



By email: taskforce@ea.govt.nz, decentralisation@ea.govt.nz

13th August 2025

SUPA supports introduction of an Emergency Reserve Scheme

SUPA Energy (SUPA) supports the Electricity Authority's consideration of whether to introduce an Emergency Reserve Scheme (ERS) ahead of 2026 winter. It is clear the electricity industry is facing year-on-year and winter-to-winter electricity supply challenges. SUPA recommends that if the Authority introduces an ERS it should be designed to be inclusive and agnostic as to who can provide the service.

The ERS should be addressed under the auspices of the move to a more “decentralised” electricity system

As per our views on Multiple Trading Relationships,¹ and reform to network and electricity retail pricing,² we consider that this matter should be addressed under the auspices of the broader move to the more “decentralised” electricity system envisaged in the Authority's recent green paper. To ensure more choice and competition, for the long-term benefit of consumers, the Authority needs to be thinking about the barriers to competition for both traditional generators and retailers and also from alternative and disruptive supply options.

SUPA is orchestrating decentralised solar and battery investment. Access to additional incentives, like ERS, could help promote the transition to a more decentralised electricity system and encourage greater investment in solar and batteries.

Regulation should not impose artificial barriers to participation

We agree with the Authority there is evidence smaller consumer aggregations can provide services akin to ERS, including aggregated solar and battery resources. We agree with the Authority that there are “potential competition benefits, which could ultimately lower the cost of the scheme.”

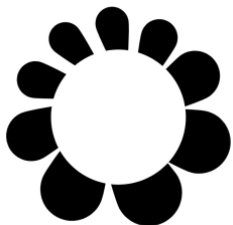
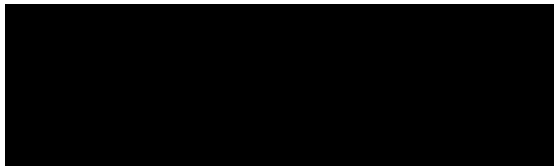
¹ https://www.ea.govt.nz/documents/8113/Supa_Energy_MTR_submission_Redacted.pdf

² https://www.ea.govt.nz/documents/7745/Supa_Energy_-_Decentralisation_green_paper_submission_YOMfGtX.pdf

SUPA doesn't consider the Authority has established that regulation should exclude solar/batteries from the scheme, or that there should be artificial regulatory barriers to competition.

The reasons the Authority has provided for the exclusion simply articulate commercial reasons why some solar/battery participants might choose not to engage in the scheme if they are able to. We think it would be better to let market participants determine how to respond to pricing signals and how ERS is best supplied.

Yours sincerely,



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