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**Procurement Plan Submissions** 

**Electricity Authority** 

Submitted by email: battery@ea.govt.nz

2 December 2021

**Dear Electricity Authority** 

## RE: Procurement plan 2021 review – consultation paper

Thank you for the opportunity to provide feedback on the consultation paper for the 2021 ancillary services procurement plan.

Enel X works with commercial and industrial energy users to develop demand-side flexibility and offer it into wholesale capacity, energy and ancillary services markets worldwide, as well as to network businesses. Enel X has been offering customer load into the instantaneous reserve market in New Zealand since 2009.

This submission provides Enel X's views on matters raised in the consultation paper. Our comments are limited to matters relating to instantaneous reserve and reflect the comments we made in our submission to Transpower's consultation process. Specifically:

- Clause B37.2 We are comfortable with the proposed changes as they relate to FIR and SIR provided by interruptible loads, as this is largely a formalisation of current practice.
- Clauses B.40.1 and B.40.2 We support the proposed amendments to clauses to enable FIR and SIR delivery to be calculated from either the grid frequency falling to or below 49.2 Hz, or the trip time.
- Clause B.43.1 and B43.2 We are broadly comfortable with the proposed amendments to the
  measurement and recording requirements set out in these clauses, specifically the requirement
  that the IR response be measured and recorded at no greater than 0.1 second intervals and
  commencing not less than 15 seconds prior to the UFE time or trip time. We opposed
  Transpower's original proposal for 0.02 second granularity commencing 60s before the UFE /
  trip time for the reasons set out in our submission to that consultation process.
- Clause B43.4 We support the proposed amendment to allow recorded data to be aligned with the time-tagged frequency measurement from the same device if GPS time-tagging capability is not available.
- Clause B50.2 We support the decision to decrease how often end-to-end testing must be
  conducted by interruptible load providers from 12 months to 24 months. We agree with
  Transpower's conclusion that this change will reduce participants' compliance requirements
  without unduly affecting performance of the service.
- On a more general note, we support the Authority's proposal to further consider how the
  procurement plan requirements should apply to behind the meter assets, e.g. storage. However,
  it's important not to over-complicate the issue, particularly where commercial and industrial
  customers are involved. An industrial business that uses a battery to supply the site's load when

responding to an underfrequency event is no different to a similar site that uses an onsite generator to do the same. With some clarifications we believe that this arrangement can already be accommodated under the existing procurement plan. Our proposed approach is set out in more detail in our submission to Transpower's consultation process.

If you have any questions or would like to discuss this submission further, please do not hesitate to contact me.

Regards

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