

FN-26-011 Fortnightly report 12 June 2026

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

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1. Upcoming publications

News item: Conclusion of market making review – further findings	
Strategic outcome	Affordable, reliable
Purpose	The Authority is sharing its findings on an issue raised during market making review consultation. Some submitters were concerned that the Authority's compliance settings did not distinguish between market maker trades that added liquidity and trades that removed liquidity (i.e. "scratch trades"). The Authority has undertaken independent analysis and found no evidence of systematic strategies or adverse impacts on price discovery or volatility. As a result, there is no evidence that scratch trading, while present (around 23% of total trading), poses a risk to core policy objectives. We will keep watching the market and may, if new information emerges, consider this in our mid-2028 market making review. This can be brought forward if significant changes occur.
Action and timing	Publication: 17 June (subject to Board approval)

2. Future and current consultation

Review of the application of loss and constraint excess to the settlement of Financial Transmission Rights (FTRs)	
Strategic outcome	Affordable
Purpose	The Authority will consult on Code amendments that simplify the calculation of the amount of funding used to settle the FTR market. The FTR market helps participants to manage locational price risks that arise due to transmission constraints and unplanned outages. The proposed changes would improve the operational efficiency of the FTR market, support its future development and contribute to lower costs for consumers over time.
Action and timing	Consultation: 4 weeks, 24 June until 22 July 2026

Issues paper on improving consumer access and choice - consultation	
Strategic outcome	Affordable
Purpose	The Authority will publish an issues paper on improving consumer access and choice. This consultation seeks information and evidence on whether current arrangements are delivering for

	consumers whose access to electricity or choice of power company or service may be constrained (for example, because of poor credit history, or they lack a communicating smart meter). Access and choice are core to a competitive market, leading to better prices, improved services and tailored plans for consumers. A more detailed briefing, along with a copy of the draft issues paper, will be provided to your office ahead of its release.
Action and timing	Consultation: 6 weeks, from 30 June to 11 August 2026 (subject to Board approval)

Proposal for Transpower to share common quality information - consultation

Strategic outcome	Reliable
Purpose	The Authority will consult on a proposal to require Transpower to share asset capability and modelling information, as well as equivalence arrangements and dispensation applications, between its System Operator and grid owner functions. Ensuring Transpower as grid owner has this up-to-date information would promote the integrity, stability and safety of the transmission network, ultimately delivering benefits for consumers.
Action and timing	Consultation: 6 weeks, 30 June to 11 August 2026 (subject to Board approval)

Consultation: Code amendment omnibus #7

Strategic outcome	Affordable
Purpose	The Authority will consult on a Code amendment omnibus. This includes proposals for technical and non-controversial changes to clarify the application of definitions in Part 11A: Consumer Care Obligations, and introduce annual director certification for participants with automatic under frequency load shedding (AUFLS) obligations. These changes will improve market efficiency and consistency for how consumer care requirements are applied, leading to lower costs and better protections for consumers.
Action and timing	Consultation: 4 weeks, mid-July to mid-August 2026 (subject to Board approval)

Current consultation	Consultation period
Improving information on high-voltage network capacity	5 May to 16 June 2026
Consultation on options to address a harmonics issue	19 May to 30 June 2026
Supporting the growing role of battery energy storage systems: - Preliminary discussion paper - costs and benefits of moving to 5-minute settlement - Consultation on battery and hybrid integration into the electricity market - Consultation on wholesale market arrangements for battery energy storage systems: Code amendment	19 May to 30 June 2026
Consultation on improvements to product and consumption data standards	3 June to 23 June 2026

3. Publishing the regional power prices dashboard

Key messages:

- The Authority will publish its updated regional power prices dashboard in the week commencing 22 June 2026. The image below shows regional information for low-users in the Tairāwhiti and Wairoa region.
- The dashboard covers January 2025 to February 2026¹ and shows the following across all regions:
 - The lines component remains a key driver of increases (following the Commerce Commission's 2024 price quality regulatory decisions), adding a median regional increase of \$8 per month for low users and \$11 for standard users, comparing February 2026 with February 2025.
 - Low users have seen (on average) relatively fast increases in bills, compared to standard users. This is driven by the phase-out of the Low Fixed Charge Regulations to reduce cross-subsidisation from high users (some of whom are low-income households) to low users and enable greater retail market innovation. The phase out is expected to be completed by April 2027.
 - Continued significant regional variation in power prices, influenced by the investment needs of specific EDBs and the level of regional retail competition.
- The dashboard provides greater regional price transparency, helps consumers understand price increases, and encourages them to get more engaged in choosing

