3 August 2026

Electricity Authority
PO Box 10041
Wellington 6143

Via email: fsr@ea.govt.nz

Consultation Paper – Common quality information between System Operator and Network Owner functions

WEL Networks appreciates the opportunity to provide feedback on the above consultation.

WEL Networks (WEL) is New Zealand's sixth largest electricity distribution company and is 100% owned by our community through our sole shareholder WEL Energy Trust. Our guiding statement of strategic intent is to be leading Waikato's energy future, and we work to ensure that our customers have access to reliable, affordable, and environmentally sustainable energy.

WEL supports initiatives that improve power system security, resilience, and the efficient integration of inverter-based resources (IBRs) while minimising unnecessary administrative burden across the industry.

WEL agrees that increasing levels of distributed energy resources, grid-scale IBRs, and increasingly dynamic system behaviour require improved access to high-quality asset capability and modelling information. We consider it important that planning, operational, and connection decisions are based on consistent and validated information across the System Operator and transmission network owner functions.

At the same time, WEL believes any information-sharing arrangements should remain proportionate, maintain strong protections for commercially sensitive information, and avoid creating precedents that unnecessarily extend information-sharing obligations to distributors without a demonstrated need and clearly quantified benefits.

WEL questions whether transmission customers have the obligation to ensure that any third party with equipment connected to their own equipment, but not directly to the transmission network, complies with the obligation to provide an ACS under the Connection Code if that equipment could impact the transmission network's reliability, availability, or integrity (3.8 and 4.12 of the consultation document).

The requirement in the transmission agreement is that the customer must ensure any third party who has equipment directly to the customer's equipment and the size of the generating unit or motor of size 1 MW or greater (unless agreed otherwise) complies with the obligations on the customer as set out in the Connection Code. There is no obligation in the Connection Code in regard to the customer ensuring a third party provides ACS for third party equipment.

The transmission customer has an obligation to provide an ACS in respect of its equipment. For a distributor, the ACS includes some information about third party equipment connected to the customer's assets.

Connected asset owners do have an obligation (Part 8.25(2)) to use reasonable endeavours to ensure a generator who has a generating unit above 1 MW or greater in size connected to their assets provides the system operator with written advice of the generating unit and the generator's name and address.

WEL considers that where Transpower wishes to use third party information to carry out transmission related purposes that Transpower should interact directly with the third party to meet confidentially requirements.

WEL notes that there is provision for multiple grid owners and separate HVDC owners in the Electricity Governance Rules so the final form of any common quality information sharing arrangement will need to accommodate other grid owners and HVDC owners other than Transpower. In particular, information sharing between the system operator and Transpower should not provide advantages not available to other grid owners or HVDC owners.

Our concerns above aside, WEL supports the proposed Code amendments. The proposal addresses a genuine inefficiency arising from the separation of Transpower's System Operator and transmission network owner functions while maintaining suitable protections for confidential and proprietary information. We consider the proposal will contribute positively to power system security, resilience, and the efficient integration of future generation and demand technologies.

WEL appreciates the Authority's decision not to pursue broader information-sharing obligations involving distributors at this time, noting the mixed feedback received from industry participants and the absence of a clearly demonstrated case for expanding those arrangements

Our responses to the specific questions sought by the Authority are attached and we would be happy to discuss any aspect of this submission with the Authority.

Yours sincerely

[redacted]

Andrew Maseyk
Regulatory Specialist

[redacted]

