

Appendix B Format for submissions

Submitter	Otavio Marshall - Earth First NZ Limited
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Questions	Comments
Q1. Do you agree with the issues that we have identified in meeting the policy intent to target small business consumers? Why or why not?	Yes, we tend to agree because it is stated. In our view, the regulation should leave at the EDB discretion to establish the conditions to apply any reward and with acknowledgement of DSOs when in place. Solar generation, especially without batteries, requires a large grid capacity whereas the effective injected energy is limited (due to lower capacity factor) and not flexible. However, for firmer generation sources like waste-to-energy, hydro or biogas with higher capacity factor, the EDB could apply better rewards. We understand the EDBs and DSOs have resources to assess prosumer resources and include them in their plan when the benefits are measurable and can collaborate to grid security and reliability.
Q2. Do you agree that applying the negative charge to business consumers below a given connection capacity, and limiting eligibility to distributed generation below that same level, will best achieve the original policy intent? Why or why not?	As stated in Q1. EDBs should have the freedom to use negative pricing when appropriate and according to the grid planning if certain conditions apply. If DSOs are in place, that is an attribution of their scope.
Q3. Are both limits required, or could the policy intent be achieved through just one of the proposed limits? Please explain your reasoning.	The limits are not required if we trust grid operators can achieve their purpose of delivering reliable power at reasonable pricing. DSOs can collaborate for that planning. Additionally, the EDBs' achievements follow up is part of EA and CComm role to monitor, as well as Transpower in some cases.
Q4. Do you agree with our assessment of the proposed threshold for connection	We don't agree, as stated above. The regulation should require just a reasonable plan by EDBs to apply or not negative

capacity? Why or why not? Would you prefer an alternative threshold? Why?	pricing in a first moment. Further, the EA should include this role for DSOs.
Q5. Do you agree with our assessment of the proposed threshold for DG, and that this should apply based on the maximum deliverable generation capacity? Why or why not?	Negative pricing should never be applied if certain economic conditions are not set, and this can change over time. For sustainability purposes, the production factor owners should be the ones to assess its applicability when necessary.
Q6. Do you agree with the objective of the proposed amendment? If not, why not?	No because the resilience of this policy in the long term is not clear. Overstimulating intermittent power generation is causing curtailments and power security issues when demand does not follow the same growth.
Q7. Do you agree the benefits of the proposed amendment outweigh the costs?	No because It is not clear through a measurable factor.
Q8. Do you agree with our assessment of the alternatives? Please explain your reasoning.	Not completely due to the arguments above. Specially about designing and establishing DSOs.
Q9. Are there other options or thresholds we should consider to better align the Code with the original policy intent?	Yes, decentralising the policy follow up i.e. allowing DSO models to develop.
Q10. 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 objectives in section 15 of the Electricity Industry Act 2010.	If we are transitioning from an only centralised supply model to a hybrid one, it is key to let DSOs to be developed with clear roles and purpose according to regional resources. Also, stimulating innovative solutions. DSOs should leverage new technologies (as AI), regional engagement instances (such as community hubs) and sustainable