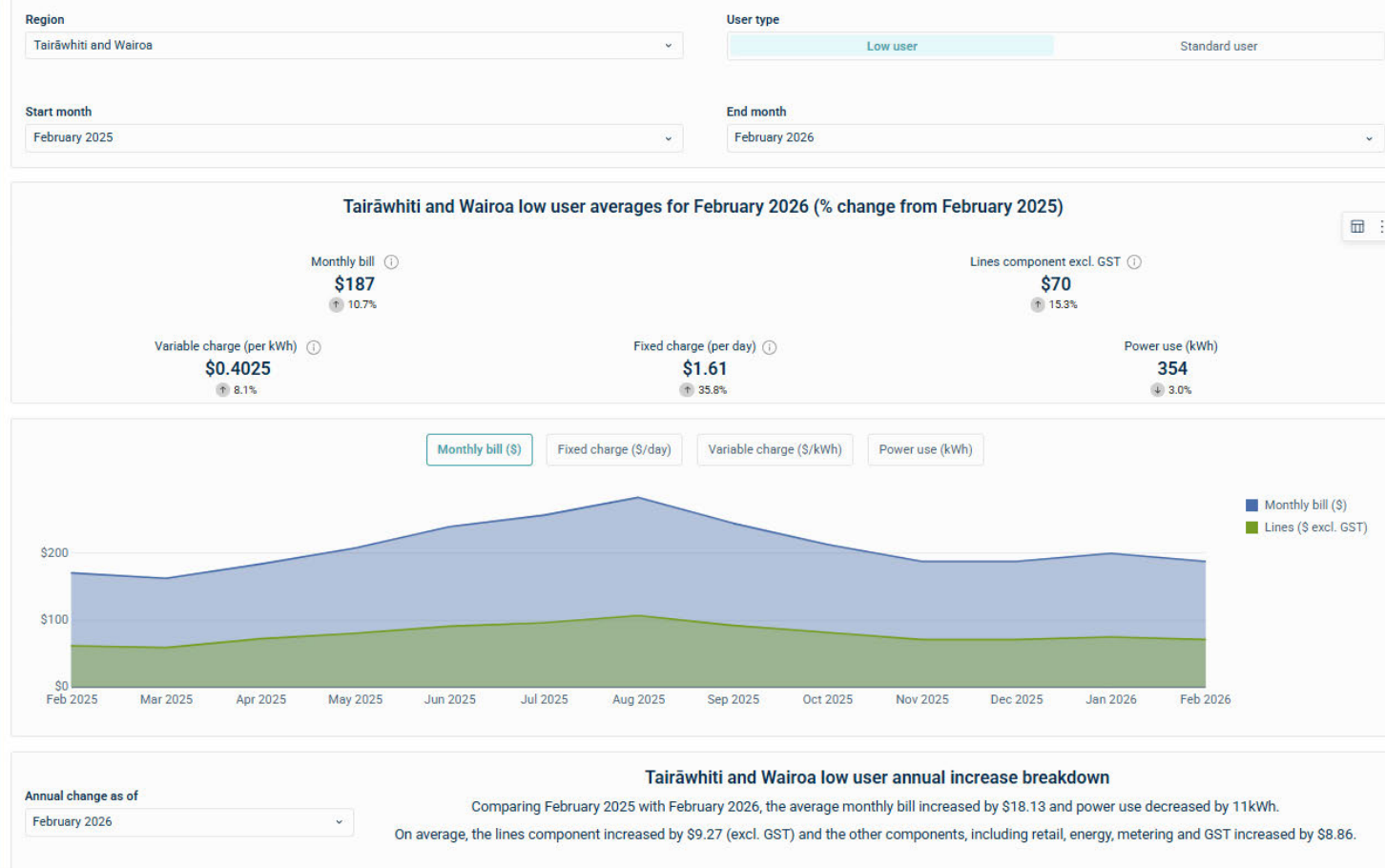
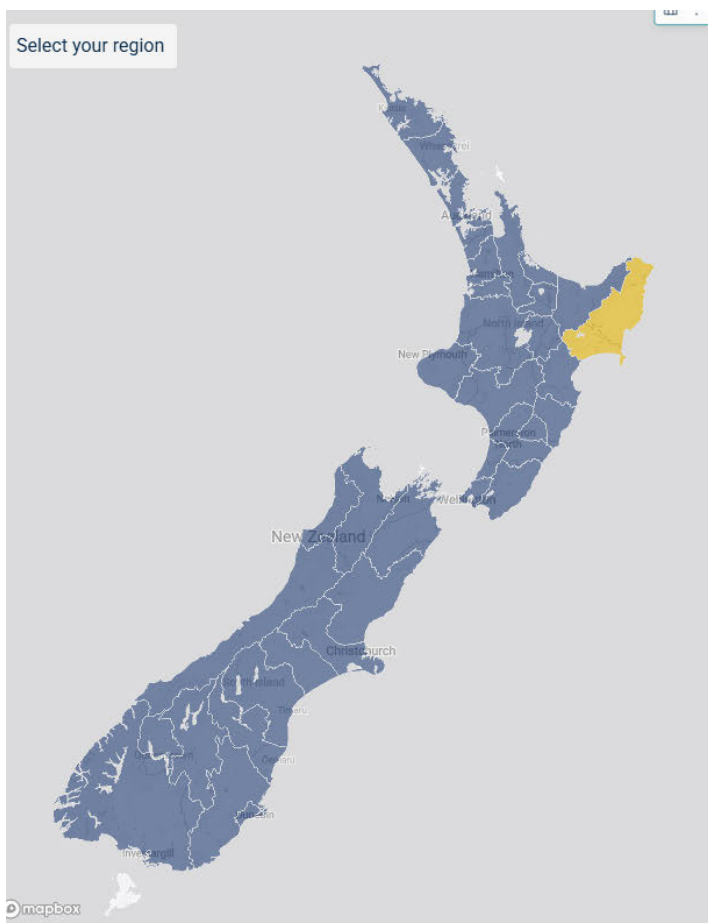
¹ March 2026 should also be included by the time of publication.