Questions	Comments
Q1. Do you support the Authority's proposal to require the System Operator to provide Transpower, as a transmission network owner, with access to the System Operator's ACS database, subject to appropriate information use and confidentiality requirements? If not, why not?	Yes. WEL supports this proposal. The current requirement for Transpower's System Operator and transmission network owner functions to separately obtain equivalent information appears inefficient and creates unnecessary duplication. Providing controlled access to the ACS database should improve consistency of network planning and operational assessments while reducing transaction costs and administrative burden. We support the proposed restriction that information be used only for transmission network owner purposes and be subject to appropriate confidentiality obligations.
Q2. Do you support the Authority's proposal to require the System Operator to share encrypted modelling information with Transpower as a transmission network owner, subject to appropriate information use and confidentiality requirements? If not, why not?	Yes. WEL agrees that transmission planning and security assessments increasingly depend on high-quality dynamic models, particularly as inverter-based resources become more prevalent. We consider the Authority's proposed approach appropriately balances the transmission network owner's legitimate need for access to modelling information against OEM concerns regarding intellectual property protection. We support the decision to limit routine sharing to encrypted models and to continue requiring unencrypted models to be obtained directly from asset owners or OEMs where necessary. The same access to information should also be available to transmission network owners other than Transpower.
Q3. Do you support the Authority's proposal to require Transpower's transmission network owner function to meet the same access and storage requirements for encrypted and unencrypted modelling information as apply to the System Operator? If not, why not?	Yes. WEL strongly supports equivalent confidentiality, cybersecurity, access-control, and storage requirements. Consistent security obligations are necessary to maintain confidence among asset owners and OEMs and to ensure that commercially sensitive information remains appropriately protected regardless of which Transpower function accesses the information. The access and storage requirements should apply to any other party who gets access to the information in the future.
Q4. Do you support requiring the System Operator to provide Transpower as a transmission network owner with access to equivalence arrangement and dispensation applications and supporting information? If not, why not?	Yes. WEL supports this proposal where access is limited to information necessary for Transpower to assess impacts on the transmission network. The current consent-based process appears inefficient and may delay technical assessments. Providing direct access should improve coordination and reduce duplicated requests for information. Given the legal separation between system operator and transmission network owner, it is desirable to minimise the transmission network owner's ability to influence the dispensation and equivalence arrangement approval

	process. Information access for the transmission network owner should be limited to the minimum required for the technical input required by the system operator. Transpower's access to dispensation and equivalence arrangement application information should not provide Transpower with advantages over other grid owners and HVDC owners (who may be seeking dispensations and equivalence arrangements for their own purposes).
Q5. Do you agree with the Code amendment proposal's objective? If not, why not?	Yes. WEL agrees that improving access to asset capability information, modelling information, and dispensation / equivalence information will better support the integrity, stability, and safety of the transmission network. The objective is consistent with the broader Future Security and Resilience programme and the increasing need for coordinated planning in an electricity system with growing levels of inverter-based resources.
Q6. Do you agree the Code amendment proposal's benefits outweigh its costs? Please provide evidence to support your view.	Generally, yes. The identified implementation costs appear relatively modest compared with the likely benefits associated with improved planning accuracy, reduced duplication, lower transaction costs, and improved consistency between System Operator and transmission planning assessments. While some benefits are difficult to quantify, WEL agrees they are likely to be material, particularly as the system becomes increasingly complex and reliant on sophisticated modelling. It is disappointing that what is likely to be the largest benefit (transmission investment efficiencies resulting from better information) is not quantified.
Q7. Do you agree the Code amendment proposal is preferable to other options identified? If you disagree, please explain why and give your preferred option in terms consistent with the Authority's main statutory objective in section 15 of the Act.	Yes. WEL agrees with the Authority's assessment of the alternatives. Publishing ACS information may create unnecessary confidentiality concerns, while routine sharing of unencrypted models would increase risks to OEM intellectual property. The proposed approach appears to be a practical and proportionate solution that achieves the desired information-sharing outcomes while maintaining appropriate protections.
Q8. Do you agree with the analysis presented in this Regulatory Statement? If not, why not?	Generally, yes. The Regulatory Statement appropriately identifies the principal benefits and costs. WEL agrees that many of the benefits are difficult to quantify but are nevertheless likely to be significant. The proposal should reduce inefficiencies associated with duplicated information requests and improve the quality and consistency of network studies.
Q9. Do you agree the Code amendment proposal complies with section 32(1) of the Act?	Yes. WEL considers the proposal is consistent with promoting reliable supply and efficient operation of the electricity industry for the long-term benefit of

	consumers. Improved information-sharing arrangements should support more efficient transmission planning, network utilisation, and operational decision-making.
Q10. Do you have any comments on the drafting of the proposed Code amendment? Please explain your answer.	WEL has no significant drafting concerns. However, we recommend the Authority ensure that the purposes for which information may be used are clearly defined and appropriately limited to avoid future ambiguity. Consideration should also be given to maintaining clear audit trails for access to confidential modelling information.
Q11. Do you see any unintended consequences in making the proposed Code amendment? Please explain your answer.	WEL does not identify any significant unintended consequences arising from the proposal. However, we encourage the Authority to clearly communicate that this proposal addresses a unique circumstance arising from Transpower's dual role as both system operator and transmission network owner. The rationale supporting these amendments should not be assumed to automatically extend to broader information-sharing arrangements involving distributors without separate consideration of costs, benefits, confidentiality implications, and demonstrated need.