

Submission form (DG-related Code changes)

Please email your submission to: connection.feedback@ea.govt.nz by 5pm, Tuesday 6 October 2026

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Questions on distributed generation-related Code change proposals

Questions	Comments
Q30. Do you agree the Code should be amended so the 10kW default export limit also applies to Part 1 applications? Please explain your views.	Yes. There is no good reason for a Part 1 applicant to face a worse default export position than a Part 1A applicant on the same network. The current inconsistency penalises exactly the systems the country should want more of: larger hybrid systems with battery storage. A home with a battery typically exports less at network peak and can shift export away from the midday trough, so treating these applications more restrictively than a simple 5kW solar-only system gets the incentives backwards. For background, I run Smart Energy Lab in Victoria, Australia. I have worked in solar since 1991, represent the Smart Energy Council on Standards Australia committees EL-042 and EL-005 (EL-042 maintains the joint AS/NZS 4777 inverter standards), test solar and battery inverters for manufacturers, and train solar installers in New Zealand regularly. I grew up in Wellington.
Q31. Do you agree the Code should be amended so that distributors cannot limit their approved inverter lists to only communicating smart inverters or use their COPS to mandate smart inverters or flexible/dynamic export limits? Please explain your views.	Yes, I agree with the amendment. AS/NZS 4777.2:2020 already requires every compliant inverter to provide autonomous power quality response modes (volt-var and volt-watt). Networks get substantial voltage management from these modes with no communications at all, and that is where most of the network benefit actually comes from. Letting distributors restrict approved lists to communicating inverters, or mandate flexible exports through their connection and operation standards, adds cost and shrinks product choice for consumers while delivering little the autonomous modes do not already provide. It also risks each distributor mandating a different communications arrangement, which fragments a small market. In Australia, dynamic export schemes work best where they are offered as an opt-in with a higher export limit as the reward. That is the right model: make flexible exports attractive, not compulsory. Consumers who want a simple fixed limit should be able to have one.
Q32. Do you agree the Code should be amended to allow distributors to 'build in' an extra 10% DG penetration when doing a network study, that may lead to parts of networks qualifying for export limits below 10kW? Please explain your views.	I can accept it as a pragmatic interim measure, with conditions. A modest headroom allowance is a reasonable trade against distributors either re-studying networks constantly or defaulting to conservative refusals. Both of those outcomes are worse for uptake than the occasional sub-10kW limit on a genuinely constrained section. The conditions matter. The studies and resulting limits should be published so applicants and installers can see why a limit applies. Limits below 10kW should be the exception on demonstrably constrained network sections, not a tool for broad de-rating. And the allowance should carry a review date, because LV monitoring data and battery uptake will change the picture quickly.

Q33. Do you agree that a 10% allowance (as an interim measure) reduces the need for frequent network assessment. If not, what alternative level of allowance or approach should the Authority consider and why?	Broadly yes, as an interim measure. Ten percent is a reasonable middle number: enough headroom to avoid constant reassessment, not so much that it strands significant hosting capacity. I would rather see the Authority hold at 10% and put its effort into the longer term fix, which is distributors using actual LV monitoring data rather than static studies. Smart meter penetration in New Zealand is high, and the data to assess real hosting capacity largely already exists. The sooner limits are set from measured data, the sooner the allowance becomes unnecessary.
Q34. Do you agree the Code should be amended to explicitly require distributors to offer both Part 1A and Part 1 DG application processes? Please explain your views.	Yes. Both processes serve different applications and both should be available everywhere. A distributor dropping the simplified Part 1A pathway forces small residential applications through a heavier process than the Code intends, which adds delay and soft cost to every job. Installers price delay and uncertainty into quotes, so process friction lands on the consumer as real money. Making the obligation explicit removes any room for local variation.
Q35. Do you agree the Code should be amended to make it clear distributors cannot extend timeframes for Part 1A applications, but should not be penalised by the time taken by the applicant to remedy a deficient application? Please explain your views.	Yes to both parts. Regulated timeframes only mean something if they cannot be unilaterally extended, and Part 1A only works as a simplified pathway if the applicant can rely on the clock. Equally, it is fair that time spent waiting on an applicant to fix a deficient application does not count against the distributor. Stopping the clock rather than restarting it is the right mechanic. The one thing to guard against in drafting is deficiency notices being used as a de facto extension tool, so a deficiency should have to be identified promptly and specifically, not discovered in week three.
Q36. Do you agree with the objectives of the proposed amendments? If not, why not?	Yes. Consistent default export limits, preserved consumer choice of equipment, faster and more predictable connection processes, and less unnecessary reassessment are the right objectives. They all pull in the same direction: reducing the soft costs and uncertainty that slow solar and battery uptake without touching anything that matters for network safety or security.
Q37. Do you agree the benefits of the proposed amendments outweigh their costs?	Yes. The costs are mostly administrative and fall on parties well equipped to absorb them. The benefits compound across every future connection application in the country. Australian experience is that connection process friction is one of the larger soft costs in residential solar, and it is pure deadweight: nobody benefits from a slow or inconsistent application process.
Q38. Do you have any feedback on the Authority's assessment of the costs and benefits and the balancing of these as set out in this paper, including any evidence of quantified costs and benefits?	No quantified evidence to add, but one qualitative point from the Australian market. The cost of restrictive or inconsistent connection settings is mostly invisible in any formal assessment because it shows up as systems never built: households that gave up, batteries left out of quotes to stay under a threshold, and installers who stop selling in certain network areas. The paper's assessment is if anything conservative about the benefits, because avoided-deterrence benefits are hard to count and therefore usually undercounted.
Q39. Do you agree the proposed amendments are preferable to the other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.	Yes. The proposed amendments target the actual problems with the lightest workable touch. The main alternatives, either leaving current settings in place or moving straight to mandated dynamic export arrangements, are both worse: the first preserves inconsistency and the second imposes cost and complexity ahead of the market being ready for it. The proposals are consistent with promoting competition and the efficient operation of the industry for the long-term benefit of consumers.

Q40. Do you agree the Authority's proposed amendments comply with section 32(1) of the Act?	Yes, nothing to add. The amendments sit comfortably within the statutory objective and I see no inconsistency with section 32(1).
Q41. Do you have any comments on the drafting of the proposed amendments?	Three drafting points. First, the restriction on mandating communicating inverters and flexible exports needs to be worded so it cannot be recreated through other COPS technical requirements or approved-list criteria; the prohibition should cover the effect, not just the named mechanism. Second, the 10% allowance should be explicitly labelled interim in the Code with a review trigger, otherwise interim measures have a way of becoming permanent. Third, keep the terminology for export limits consistent across Part 6 and Schedule 6.1 so the 10kW default reads identically for Part 1 and Part 1A applications.