their power plan and provider (linking with the new “Billy” website). It will be updated monthly.

We’re taking action to keep retailers accountable and support consumers

- 3.1. Updating the regional power price dashboard is one of a range of actions the Authority is taking to support consumers, including:
- (a) Assessing data on the drivers of 2026 retail price increases, using information provided by retailers through the Authority’s formal powers. Should we identify anything unusual, we will follow up directly with retailers.
 - (b) Publishing consumer insights on 2026 retail price rises, helping consumers to understand the actions they can take to find a better deal.
 - (c) Updating the Authority’s [average monthly power bill breakdown](#) to update consumers on these changes.
 - (d) Targeting consumers support to specific groups and regions, including using Billy.
 - (e) Sharing relevant information with Government partners (e.g. MSD) and consumer support agencies.

Snapshot of the updated regional power prices dashboard, showing lower users in the Tairāwhiti and Wairoa region



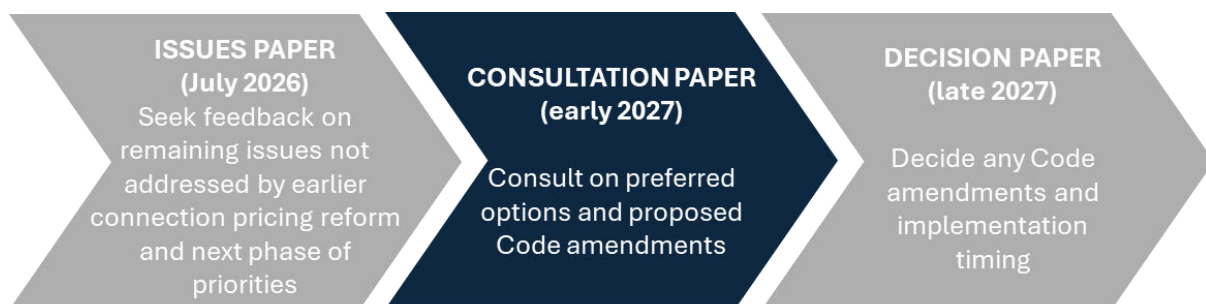
4. Update on the connection pricing work programme

Key messages:

- Subject to Board approval, the Authority is publishing two connected items:
 - a decision paper on the introduction of a targeted intervention framework to address high up-front charges for connecting to distribution networks (in the week of 29 June 2026), and
 - an issues paper on further reform of distribution pricing (next month).
- These changes address immediate issues and help transition to a more efficient and durable connection pricing framework, making it easier to connect to distribution networks. This will improve affordability and reliability for consumers, which will help support new housing, business growth and investment.

The papers build on Authority decisions in 2025 to introduce fast-track measures

- 4.1. The fast-track measures include improving the transparency, consistency and efficiency of connection pricing methodologies.
- 4.2. The **targeted intervention framework to address connection charges** will allow the Authority to screen connection pricing methodologies, undertake more detailed analysis where needed, and direct lines companies to modify their methodologies where connection charges are inefficiently high (or low).
- 4.3. The **issues paper on further reform of distribution pricing** will consider how connection costs are estimated, allocated and recovered, how pricing rules apply to new and upgraded connections and regulatory oversight. It is expected to progress through three stages:



5. Consultation on suite of amendments to the Transmission Pricing Methodology

Key messages:

- Subject to Board approval, on 29 June 2026, the Authority will consult on seven proposed amendments to the Transmission Pricing Methodology (TPM).
- These are technical refinements to address concerns about the complexity, volatility and uncertainty of transmission charges and to better implement TPM policy.
- The proposals benefit consumers by reducing complexity and administration costs and improved targeting of transmission charges to those who benefit from transmission

investments, which helps incentivise efficient investment in transmission, new generation and new load (electrification).

