

Submission form (DG-related Code changes)

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

Name	Gareth Williams
Organisation	SEANZ – Sustainable Energy Association of New Zealand

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. The 10kW default export limit should apply equally to Part 1 applications. A consumer should not lose access to the 10kW default merely because an installation must use Part 1 rather than Part 1A. Any lower limit should be evidence-based, site/network-specific and supported by a current network study.

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.	Partially.. Dynamic and flexible export arrangements can unlock substantial network and customer value. In that regard smart communicating inverters will be a critical component. To avoid bespoke EDB specifications and clarity of the application and operation of dynamic limits SEANZ supports nationally standardised interoperability and communications requirements. The Authority itself recognises dynamic/flexible limits and dynamic operating envelopes as important tools for using network capacity efficiently. The priority should therefore be to accelerate that national framework. As an interim measure this proposal prevents individual EDB's from imposing their own standards which limits customer choice's SEANZ therefore supports this interim change but urges urgency in setting national frameworks that support dynamic limits. Related to this, the code change needs to clarify that until there is a national framework in place then customers need to be offered either a flexible limit or a static limit (customer choice) where the static limit is based on the existing network conditions at that ICP. In addition we note that one EDB is using their own COPS to mandate dynamic import control on battery charging under Part1 / Part 1A applications. When grid charging, the battery is not operating as a generator. As with export control SEANZ is not opposed to dynamic import control, however this is not the mechanism to do so. This specifically targets batteries and not other loads such as EV charging. A specific code change addressing all import control provisions across all loads should be considered and the right to mandate control of battery charging specifically excluded from the DG process. To minimise potential inequity between existing and future DG connections, SEANZ recommends that by 1 July 2027 the Code provide EDBs with the ability to require "dynamic control-readiness" for all new DG connections. Dynamic control readiness must be defined nationally, rather than by individual EDBs, and must not materially increase the cost of connecting for consumers. The national framework should include standardised customer contracts uniform device, interoperability and communications requirements (referencing international standards); assurance that required connectivity remains available after installation; clearly defined service levels, including a target minimum proportion of daylight hours in which exports will not be curtailed; full transparency of the service levels actually delivered; and clear consequences where those service levels are not met. Many EDBs may initially lack either the capability or the need to manage these connections dynamically. Even where an EDB has that capability, it should only be permitted to curtail exports when and where this is demonstrated to be necessary under the relevant ELAM/BELAM assessment and Code requirements. In practice, for the vast majority of DG customers, a dynamic export limit should therefore operate at the equivalent of a fixed limit for the vast majority of the time, while preserving the ability to manage genuine network constraints when they arise. Consumers should retain a genuine choice. A static connection without flex-readiness should remain available, but an EDB could set a commensurately lower static export limit where justified (for example, 2–2.5 kW). This creates a transparent trade-off: customers choosing dynamic control ready equipment retain access to greater network capacity and future dynamic capability, while customers who do not wish to provide that capability can choose a simpler but lower static export entitlement.
--	---

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.	DISAGREE. Proposal 3 should not proceed. Allowing an EDB to add a hypothetical 10% to a network study means customers can have exports constrained today because of generation that does not exist and may not exist for many years. That is not prudent network management; it is rationing present network capacity on the basis of an unsubstantiated forecast. In addition it would seem pointless in practice. If a residential LV feeder has 10% penetration (NZ average is 3.7%) currently at an average of 8kW system size that means 80kW of PV if there are 100 customers on the feeder. 10% would allow an extra 8kW – which is instantly used with the next connection – so provides no advantage in terms of needing to remodel the hosting capacity. The paper itself identifies the fundamental problems with forecasting future DG for current connection decisions: it requires hypothetical assumptions, risks overly conservative limits for applications that may never materialise, and reduces benefits available now. Those concerns do not disappear simply because the hypothetical allowance is fixed at 10%. The principle should be simple: current customers should be assessed against current network conditions and credible committed connections. If conditions change, the network should manage those conditions when they arise. Capacity should not be reserved in advance. More importantly, this proposal risks locking New Zealand into yesterday's solution just as smart inverters, dynamic export limits and dynamic operating envelopes provide the tools to manage genuine constraints in real time. The answer to future congestion is active, dynamic management under nationally consistent rules – not increasingly conservative static limits based on fictional future generation.
--	---

