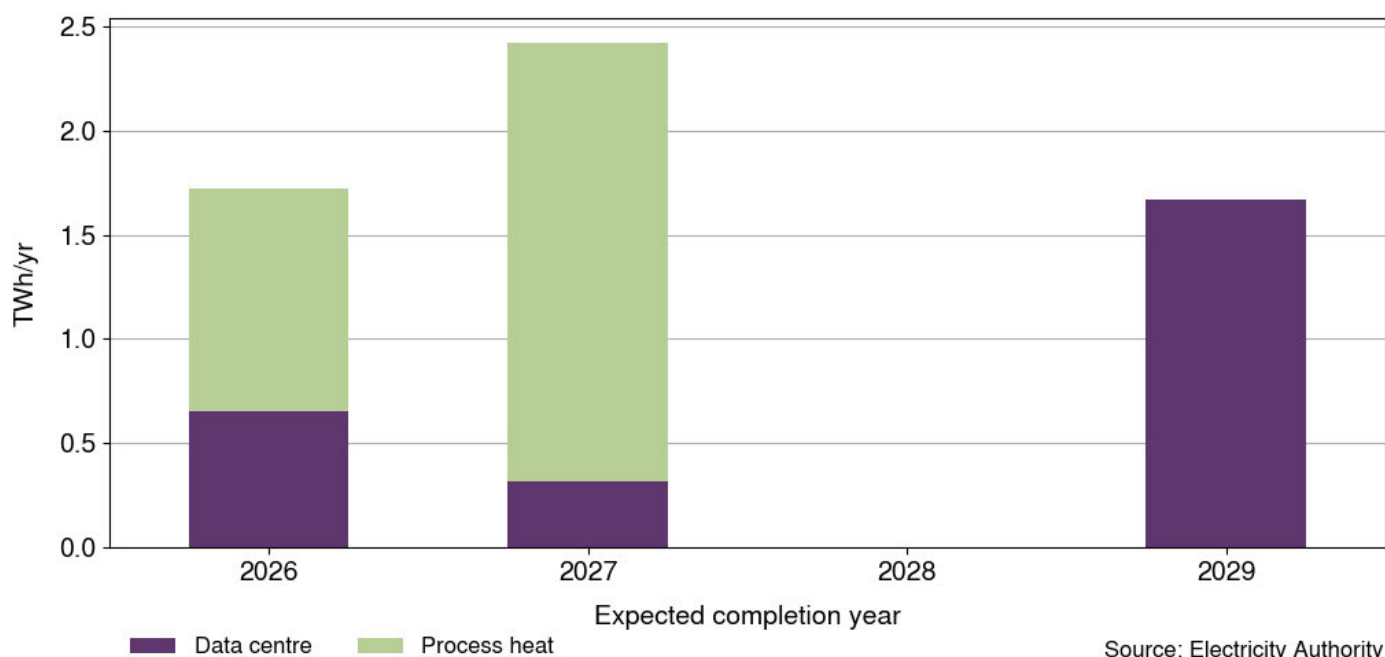
- 4.10. Figure 3 compares the cumulative effect of generation built in the last ten years and new projects in the pipeline against historic demand change (solid orange line) and forecast future demand growth based on MBIE's reference case (dashed orange line).
- 4.11. We assume an average capacity factor for each type of generation to calculate total energy in the pipeline (with batteries providing zero energy).

Figure 3: Cumulative generation pipeline versus 2015 against real and forecast demand change



- 4.12. Demand growth has been relatively flat in the last ten years but has begun to increase recently, despite industrial closures and demand response.
- 4.13. Already commissioned new generation and committed new generation is sufficient to meet the forecast increase in annual demand included in MBIE's reference case (~0.8-0.9TWh additional demand per year).
- 4.14. However, demand growth is unlikely to be linear. Industrial electrification will contribute to step changes in demand. Figure 4 shows the annual demand of load projects in our pipeline that are beyond Transpower's first stage. This includes the NZ Steel arc furnace (expected to add ~0.26TWh/yr), Fonterra Whareroa electrification (s 9(2)(ba)(i), s 9(2)(b)(ii)) and the Datagrid data centre in Southland (expected to add ~1.7TWh/yr), expected in 2029. As with generation projects in the pipeline, not all projects will necessarily be built.