The TPM framework is sound, but some operational refinements are required

- 5.1. The TPM, implemented from April 2023 following a long reform process, introduced benefit-based charges (BBC) under which customers contribute to transmission costs in proportion to benefits they receive.
- 5.2. The Authority is proposing to make operational refinements to the TPM to ensure it continues to meet policy objectives. We have worked with Transpower, which administers the TPM, and which proposed some of the refinements. Proposals take into account feedback received from stakeholders.
- 5.3. The proposed amendments will support a stable, predictable framework and strengthen investment signals. They include:
 - (a) refining the TPM to ensure battery storage is not charged disproportionately, and
 - (b) amending the method to be used for allocating the costs of anticipatory connection capacity so that BBC are more accurately targeted to expected beneficiaries.
- 5.4. This second proposal seeks to address who should pay for transmission connection investments made ahead of demand, first identified with the Northern Energy Bridge initiative.
- 5.5. The package also includes technical refinements and improved legal drafting.
- 5.6. The amendments also aim to reduce complexity and volatility. They batch BBC adjustment events annually; remove the substantial sustained increase adjustment event, which has proven unworkable; and allow a limited delay in recalculating simple method allocators to support Transpower's broader review of benefit-based charging methodologies.

Next steps: consultation, with decision in November and early 2027

- 5.7. These draft proposals are subject to Board approval. They are expected to be non-controversial as they are operational, and largely supported by stakeholders as they would reduce complexity and volatility and are not expected to materially affect customer charges. Consultation is from 29 June to 24 July, for six of the seven proposals, and until 31 August 2026 for the anticipatory capacity proposal (allowing for cross submissions).
- 5.8. We expect to decide on six of the seven proposals in November 2026, enabling Transpower to incorporate changes into its 2027/28 pricing. We plan to decide on the last of the seven proposals in early 2027, as it is likely to attract more substantive submissions and will require additional time.
- 5.9. Transpower is commencing the next phase of its TPM Operational Review which seeks to identify further improvements. We are working closely with Transpower to align sequencing and timing between Transpower's and the Authority's work.

Appendix A Investment pipeline monthly update (reproduction of 28 May 2026 update)

As requested by your office, this section is reproduced here for easy reference. You will receive refreshed data in the next report, 25 June 2026.

Please note: This investment pipeline monthly update includes confidential information provided under section 133 of the Crown Entities Act. It cannot be shared wider. Where information is confidential it has been indicated as **Confidential**.

Generation investment pipeline snapshot

45.6GW total capacity	67.6TWh/yr total energy	284 projects	107 developers	83.3% intermittent renewable	Holds 162% of 2025 energy demand ¹
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Summary of key changes since last update on 17 April 2026

- ▶ In response to a request from the Minister, further information is provided in tabular form in Appendix B.
- ▶ 968MW of new generation commissioned since November 2023.
- ▶ 1,628MW is currently under construction.
- ▶ 38.7GW of projects progressed beyond the first stage of Transpower's grid connection process. Of those, 17.5GW are planned for completion before 2030 (-0.1GW since last update due to the commissioning of Contact's Glenbrook battery), and of these, 12.9GW are owned independently (-0.1GW since last update, again due to the commissioning of Contact's Glenbrook battery).²

Generation development summary

- 1.1. 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).

¹ 67.6TWh/yr is 162% of 2025 demand (41.64TWh). However, a large volume of these projects are more speculative (not committed or actively pursued) and would rely on demand growing such that they were required.

² 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.

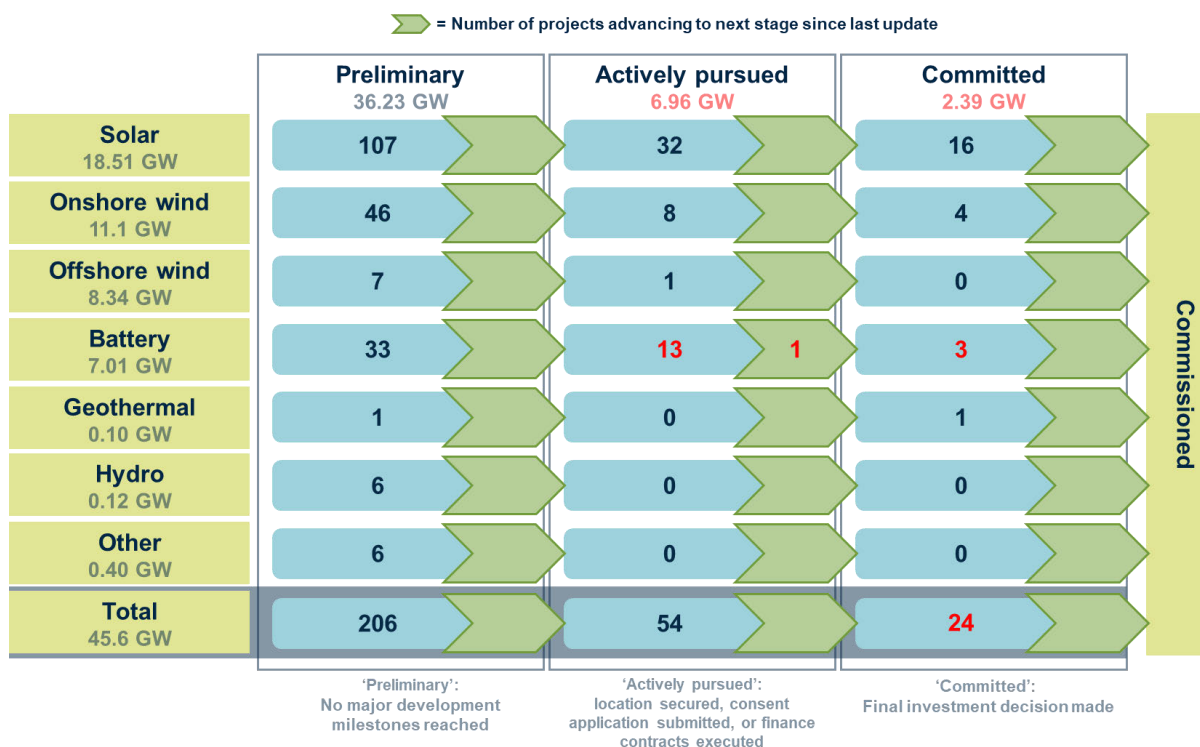
- (b) Generation build is expected to outpace demand growth over the period to 2033 – building generation faster than demand growth will help support security of supply, including in dry years.
- (c) Overall, we are 509MW better off this winter compared to the record peak from August 2023, although this 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

