12 August 2025

Submissions
Electricity Authority
P O Box 10041
Wellington

Via email: fsr@ea.govt.nz

Dear team,

Re: Consultation Paper— Promoting Reliable Electricity Supply: A Code amendment proposal on common quality-related information

NewPower Energy Services Ltd (NewPower) appreciates the opportunity to make this submission on the Electricity Authority's (Authority) consultation on the proposed common quality related information code amendments.

NewPower, the holding company for Infratec NZ Limited (Infratec) and NewPower Energy Limited (NEL), are subsidiaries of WEL Networks Limited, New Zealand's sixth largest Distributor. Infratec, an Engineering, Procurement and Construction (EPC) company, is delivering low-carbon utility-scale solar and battery solutions at a time of unprecedented growth in New Zealand. Infratec developed and commissioned Rotohiko, NZ's first utility scale 35 MWh battery energy storage system (BESS) facility at Huntly, connected to WEL Networks' distribution assets.

By way of context for this submission, NEL is the owner, operator and trader of generation assets including the Rotohiko BESS, which operates within both Network and Grid compliance modes, and so can offer a range of network, transmission, and energy market services within NZEM's wholesale market dispatch compliance rules. This BESS is already contracted to the System Operator as an ancillary service agent for instantaneous reserves.

Infratec has also constructed and commissioned approximately 118MW of utility-scale solar farms connected to distribution networks across New Zealand for both NEL and customers, with an additional 80MW currently under construction.

Key points in our submission

In summary:

1. NewPower does have concerns around common quality information requirements being externalised from the Code and governed by System Operator / Transpower. Our main concern is that the Authority will lose oversight / expertise in what is reasonable to request as part of this common quality information. NewPower believes that common quality information is important but mandating onerous and costly information to be provided can have impactful unintended consequences.

2. NewPower is concerned about some of the requirements in the draft Connected Asset Commissioning, Testing and Information Standard (CACTIS). We consider some of these draft requirements to be far too onerous and that they will have unintended consequences. The major draft requirements NewPower is concerned about are listed below with further discussion:

Power System Models

NewPower is concerned with the draft requirement to provide **four** different types of generator models for all generators above 1MW in size. The Authority has estimated in the consultation that producing these four models will cost up to $135k per generator. This cost is extremely significant for a 1MW generator and has the potential to make generators of this size **uneconomic** (this is an unintended consequence). NewPower's opinion is that providing models should only apply to larger generators (i.e. in the 30MW plus range).

Also, the requirement to provide four different types of models is **more onerous** than the requirements of the international Transmission System Operator requirements listed in the consultation. NewPower questions if all four models are required, can the number of models to be provided be reduced?

Will the requirement for providing these models apply retrospectively to already commissioned generating plant?

High-Speed Monitors

NewPower is concerned with the draft requirement to install and maintain high-speed monitoring equipment for all generators above 1MW in size. The specified high-speed monitoring equipment in the draft CACTIS costs approximately $35k. This is another significant cost for small 1MW generators to bear. Along with the upfront cost of these monitors, having to provide the high-speed data after system events will create a significant amount of overhead for generators.

In NewPower's opinion high-speed monitoring should only be a requirement for non-excluded generating stations (i.e. greater than 10MW). Especially as high-speed monitors are generally used to demonstrate compliance with the AOPO's.

Will the requirement for installing high-speed monitors for smaller generation (<10MW) apply retrospectively to already commissioned generating plant?

Data Transmission

NewPower would like to raise the draft requirement for all generators above 1MW to provide data transmission to the System Operator. We query if this requirement will mandate **ICCP** data transmission for all generators above 1MW or if generators below dispatch requirement level of 10 MW will be able to utilise an API type of data transmission service? NewPower would like to raise that installing and configuring a new ICCP server comes with significant cost and time implications.

Will these data transmission requirements for smaller generation (<10MW) apply retrospectively to already commissioned generating plant?

NewPower welcomes discussion with the Authority on any points in our submission that the Authority would like either further clarification or information.

Yours Sincerely,

David Barnett
CEO
NewPower Energy Services Ltd

Appendix 1: NewPower's response to the consultation questions

Questions	Comments
Q1. Do you support the Authority's proposal to clarify the Code's common quality information requirements and describe the technical specifications in a document incorporated by reference in the Code?	NewPower understands the Authority's rationale of externalising the common quality information requirements as Transpower has more expertise. But NewPower does have concerns around common quality information requirements being externalised from the Code and governed by System Operator / Transpower. Our main concern is that the Authority will lose oversight / expertise in what is reasonable to request as part of this common quality information. NewPower believes that common quality information is important but mandating onerous and costly information to be provided can have impactful unintended consequences.
Q2. Do you have any comments on the drafting of the proposed amendment?	NewPower has not fully reviewed the drafting of the Code changes in detail.
Q3. Do you see any unintended consequences in making such an amendment?	The main unintended consequence that NewPower sees is these changes significantly impacting smaller distributed generation. The estimated cost impacts of these changes (specifically in the draft CACTIS) will make smaller generation significantly less economic. The unintended consequence will be far less small distributed generation gets built. This will reduce generation competition and make it far harder for small to medium industrial companies to decarbonise via building generation on-site. This is topical as small to medium industrial companies are struggling with current energy prices and are looking to switch from gas to electricity as an energy source due to gas scarcity.
Q4. Do you agree with the objective of the proposed amendment? If not, why not?	Yes.
Q5. Do you agree the benefits of the proposed amendment outweigh its costs? Please provide evidence to support your view. This may include incremental benefits and costs associated with the draft CACTIS.	No, we do not agree that the benefits outweigh the costs as the benefits and costs as these have not been sufficiently quantified and there is no quantitative net benefit calculation.
Q6. Do you agree the proposed amendment is preferable to the other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.	While the Authority has provided a high-level net benefit "rating", we believe that a more quantitative net benefit calculation would answer this question better.

Q7. Do you agree the Authority's proposed amendment complies with section 32(1) of the Act?	No comment.
Q8. Do you have any comments on the drafting of the proposed amendment?	No comment.

Q9. Do you have any comments on the draft Connected Asset Commissioning, Testing and Information Standard?	Yes, as below:
	
	• NewPower's view is that models should only be required for non-excluded generation stations (>10 MW), rather than the proposed > 1MW threshold.
	  ○ The system operator has proposed in the draft CACTIS that all generation over 1MW should provide all these **4** models.
	  ○ The Authority has estimated the cost of producing these models to be up to $135k per generator. This cost is very significant for a generator of the size of 1MW.
	  ○ Looking at other jurisdictions, the requirements are more needs based, i.e. in areas of low SCR the modelling requirements are more onerous due to the higher risk of stability issues.
	  ○ Does the SO actually have the people and computer resource to make use of all these models?
	  – If smaller IBR does proliferate as expected, than these requirements will become extremely onerous on the SO to make use of all these models.
	
	• High speed monitors seem to be required at all generating stations above 1MW. In NewPower's view this should only be for generating stations above 10MW, as this is the new threshold to comply with the AOPOs. These high-speed monitors are costly, which will impact smaller generators disproportionately.
	
	• Data transmission requirements
	  ○ Is this data transmission now required for all generating stations above 1MW? Does this mean all generators over 1MW must have ICCP? Or is it planned for these generators to use an API type data transfer?
	  ○ Why does the System Operator need BESS SoC?
	  – Whilst this seems a reasonable request, without knowing more about the BESS's operational parameters, warranty requirements and contractual position, this can be a misleading piece of information.