

16 December 2022

Electricity Authority

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To the Electricity Authority

**Driving efficient solutions to promote consumer interests through winter 2023**

Wellington Electricity Lines Limited (**WELL**) welcomes the opportunity to make a submission in response to the Electricity Authority (The Authority) “*Driving efficient solutions to promote consumer interests through winter 2023*” published on 25 November 2022.

The frequency of supply shortages does appear to be worsening and WELL supports the review of the tools the System Operator has available to intervene in an emergency situation.

WELL is a member of the Electricity Networks Association (ENA) and our views are represented in their submission – we will not repeat the submission points and recommendations.

This submission adds important context to the availability of demand response from hot water ripple control – the context is specific to the Wellington distribution network configuration and operating strategy and may differ with other networks. WELL has a strategy of using demand management tools (including ripple control and redistributing load around our mesh network) to delay having to invest in building a larger network for as long as possible. This helps us maintain one of the lowest distribution prices in New Zealand while operating one of the most reliable networks. Practically this means we have designed the network to incorporate the current ripple control demand response capability – we expect to have to use the capability provided by the ripple control demand response during winter peaks. While we do have some spare capacity available to respond to a grid emergency, and we do make any capacity we aren’t already using at the time of a request available to the System Operator, it is limited. If the winter demand peaks are increasing (as indicated by Transpower), then the size of the ripple control response available after our own demand response, may decrease. The development of flexibility services to increase the size of the demand response available to both the grid and distribution networks is essential.

Thank you for providing the opportunity to provide feedback to this "*Driving efficient solutions to promote consumer interests through winter 2023*" consultation. If you have any questions or there are aspects you would like to discuss, please don't hesitate to contact Scott Scrimgeour, Commercial and Regulatory Manager, at [scott.scrimgeour@welectricity.co.nz](mailto:scott.scrimgeour@welectricity.co.nz) .

Yours sincerely

Greg Skelton

**Chief Executive Officer**