- 1.2. A final investment decision has been made for Genesis Energy's 100MW **Huntly BESS Stage 2**. Construction is expected to begin in Q4 2026, with completion expected in Q1 2028.
- 1.3. Westpower's embedded 23MW **Waitaha Hydro Scheme** received Fast-Track approval. Westpower has not publicly announced when a final investment decision for this scheme is expected. As this project is connected to a distribution network and does not require a new Transpower connection, it does not appear in our generation investment pipeline data. Consequently, this project is not included in the aggregate figures in this update.

Note: We are currently working on requirements for distributors to provide information on significant distribution and load connection developments, which will improve visibility of these projects. First submissions of this data are expected in December 2026.
- 1.4. Meridian's 120MW **Bunnythorpe Solar Farm** has received resource consent. A final investment decision on the project is expected in mid-2027.

Figure 3: Project advancement since 16 April 2026



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

- 1.5. 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).
- 1.6. This rate is expected to continue, with 3.75TWh of committed generation expected in the next three years, and another 3.61TWh actively pursued. 0.38TWh has been built in 2026 so far.
- 1.7. 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 4: Generation built since 2015 compared to the next three years of projects in the pipeline

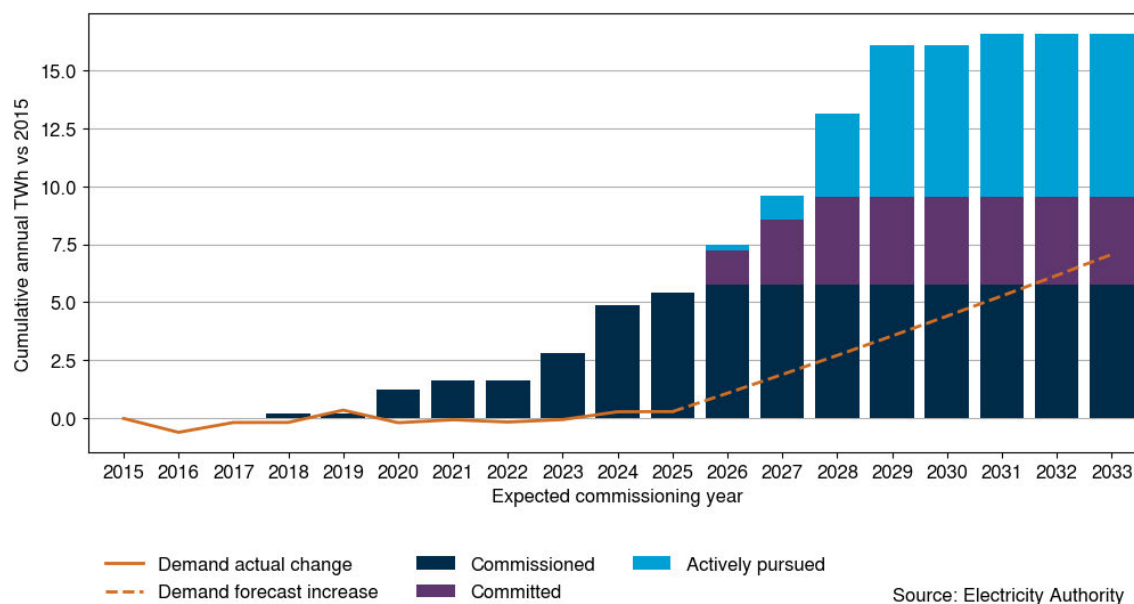
Period built	Amount built (TWh)
2015-22 8 years	1.65TWh built 206,000 households
2023-25 3 years	3.74TWh built 468,000 households
2026-28 3 years	0.38TWh built 48,000 households
	3.75TWh committed 469,000 households
	3.61TWh actively pursued 451,000 households