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?	NO. Administrative convenience for distributors is not sufficient justification for reducing consumers' access to network capacity. A 10% allowance is arbitrary: it has no demonstrated relationship to the rate of DG uptake on a particular feeder, the timing of that uptake, actual coincidence of export, load growth, batteries, EVs, demand response, voltage-management capability or future network investment. The Authority itself acknowledges that a standard 10% allowance may not reflect future uptake on individual feeders. The alternative should be: (1) use actual connected DG plus accepted/committed applications for current export decisions; (2) undertake periodic, transparent feeder-level hosting-capacity assessments using a nationally standardised methodology; (3) publish capacity and constraint information; and (4) urgently implement a national dynamic-export framework so constraints are applied only when and where they actually exist. If reassessment workload is genuinely material, the Authority should address the efficiency of the assessment process itself. It should not solve an EDB administrative problem by transferring the cost to solar and battery owners through years of unnecessary export restriction. SEANZ's preferred alternative should transition by 1 July 2027 to a nationally standardised flex-readiness framework for new DG connections. This would give networks the future capability to manage real constraints dynamically without imposing blanket restrictions on capacity that is available today.
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. The Code should explicitly require access to both Part 1A and Part 1 where the relevant eligibility requirements are met. The streamlined Part 1A pathway was created for a reason. Consumers should not be pushed into a slower or more expensive process because of an EDB's internal practice or preference. Consistency across all EDBs is essential. An additional issue SEANZ has encountered is an EDB requiring a brand new Part 1 or Part 1A application if there are minor changes to the model / capacity of solar PV panels used (due to manufacturer spec changes or supply issues) – which do not impact the basis for the original approval. This would seem to be a simple change to the code to prevent this practice
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. The 10-business-day requirement must mean what it says. The clock should stop only where genuinely necessary information required to assess the application is missing, and only for the period reasonably required for the applicant to provide it. This must not become a mechanism for repeated information requests or administrative delay. The Authority should monitor distributor performance and publish processing-time data so persistent non-compliance is visible.
Q36. Do you agree with the objectives of the proposed amendments? If not, why not?	PARTLY. SEANZ supports the objectives behind Proposals 1, 4 and 5 and supports Proposal 2 as a temporary measure pending a national dynamic-export framework (which should be treated with some urgency). We do not support the objective or mechanism of Proposal 3. Preserving hypothetical future headroom by constraining current customers is not an efficient allocation of network capacity. It conflicts with the broader objective of maximising the benefits of local generation and risks discouraging investment precisely when New Zealand needs substantially more distributed energy resources.

Q37. Do you agree the benefits of the proposed amendments outweigh their costs?	NO – not as a package while Proposal 3 remains. The Authority acknowledges that the 10% buffer may reduce export limits for current applicants and therefore reduce benefits to consumers and networks. That cost is real and potentially persistent, while the claimed benefit is principally reduced distributor reassessment effort and is not quantified. There is no adequate basis to conclude that this trade-off produces a net consumer benefit. Remove Proposal 3 and SEANZ considers the remaining amendments are, overall, beneficial.
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?	The cost-benefit assessment of Proposal 3 is materially incomplete. It identifies reduced exports for current applicants but does not quantify the lost export revenue, lower solar/battery returns, reduced investment incentive, lost local generation, potential wholesale-market benefits foregone, or the value of network support that would otherwise be provided by DG. Nor does it quantify the distributor administration savings said to justify the proposal. This is a one-sided comparison: a concrete restriction on consumers is being justified by an unquantified administrative efficiency for EDBs. Before such a power is created, the Authority should demonstrate the scale and frequency of the claimed reassessment problem, the actual cost of reassessments, the likely duration of restrictions created by the 10% buffer, and the consumer value lost. The assessment should also compare Proposal 3 against modern alternatives – automated/periodic hosting-capacity analysis, published feeder capacity, smart-inverter functionality, flexible exports and dynamic operating envelopes. The consultation paper itself says the enduring solution is likely to involve more sophisticated export allocation and congestion management. That enduring solution should be accelerated rather than preceded by a blunt rule that may create stranded network capacity.
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.	NO, specifically in relation to Proposal 3. SEANZ prefers the Authority's previous approach: future DG projections may be used to identify trigger points for when a network assessment should be revisited, but should not be used to set lower export limits for current applicants. That is a sensible distinction between planning and allocation. The preferred pathway is to retain that principle and urgently establish a nationally consistent dynamic-export and congestion-management framework. If an interim measure is required, use periodic feeder-level reassessment triggered by actual penetration/committed applications, not a blanket hypothetical 10% uplift. This better supports the statutory objective because it allows existing network capacity to be used efficiently for the long-term benefit of consumers while preserving the ability to respond when real constraints emerge. As part of that pathway, the Authority should establish a 1 July 2027 target for nationally standardised flex-readiness for new DG connections, with clear customer protections, service levels and transparency requirements, while retaining a lower static-export option for customers who do not choose flex-readiness.

Q40. Do you agree the Authority's proposed amendments comply with section 32(1) of the Act?	NOT IN FULL. SEANZ accepts that several amendments clearly support the Authority's statutory objectives, but does not accept that Proposal 3 has been demonstrated to do so. Calling a common 10% buffer 'nationally consistent' does not make the underlying outcome efficient. National consistency in applying an arbitrary assumption can simply produce nationally consistent inefficiency. The Authority has not demonstrated that the distributor administration savings exceed the consumer and system costs of constraining real exports to reserve capacity for hypothetical future DG. Without that evidence, the case that Proposal 3 promotes efficient operation for the long-term benefit of consumers is not established.
Q41. Do you have any comments on the drafting of the proposed amendments?	Yes. Proposal 3 should be deleted from the proposed amendments. SEANZ's preference remains clear: do not create the 10% (or any other value) buffer. Put regulatory effort into nationally consistent dynamic export limits, interoperability standards, transparent hosting-capacity information and clear rules governing when and how dynamic constraints may be applied. Networks should manage actual constraints, not manufacture them on paper years in advance. The Code should also establish a clear transition to nationally standardised flex-ready DG connections by 1 July 2027, so New Zealand builds the capability to manage actual constraints dynamically rather than progressively rationing network capacity through lower static limits.