Kia Ora,

I would like to make a quick submission regarding Symmetrical export tariffs from my cherry orchard. My farm has been able to detect the ripple signal from Aurora to indicate congestion periods on their network. We found that more common than not the congestion periods being indicated by Aurora did not line up with the pricing signals from the wholesale market and as a result we were getting mixed signals, once of which we were paid for during export (the wholesale market) and one which we were not (Aurora).

One problem with the existing pricing model was that we could save money by not consuming power during the ripple signal, but we could not make money by contributing to the network during this time. After many discussions with Aurora, they finally agreed to pay me 50% of the congestion tariff to export power from my batteries back to their network. For the record, I have a 130kva connection, which roughly works out to 25 homes and 300kWh of batteries, meaning that I can power 25 homes during congestion for 2 hours.

The problem with not having a symmetrical tariff was that there is no indication from Aurora about how long the congestion period might last, meaning that I have to be super conservative with my exporting back to the grid because if I run out of stored energy, I will be penalised by then having to take that energy. Symmetrical tariffs would mean I can export power back into the grid without fear of being burnt if the congestion period goes for an extended period of time. I have seen congestion signals go for a number of hours beyond the actual congestion event due to the need to slowly turn on hot water cylinders.

To get around this problem, I have been taking a conservative linear-based approach to export, which means my batteries are not able to contribute their full potential to the network.

On top of this, due to a lack of financial recognition of the benefit batteries make to the network; we are seeing a lot of grid-tied solar systems at the farm scale without batteries. We need to fix the tariffs so that, ultimately, the right incentives exist for the customer with a focus on encouraging the customer to help lower the LRMC of the network.

Symmetrical (or very close to symmetrical) tariffs must be mandatory to take full advantage of incoming technology. I also note that the 50% payment that we are currently getting is completely arbitrary and not based on any good reasoning.

Another point is that the fear of too much injection is very overstated. If we get to the point where injection during peak is at a level that actually shifts the curve, well this is a champagne problem that will ultimately result in a need to redefine peak times and tarrifs.

One final point that needs to be considered is that Aurora prices line charges based on a default table that does not take into consideration the deployment of solar and batteries, which means Forest Lodge and others are overcharged in the first 12 months of connection with no chance of a washup at the end. There needs to be consideration here for new connections battery and solar installations.

Thanks for your consideration,

Mike

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