- 1.8. For further information on the breakdown of the 3.74TWh plus 0.38TWh of generation built between 2023 and the present day please see Appendix A Table 1. The 3.75TWh of projects committed between 2026 and 2028 is outlined in Appendix A **Error! Reference source not found.**

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

- 1.9. Figure 5 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).
- 1.10. We assume an average capacity factor for each type of generation to calculate total energy in the pipeline (with batteries providing zero energy).

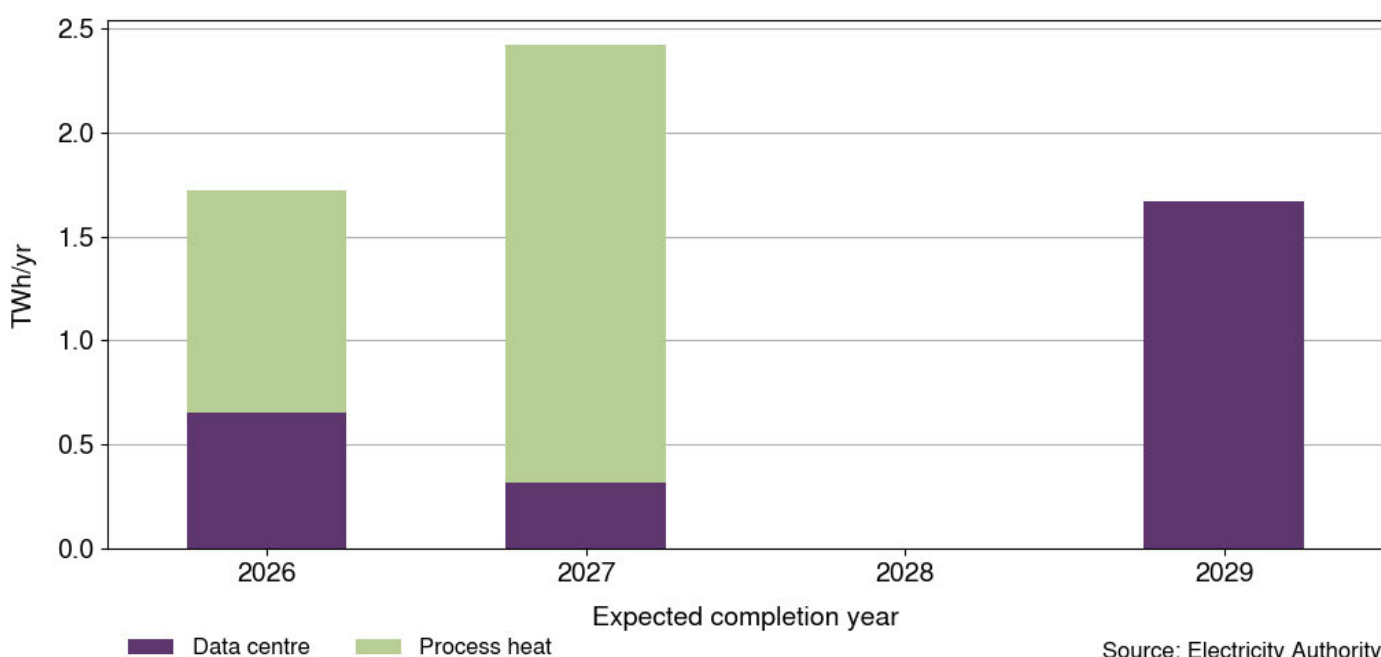
Figure 5: Cumulative generation pipeline versus 2015 against real and forecast demand change



- 1.11. Demand growth has been relatively flat in the last ten years but has begun to increase recently, despite industrial closures and demand response.
- 1.12. 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).
- 1.13. However, demand growth is unlikely to be linear. Industrial electrification will contribute to step changes in demand. Figure 6 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 in 2026), Fonterra Whareroa electrification ^{S9(2)(b)(ii)} and the Datagrid data centre in Southland (expected to add ~1.7TWh/yr in 2029). As with generation projects in the pipeline, not all projects will necessarily be built.

³ Provided to the Minister under section 133 of the Crown Entities Act.