Figure 4: Annual demand from load projects that have progressed beyond the first stage of Transpower's grid connection process

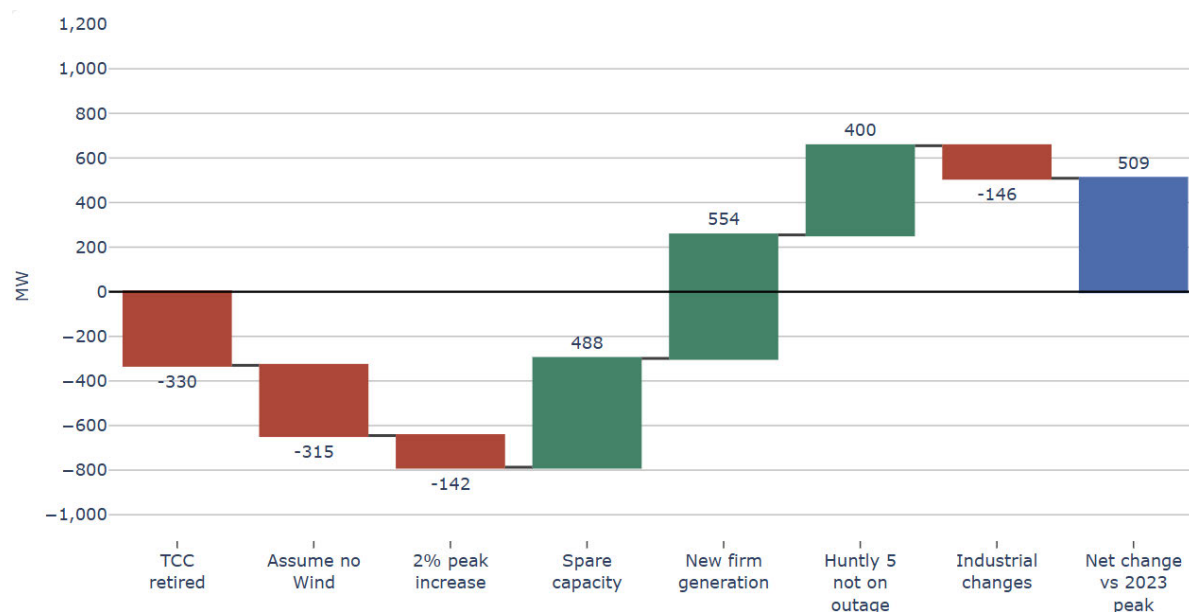


- 4.15. Demand forecasts are simply an estimate and are subject to uncertainty. However, the current trend illustrates that forecast supply is currently outpacing forecast demand, which helps support downward pressure on wholesale prices.

Capacity: Overall, we are 509MW better off this winter compared to this record peak from August 2023 (assuming no unplanned significant generation outages)

