

28 May 2025

Electricity Authority PO Box 10041 Wellington 6143

Via email: decentralisation@ea.govt.nz

Consultation Paper – Green Paper: working together to ensure our electricity system meets the future needs on all New Zealanders.

The WEL Networks appreciates the opportunity to provide feedback on the Authority's green paper on a decentralised electricity system.

WEL Networks (WEL) is New Zealand's sixth largest electricity distribution company and is 100% owned by our community through our sole shareholder WEL Energy Trust. Our guiding statement of strategic intent is to be leading Waikato's energy future, and we work to ensure that our customers have access to reliable, affordable, and environmentally sustainable energy.

As such we are supportive of the potential opportunities that are presented with developments towards an electricity system with a greater element of decentralisation, but remain cautious that innovation should not be at the expense of overall system security and reliability. We are conscious of the difficulties encountered in other jurisdictions such as Australia and the United Kingdom and urge the Authority to look closely at the experiences there and truly take on the lessons learnt. This is particularly relevant in the area of equipment installed (such as inverters) that do not in reality meet the stated standards and as a consequence creates jeopardy for system security.

Care should be taken to ensure costs of implementing are not unequally spread to the (even in the best uptake scenarios) large portion of consumers who will not directly benefit from decentralisation. Similarly care will be needed with any regulation changes that might be required do not weaken existing guardrails for security, reliability or the cost effectiveness of non-decentralised infrastructure.

WEL on the whole supports the ENA submission on the green paper and we cautiously look forward to further work in this space.

Should you require clarification on any part of this submission, please do not hesitate to contact me.

Yours sincerely

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