Figure 6: Annual demand from load projects that have progressed beyond the first stage of Transpower's grid connection process



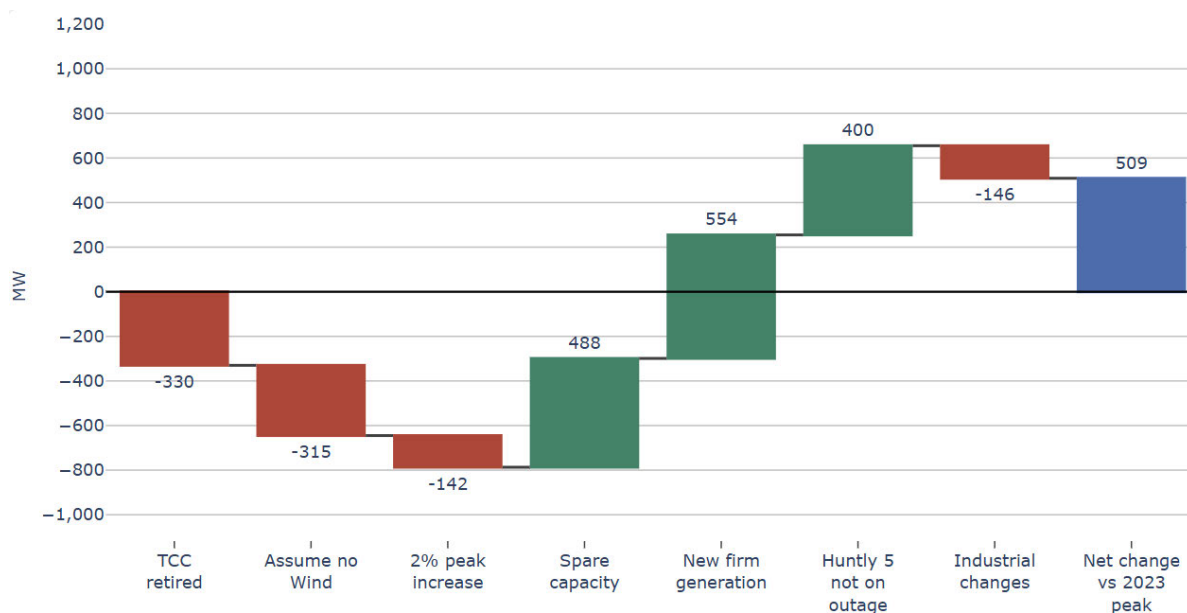
- 1.14. Demand forecasts are simply an estimate and are subject to uncertainty. However, the current trend illustrates that forecast supply is currently outpacing forecast demand, which helps support downward pressure on wholesale prices.
- 1.15. In April, the System Operator released its draft 2026 Security of Supply Assessment (SOSA). Its assessment is that there is “adequate but fragile” winter energy margins for 2026-28 with an “emerging energy gap” by 2031. [S9\(2\)\(g\)\(i\)](#)

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

- 1.16. Figure 7 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.

1.17. There are also additional geothermal and battery projects in the pipeline which are expected to be completed in 2027 and 2028 (336MW committed).

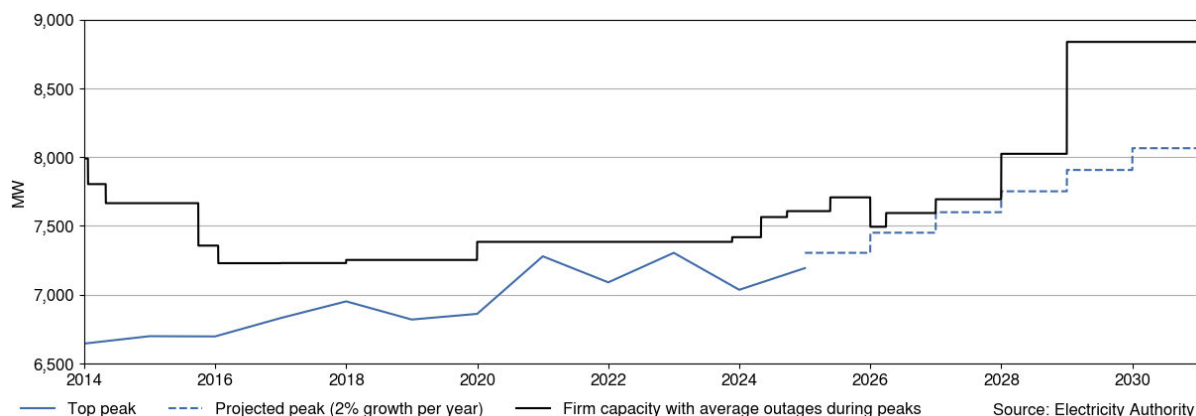
Figure 7: Winter 2026 generation capacity available compared to record peak from August 2023



1.18. Figure 8 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.

1.19. The inclusion of the 100MW Glenbrook battery since the previous briefing has increased firm generation capacity from April 2026 onwards.

Figure 8: 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

- 1.20. Independent developers are contributing a similar percentage to new capacity build as in recent years. Since 2024, they built 29% of the new capacity – and currently have 25% of the committed capacity in the pipeline (Figure 9).
- 1.21. Appendix A Table 3 illustrates the developers and timelines of the committed projects that have begun construction or commissioning.

