

FN-26-012 Fortnightly report 26 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 and decision papers will be provided by briefing.

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1. Upcoming publications

Publishing new quarterly over-the-counter (OTC) market bids and offers summaries	
Strategic outcome	Affordable
Purpose	The Authority will begin publishing quarterly summaries of bids and offers activity in the over-the-counter hedge market using information from market participants. The summaries will increase transparency and inform risk management decisions leading to improved affordability and reliability of electricity for consumers.
Action and timing	Publication: 6 July 2026

2. Consultation: Current and future

Current consultation	Consultation period
Improving information on high-voltage network capacity (cross submissions from 16 June)	5 May to 2 July 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
Enabling market evolution: Market Operation Service Provider 10-year roadmap	2 June to 14 July 2026
Review of the application of loss and constraint excess to the settlement of Financial Transmission Rights	23 June to 22 July 2026

Future consultation	Consultation period
Issues paper on improving consumer access and choice	30 June to 11 August 2026

Proposal for Transpower to share common quality information - consultation	30 June to 11 August 2026
Consultation: Code amendment omnibus #7 (subject to Board approval)	Mid-July to mid-August 2026

3. Authority to publish the Statement of performance expectations 2026/27

- 3.1. The Authority will submit the final *Statement of performance expectations 2026/27* (SPE) to you, prior to 30 June 2026.
- 3.2. Some limited changes have been made since the draft SPE was provided to your office on 30 April 2026 (BR-26-0010 refers). These reflect the updated Government Policy Statement (GPS) and recent Government announcements about legislating to give the Authority a new statutory function relating to dry year risk and security of supply. We have engaged with MBIE monitoring team on these changes and our covering briefing will provide more detail.
- 3.3. The updates support the Authority's strengthened responsibilities in relation to security of supply under the new GPS. As part of our ongoing focus on security of supply we will be working closely with the System Operator, MBIE and stakeholders to ensure all settings relating to the management of dry-year risk are reviewed and action is taken where necessary. We will continue to keep you updated as our work progresses.
- 3.4. The Board has approved the final SPE, with these limited changes.
- 3.5. The SPE will be submitted to you and House Offices by 30 June 2026 in line with Crown Entities Act 2004 (CEA) and Parliamentary presentation requirements.
- 3.6. The SPE will be published as soon as practicable following submission as per the CEA.

4. Security of supply assessment update

- 4.1. Transpower's annual medium-term security of supply assessment (SOSA) is expected to be finalised and published shortly, noting that it must be released by 30 June 2026. We are currently reviewing the draft and will provide advice in due course after the final version is published.

5. Investment pipeline monthly update: 25 June 2026

Generation investment pipeline snapshot					
45.54GW total capacity (-0.03GW)	67.5TWh/yr total energy (-0.1TWh/yr)	282 projects (-2 projects)	106 developers (-1 developer)	83.3% intermittent renewable	Holds 162% of 2025 energy demand ¹

Key insights this month

Summary of key changes since last update on 28 May 2026

- Changes from the previous update are marked up in **red**.
- **999MW** of new generation commissioned since November 2023 (**+31MW since last update**). 475MW of this is firm capacity, or generation that can reliably meet peak demand (assuming full battery availability).
- **1,652MW** is currently under construction (**+24MW since last update**). 401MW of this is firm capacity.
- 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, and of these, 12.9GW are owned independently.²

Generation development summary

- 5.1. This section provides a key project development update and an update on the pace of generation being built relative to demand. In summary:
- Generation built in the last 3 years (2022-2025) was more than double that built in the previous 8 years (2015-2022).
 - 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.
 - 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.
 - Both gentailers and independent developers are building new generation and different development options are being utilised.