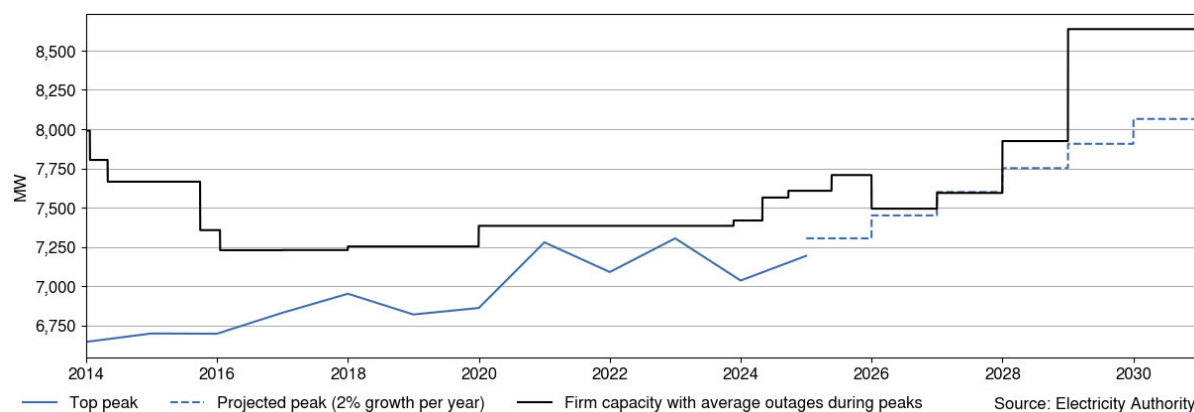
- 4.16. No change to this chart since last update (the recently commissioned Glenbrook BESS was already considered in this chart).
- 4.17. Figure 5 shows that despite the retirement of Contact's TCC, a pessimistic assumption of no wind generation being available, and an assumed 2% increase in peak demand, we are better placed to meet peak demand this winter than the record peak period in August 2023. Some key points in the figure to note:
- (a) The August 2023 peak period had spare capacity in the form of controllable hot water and generation not dispatched. This totals 488MW.
 - (b) Firm generation built since 2023 now available or expected to be completed before winter this year improves capacity by 554MW (this includes Tauhara, Te Huka 3, TOPP2 and Ngā Tamariki geothermal stations, and Rotohiko, Ruakākā and Glenbrook batteries).
 - (c) Huntly 5 was on outage in 2023 but is available for this winter, improving generation capacity by 400MW.
 - (d) Industrial changes, including closures and commissioning/electrification of existing sites like Fonterra, result in a net *increase* to peak demand of up to 146MW.
- 4.18. There are also additional geothermal and battery projects in the pipeline which are expected to be completed in 2027 and 2028 (336MW committed).

Figure 5: Winter 2026 generation capacity available compared to record peak from August 2023



4.19. Figure 6 shows that additional committed and actively pursued firm generation capacity (batteries and geothermal) is sufficient to meet peak demand based on typical outages during peak periods (the dashed blue line is mostly below the black line). 2026 and 2027 are the tightest, after that, more batteries are expected to come online and quickly improve firm generation capacity. This analysis excludes wind, solar and emergency measures like hot water control and spinning reserves which would improve capacity.

Figure 6: N-G firm generation capacity versus peak demand (estimated +2%pa on 2023 peak, unlikely to be linear each year as pictured)



Both gentailers and independent developers are building new generation and different development options are being utilised

- 4.20. Figure 7 illustrates the locations and timelines of the committed projects that have begun construction or commissioning.
- 4.21. Dannevirke Solar Farm, Glenbrook BESS 2.0, Mt Cass wind farm, and Edgecumbe Solar Farm have started construction since the last update.

- 4.22. Independent developers are contributing a similar percentage to new capacity build as in recent years. Over the past two years they built 34% of the new capacity – and currently have 25% of the committed capacity in the pipeline (Figure 8) (no change since last update).