Figure 9: Generation capacity built and in the pipeline by major gentailers and other developers

Period built	Projects built or in the pipeline	
	Major gentailers	Others
2018-23 6 years	5 projects built 574MW (73%)	5 projects built 219MW (27%)
2024-present 2+ years	6 projects built 518MW (71%)	8 projects built 214MW (29%)
2026+ Committed	13 projects 1,777MW (75%)	11 projects 608MW (25%)

- 1.22. 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.
- 1.23. We will continue to closely monitor the uptake of these different routes – if any one route becomes less frequent this may indicate potential barriers.
- 1.24. 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:
- Genesis is planning to acquire the Rangiri and Leeston solar farms from independent developers.
 - Meridian has signed a power purchase agreement for all the generation from the Tauhei solar farm.
 - Genesis has a power purchase agreement for 70% of the electricity from the Mt Cass windfarm under development by Yinson Renewables.

- 1.25. Some independent developers have already brought new generation to the market in the last couple of years and are now operating this generation:
- (a) Lodestone solar (four solar farms operational)
 - (b) Eastland generation (one new geothermal station in addition to their existing two)
 - (c) Rānui generation, Far North Solar Farms, Newpower and Northpower (one solar farm operational each).

Appendix B Generation projects

Table 1: Projects built between 2023 to present

Table 1 shows the breakdown of the 3.74TWh plus 0.38TWh of generation built between 2023 and the present day.

Project	Capacity	Expected annual GWh	Developer	Year commissioned
Kaitaia Solar Farm	24MW	34.3GWh	Lodestone Energy	2023
Harapaki Wind Farm	176MW	616.7GWh	Meridian Energy	2023
Rotohiko BESS	35MW	N/A	NewPower Energy	2023
Kaiwera Downs Stage 1 Wind Farm	43MW	150.7GWh	Mercury	2023
Turitea Wind Farm	103MW	360.9GWh	Mercury	2023
Ruawai Solar Farm	17MW	24.3GWh	Northpower	2024
Te Herenga o Te Rā Solar Farm	33MW	47.1GWh	Lodestone Energy	2024
Lauriston Solar Farm	47MW	67.1GWh	Genesis Energy	2024
Rangitaiki Solar Farm	24MW	34.3GWh	Lodestone Energy	2024
Tauhara Geothermal Plant	174MW	1448GWh	Contact Energy	2024
Te Huka 3 Geothermal Plant	51MW	424.2GWh	Contact Energy	2024
Pāmu Rā ki Whitianga Solar Farm	24MW	34.3GWh	Lodestone Energy	2025
Pukenui Solar Farm	21MW	30GWh	Far North Solar Farm	2025
Twin Rivers Solar Farm	24MW	34.3GWh	Rānui Generation	2025
Ruakākā BESS	100MW	N/A	Meridian Energy	2025

TOPP2 Geothermal Plant	49MW	407.8GWh	Eastland Generation	2025
Taiohi Solar Farm	22MW	31.4GWh	NewPower Energy	2025
Ngā Tamariki Geothermal Plant expansion	46MW	382.8GWh	Mercury	2026
Glenbrook BESS	100MW	N/A	Contact Energy	2026

S9(2)(b)(ii)

Table 3: Expected commissioning timeline of projects under construction

Table 3 illustrates the developers and timelines of the committed projects that have begun construction or commissioning.

Project	Capacity	Expected commissioning	Previously reported expected commissioning (if changed)	Developer
Papareireiā Solar Farm	21MW	2025		Maungaturoto Solar Farm Project LP
Omehu Solar Farm	38MW	Q1 2026		Far North Solar Farms
Kōwhai Park Solar Farm	150MW	Q3 2026	Q2 2026	Contact Energy/ Lightsource BP
Clandeboyne Solar Farm	28MW	Q3 2026		Lodestone Energy
Huntly Stage 1 BESS	100MW	Q3 2026	Late 2026	Genesis Energy
Maungatapere Solar Farm	17MW	November 2026		Northpower

Kaiwera Downs Stage 2 Wind Farm	155MW	November 2026		Mercury
Tauhei Solar Farm	150MW	Late 2026		Harmony Energy/First Renewables
Kaiwaikawe Wind Farm	77MW	Late 2026		Mercury
Ruakākā Solar Farm	130MW	Early 2027		Meridian Energy
Te Rahui Solar Farm	200MW	Mid 2027		Nova Energy
Edgecumbe Solar Farm	117MW	2027		Genesis Energy
Te Mihi Stage 2 Geothermal Plant	101MW (36MW net)	September 2027		Contact Energy
Danniverke Solar Farm	23MW	Unknown		Bright Fern /GameChange
Kapuni Wind Farm	25.6MW	2027		Hiringa Energy
Glenbrook 2.0 BESS	200MW	Q1 2028		Contact Energy
Mt Cass Wind Farm	95MW	2028		Yinson Renewables