

6 June 2025

Electricity Authority Future Security and Resilience team Via email: <u>fsr@ea.govt.nz</u>

Tēnā koe,

Recognising the role of smaller generating stations in frequency stability

As one of Aotearoa's largest electricity distributors, Powerco has an interest in effective frequency management for reliability in the electricity system. Overall, Powerco supports the proposed Code amendments, and we provide the following comments in response to consultation questions:

Smaller generating stations contribute to frequency management	 We support the option to amend Part 8 of the Code to address increasing variability in frequency with more intermittent DER Lowering the threshold for generating stations to be excluded from 30MW to 10MW is appropriate.
Current design limitations vs longer term frequency management	 Existing generating stations between 10MW-30MW, and those currently in design phase, may not be able to comply. A 'legacy clause' is appropriate to enable existing generating stations, and those in design phase through to 1 July 2026, to continue to be excluded if they are not able to comply Given the increasing role of smaller generating stations in frequency management, a sunset clause (10 years maximum) on the exclusion for existing generating stations is required. A 10 year window would provide a clear signal for all participants contributing to frequency management, provide adequate time for compliance to be achieved, and provide certainty to distributors in system operation.

This submission does not contain any confidential information and may be published in full. If you have any questions regarding this submission or would like to talk further on the points we have raised, please contact Irene Clarke

Nāku noa, nā,

Emma Wilson Head of Policy, Regulation and Markets POWERCO