Figure 7: Map and expected commissioning timeline of projects under construction

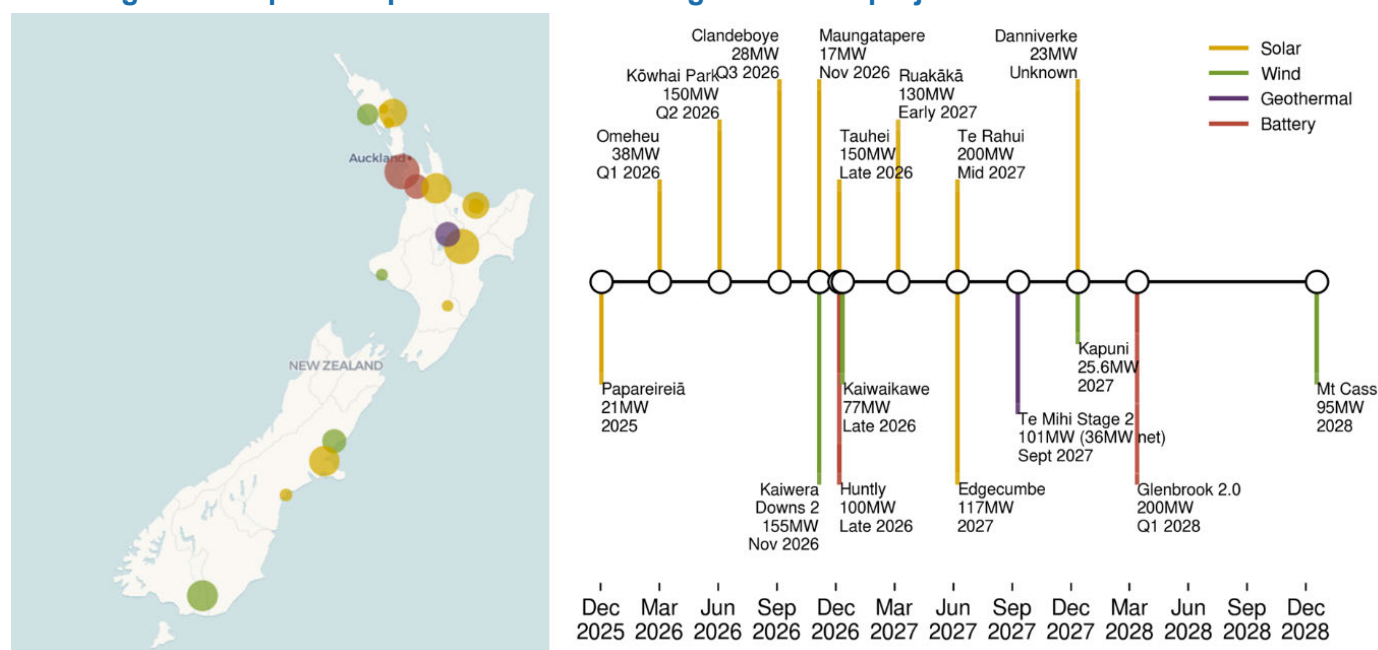


Figure 8: Generation capacity built and in the pipeline by major gentailers and other developers

	Major gentailers	Others
2018-23 6 years	5 projects built 574MW (73%)	5 projects built 219MW (27%)
2024-25 2 years	5 projects built 418MW (66%)	8 projects built 214MW (34%)
2026+ Committed	13 projects 1,777MW (75%)	11 projects 608MW (25%)

- 4.23. This does not necessarily mean all this new build will operate under independent generators. Within a competitive market, there are various options for the development process:
- create an initial concept for development to sell
 - create and develop the project to completion but sell once it becomes operational, and
 - create, develop and subsequently operate the new generation.

- 4.24. We will continue to closely monitor the uptake of these different routes – if any one route becomes less frequent this may indicate potential barriers.
- 4.25. Three committed projects and one actively pursued project are being developed by independents but have either been purchased by a gentailer or a gentailer has a power purchase agreement for all of the electricity produced:
- (a) Genesis is planning to acquire the Rangiri and Leeston solar farms from independent developers.
 - (b) Meridian has signed a power purchase agreement for all the generation from the Tauhei solar farm.
 - (c) Genesis has a PPA for 70% of the electricity from the Mt Cass windfarm under development by Yinson Renewables (new since the last update).
- 4.26. Some independent developers have already brought new generation to the market in the last couple of years and are now operating this generation (no change since last update):
- (a) Lodestone solar (four solar farms operational)
 - (b) Eastland generation (one new geothermal station in addition to their existing two)
 - (c) Ranui generation, Far North Solar Farms, Newpower and Northpower (one solar farm operational each).

5. Key Authority work programme deliverables

- 5.1. All of our work aims to ensure the electricity system delivers reliable electricity at lowest cost for New Zealand consumers. We are driving affordable, reliable electricity through our five strategic priorities:
- (a) **Strengthening the wholesale market** – consumers have confidence that the wholesale market is efficient, competitive, and gives clear signals to manage risk and invest in lowest-cost secure supply
 - (b) **Ensuring system security** – the power system can manage increasing intermittent, inverter-based and distributed energy resources to keep supply and demand matched and within safe operating limits at all times
 - (c) **Enabling flexibility** – unlocking efficient use of flexible resources and flexibility services to firm renewables and balance the system for both short periods (peaks) and longer durations (managing winters and dry years)
 - (d) **Supporting network efficiency** – standardisation of network policies, processes, and pricing and ensuring non-network solutions can compete efficiently to lower system costs over time
 - (e) **Acting as a strong, responsive regulator** – making, overseeing and enforcing the rules to ensure the system operates efficiently, competitively, and reliably for the long-term benefit of consumers.

s 9(2)(f)(iv)

