Appendix B Format for submissions

Submitter	Electrify Kapiti

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?	We agree with the issue identified. Your initial proposals do indeed capture households but otherwise apply a cap to larger community organisations and non-electricity businesses that could host more than 45 kW of export capacity such as schools, marae, businesses with large roofs or farms.
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?	We agree with having a negative charge as an incentive as this should drive the deployment of solar and batteries to help relieve demand constraints on the system at all levels. However, limiting export capacity to 45 kW makes no sense and seems arbitrary. For instance, my local school has two excellent, large roofs for solar, both could accommodate more than 45 kW peak. There's no way the school could be expected to engage with the local EDB to negotiate connections charges and rebates. Then there's the local retirement village which is looking to install solar PV on its main buildings, again there is way more potential than 45 kW. Allowing a higher limit would enable it to maximise the benefits of solar as well as to support the system.
Q3. Are both limits required, or could the policy intent be achieved through just one of the proposed limits? Please explain your reasoning.	The actual limit is what the local connection node, typically the first transformer, can handle. Why slap an arbitrary limit, equivalent to just four and a half houses at the proposed 10kW residential export limit, on that? When considering bigger connections, any project sized to necessitate a larger transformer would act as its own barrier if the developer had to

	pay for that too. And if they can, why not let them?
Q4. Do you agree with our assessment of the proposed threshold for connection capacity? Why or why not? Would you prefer an alternative threshold? Why?	This should match the local transformer capacity, including if the project developer is involved in upgrading the local transformer or network.
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?	Do you mean installed generation capacity such as the total peak output from a set of panels or a stack of batteries, or do you mean the peak export limit from a system inverter?
Q6. Do you agree with the objective of the proposed amendment? If not, why not?	Yes. But the limit is too low.
Q7. Do you agree the benefits of the proposed amendment outweigh the costs?	Yes.
Q8. Do you agree with our assessment of the alternatives? Please explain your reasoning.	We think you need to widen your perspective on this issue. From reading the document you are clearly looking at the problem from the perspective of those with large PV systems or batteries as generators in their own right when this won't be their primary business. Think again about this through the lens of being a school, farm, marae or retirement village. The business case for solar hinges around self-consumption in the first instance to lower bills. Export is typically a bonus or an alternative to spending a load more on batteries. However, there will be times, such as weekends and over the school summer break, when self-consumption may be very low. Being able to inject without an arbitrary limit and to be rewarded for that, could make the difference to going ahead with an investment or not. Another example would be where there is a community solar sharing scheme where panels are hosted by a marae and the output shared with whanau in their homes that may not be able to install their own solar. It makes no sense to limit that even though export is the primary business case.

	While Electrify Kapiti is not in Northland or Te Tairawhiti, think of communities facing very high line charges on vulnerable parts of the network that are frequently left without supply after extreme weather events. Why not let them build community solar schemes with batteries to provide lower cost power and resistance? A 45 kW cap makes no sense in that context.
Q9. Are there other options or thresholds we should consider to better align the Code with the original policy intent?	Look at limits relative to nodal capacity to handle export. Look at the purpose of the owner of the system. Farmers are in the business of cows or vegetables etc. They just want to make their energy costs lower, improve their resilience and perhaps make a little on the side from export. Look at the primary purpose of the organisation behind the export, even in cases, such as a Marae, where the system and its export is a means to an end, not the end in itself.
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.	Transformer limits for the reasons above. There is also the bigger picture of incentivising those that can host embedded generation within congested areas of EDB networks to develop injectable assets. Doing so stands to help make those investments much more cost effective at the same time as saving all consumers on the network from having to spend more on infrastructure-based solutions sooner than would otherwise be the case. Just imagine how much could be saved on poles and wires in places such as Queenstown or Wanaka from having more local generation. Why have all consumers pay for more poles and wires in cases where it would be cheaper to have local solar PV and injectable BESS for the sake of low arbitrary limits on local injection?