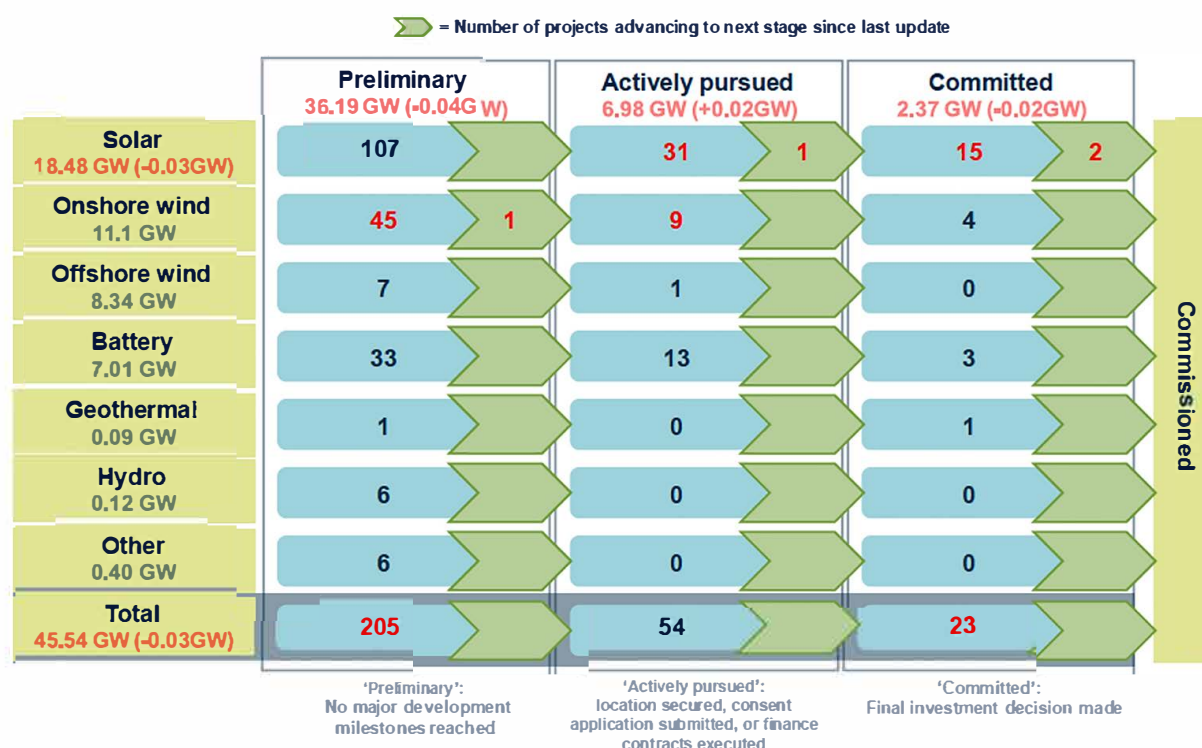
¹ 67.5TWh/yr is 162% of 2025 demand (41.64TWh). However, a large volume of these projects are more speculative (not committed or actively pursued) and would rely on demand growing such that they were required.

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.

Key project development updates

- 5.2. Construction at Lightyears Solar's 13.5MW Reefton Solar Farm has begun, with completion expected by late 2026. Meridian Energy has signed a PPA for all generation from this solar farm.
- 5.3. Lodestone and Centralines' 31.5MW Ongaonga Solar Farm has begun construction. Construction is expected to be completed by early 2027.
- 5.4. Two solar farms have been completed recently, both by independent generators:
 - (a) 21MW Papareireiā solar farm (Maungaturoto Solar Farm Project LP)
 - (b) 10MW Rangimarie solar farm (Newpower)

Figure 1: Project advancement since 28 May 2026



Additional detail

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

- 5.5. The volume of new generation built in the three years 2023-25 (3.74TWh, or 9% of annual 2025 demand) was more than double that built in the previous 8 years (1.65TWh, or 4% of annual 2025 demand).
- 5.6. This rate is expected to continue, with **3.76TWh (+0.01TWh since last update)** of committed generation expected in the next three years, and another **3.72TWh** actively pursued (**+0.11TWh since last update**). **0.43TWh** has been built in 2026 so far (**+0.05TWh since last update**).
- 5.7. 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 2: Generation built since 2015 compared to the next three years of projects in the pipeline (energy)

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	0.43TWh built (+0.05TWh) 53,750 households (+5,750)
	3.76TWh committed (+0.01TWh) 470,000 households (+1,000)
	3.72TWh actively pursued (+0.11TWh) 465,000 households (+14,000)

5.8. For further information on the breakdown of the 3.74TWh plus 0.43TWh of generation built between 2023 and the present day please see Appendix A Table 1.

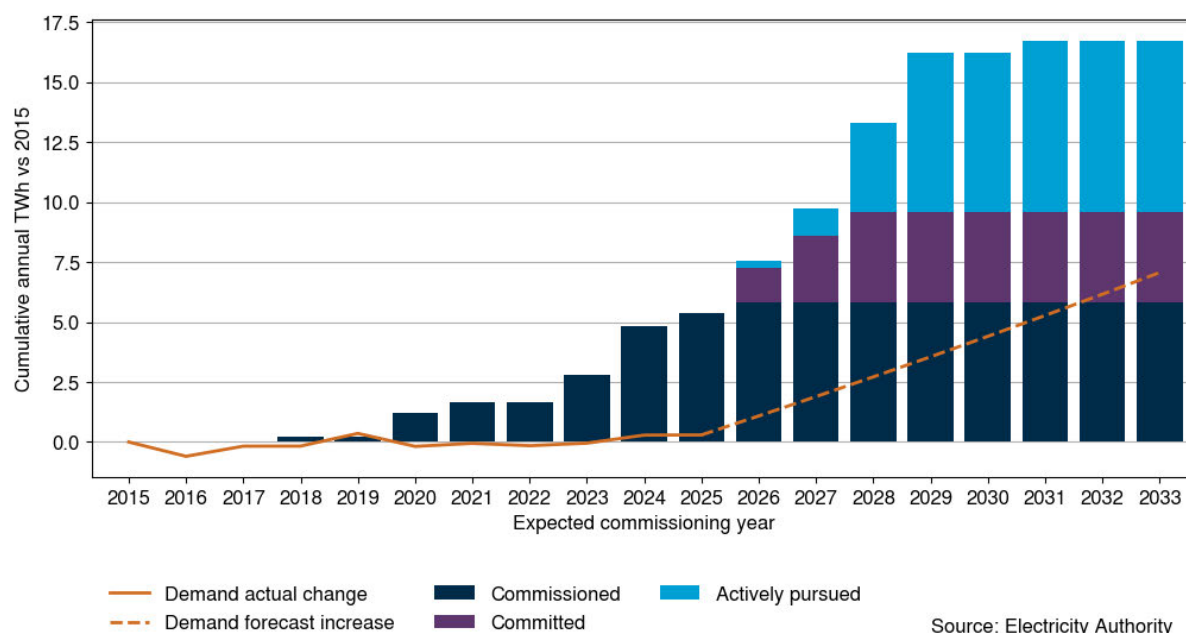
5.9. For further information on the 3.76TWh of projects committed between 2026 to 2028, please see Appendix A Table 2.

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

5.10. 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).

5.11. 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 (energy)



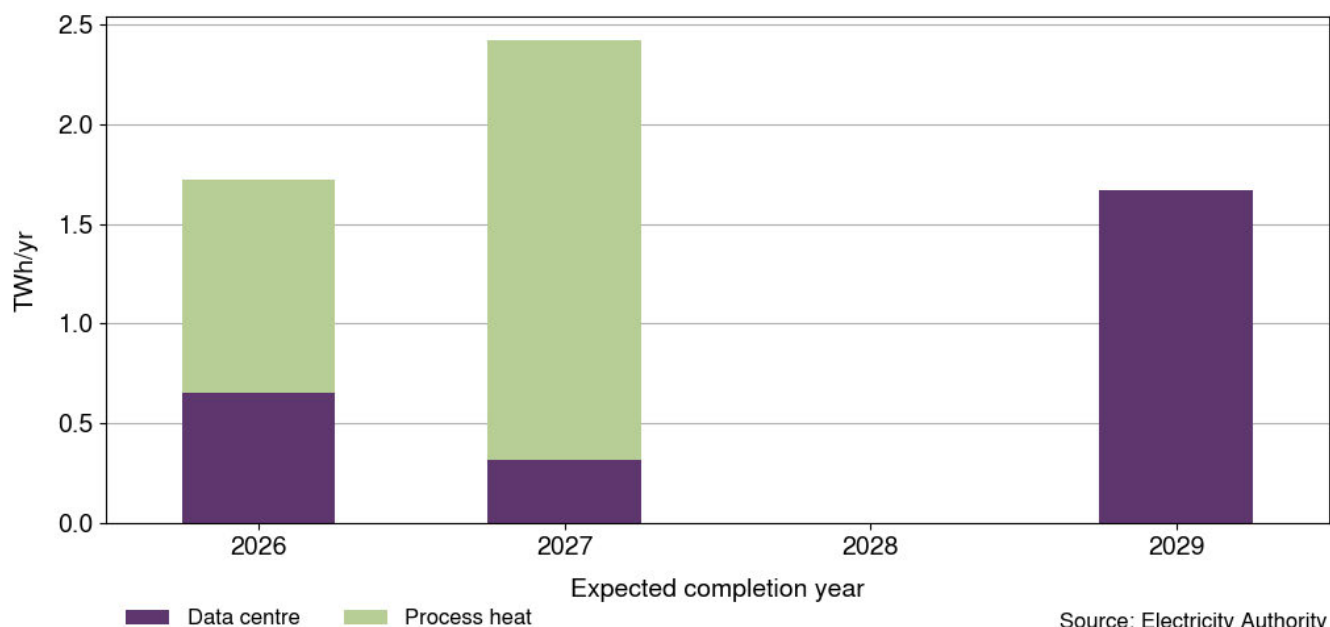
- 5.12. Demand growth has been relatively flat in the last ten years (between -1.4% and 0.9% of 2015 demand) but has begun to increase recently, despite industrial closures and demand response.
- 5.13. Already commissioned new generation and committed new generation is sufficient to meet the forecast increase in annual demand included in MBIE's reference case (~0.8-0.9TWh additional demand per year).³
- 5.14. 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 in 2026), Fonterra Whareroa electrification, 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.
- 5.15. Rio Tinto and Contact Energy have signed a letter of intent for a PPA to support the restart of the idle Line 4 potline at the New Zealand Aluminium Smelter at Tiwai (expected to add ~0.44TWh/yr in 2030). The smelter would become a long-term customer for Contact's consented Southland Wind Farm (325MW).
- 5.16. Note that this load is not included in Figure 4 below, as a new grid connection is not required for the additional potline. We are bringing in requirements for distributors to provide information on significant load and distribution connection developments

³ Further information on the reference scenario from MBIE's Electricity Demand and Generation Scenarios can be found here: [Electricity Demand and Generation Scenarios \(EDGS\) | Ministry of Business, Innovation & Employment](#).

(>300kW), with first submissions of this data expected on 7 December 2026. We will include it in reporting early next year.⁴

- 5.17. Fonterra has also recently signed a PPA for 80% of the generation from ANZA Power's planned Somerton solar farm as well as a PPA for generation from NZ Clean Energy's planned Darfield solar and battery project.

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



- 5.18. 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)

- 5.19. 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

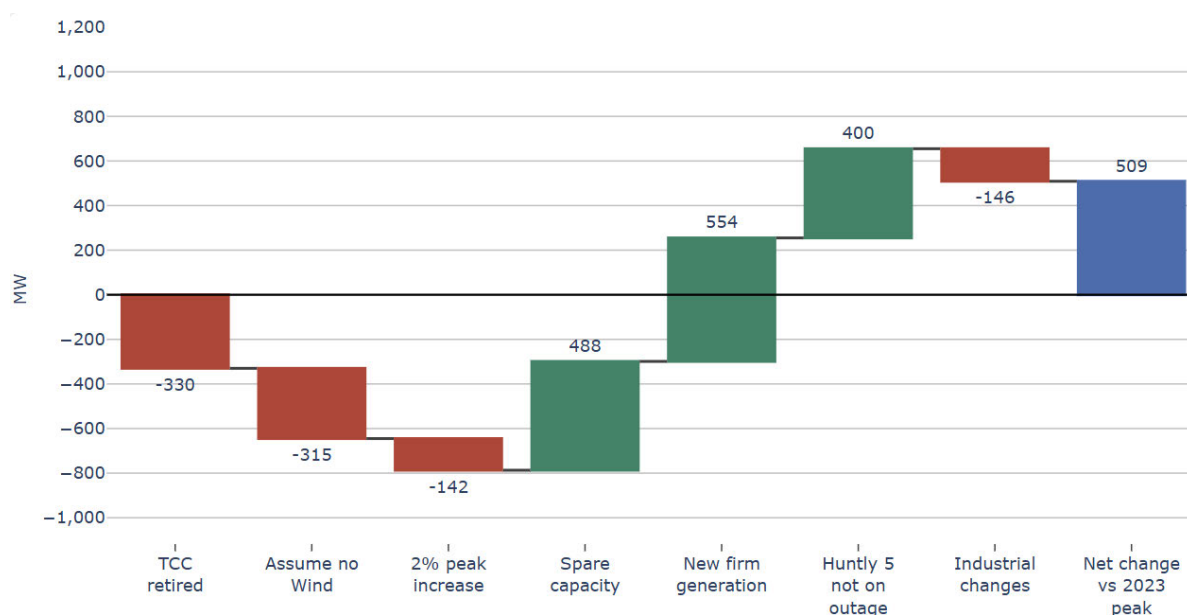
⁴ In the case of smaller embedded generation and storage (including behind-the-meter generation), we have collected information on connection applications to provide a baseline. When our new obligations on connection application processes come into effect on 1 December we will have sufficient data to compare distributors' performance against the baseline data.

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.

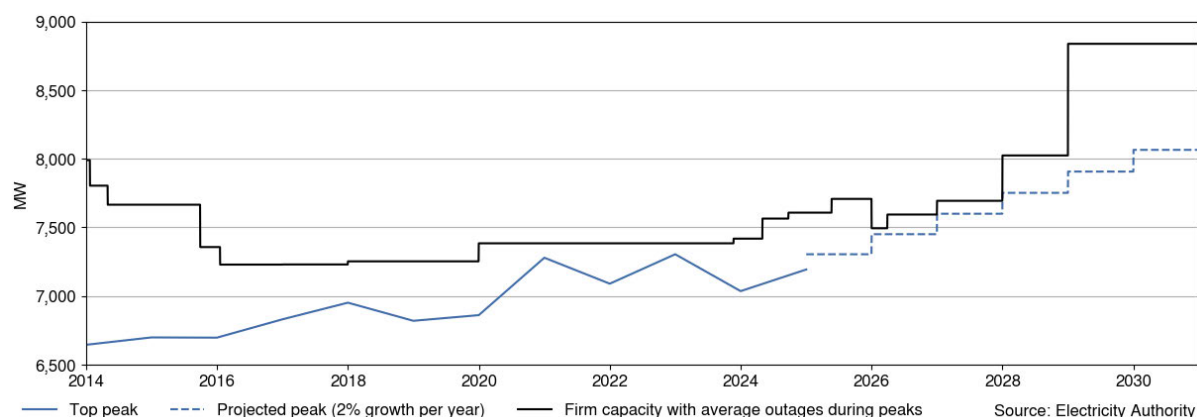
5.20. There are also additional geothermal and battery projects in the pipeline which are expected to be completed in 2027 and 2028 (336MW committed).

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



5.21. 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

- 5.22. Independent developers are contributing a similar percentage to new capacity build as in recent years. Since 2024, they built **32%** of new capacity **(+3% since last update)** – and currently have 25% of committed capacity in the pipeline (Figure 7).
- 5.23. Appendix A Table 2 illustrates the developers and timelines of the committed projects that have begun construction or commissioning.

Figure 7: 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 (68%)	10 projects built (+2) 245MW (+31MW) (32%)
2026+ Committed	14 projects (+1) 1,789MW (+12MW) (75%)	9 projects (-2) 589MW (-19MW) (25%)

- 5.24. 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:

(a) create an initial concept for development to sell

- (b) create and develop the project to completion but sell once it becomes operational, and
 - (c) create, develop and subsequently operate the new generation.
- 5.25. We will continue to closely monitor the uptake of these different routes – if any one route becomes less frequent this may indicate potential barriers.
- 5.26. **Four** 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 Rangiriri 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 power purchase agreement for 70% of the electricity from the Mt Cass windfarm under development by Yinson Renewables.
 - (d) **Meridian has signed a power purchase agreement for all generation from the Lightyears Solar's Reefton solar farm.**
- 5.27. 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) **Newpower (two solar farms operational)**
 - (d) Ranui Generation, Far North Solar Farms, **Maungaturoto Solar Farm Project LP** and Northpower (one solar farm operational each).

Appendix A Generation projects

Please note: This appendix 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**.

Table 1: Projects built between 2023 to present

Table 1 shows the breakdown of the 3.74TWh plus 0.43TWh 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
Papareireiā Solar Farm	21MW	30GWh	Maungaturoto Solar Farm Project LP	2026
Rangimarie Solar Farm	10MW	14.3GWh	Newpower	2026

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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
Omehu Solar Farm	38MW	Q1 2026		Far North Solar Farms
Danniverke Solar Farm	23MW	Q2 2026	Unknown	Bright Fern /GameChange
Kōwhai Park Solar Farm	150MW	Q3 2026		Contact Energy/ Lightsource BP
Clandeboyne Solar Farm	28MW	Q3 2026		Lodestone Energy
Huntly Stage 1 BESS	100MW	Q3 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
Reefton Solar Farm	13.5MW	Late 2026		Lightyears Solar
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
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
Glorit Solar Farm	200MW	Q4 2028		Contact Energy