Definitions of a small business code amendment

Kia ora koutou
Thank you for the opportunity to share our views. Firstly a short introduction.
Electrify Wairarapa - About us

- **Electrify Wairarapa is a programme that sits within the work of Sustainable Wairarapa**, which is a charitable trust that has been working for 25 years in the region on a broad range of environmental initiatives.
- Sustainable Wairarapa led the **first community led Electrify Conference and Expo in 2024.** The team then went on to become one of the first Rewiring Community Partners in 2025.
- We are **community led and not for profit**, with local volunteers who have personal experience of making the change to electric vehicles, installing solar panels and batteries, switching to hot water heat pumps and other electric appliances in their own homes, farms and communities.
- **We run regular information events with between 40 – 100 people joining us at these events**, we set up a local peer to peer support network and link people locally with relevant resources and information to support them to make informed choices about electrification of their homes, farms, businesses and vehicles.

Consultation submission

We **agree with the stated aim** of encouraging customers to supply power to the network when it's needed and rewarding them when the power they supply at peak times benefits the network. Incentivising storage alongside solar investment for all customers through a peak distribution export tariff which provides a fair payment that reflects the long run cost of avoided network investment would increase benefits to all customers.

However, we **do not agree** with the Task Force's limit on what constitutes a small business.
The 45kVA connection limit or 45kW maximum generation capacity limit would restrict many small businesses and organisations, like schools, marae, farms and community groups from accessing peak distribution export tariffs.

Many of the community organisations and businesses that would be excluded from accessing the peak distribution export tariff would not be well-placed to negotiate this directly with their distributor. They would simply miss out.

The peak export tariff will provide a fair incentive for customers to include battery storage with investment in distributed generation like solar. Combining local generation with battery storage not only reduces the need for network upgrades and reduces everyone's energy bills, it also provides local resilience. For example, marae and schools with rooftop solar and batteries can act as local hubs for the

community in a power outage. With an increase in extreme weather events this will be increasingly important to provide backup options for communication, EV charging and other community needs until power is restored. Additionally, schools with solar power and batteries are able to remain open during prolonged power outages, allowing our tamariki to continue their day-to-day activities while their caregivers focus on coping with, and working around, the causative power outage.

The cost of networks and our electricity grid is important to consider because it makes up around half of household electricity bills and is expected to drive most of the electricity price increases over the coming years. This is predominantly due to increasing distribution network costs, so encouraging options to offset and lower network investment and cost is key to help lower bills.

In our rural communities solar and batteries on farms is a win-win for farmers and the local community. It can provide a valuable revenue stream for farmers using very little land and help lower electricity system costs for local customers, providing more resilience and creating an opportunity for the roll out of on-farm public EV charging options and development of EV charging corridors in rural communities.

These unnecessary limits on who receives peak distribution export tariffs would be a step in the wrong direction and a missed opportunity to support customers to invest in a more flexible, affordable, sustainable and resilient local energy supply.

If the Authority wishes to create a limit it should be set to include all customers with up to 1MW of generation capacity. This is a sensible level that includes local community organisations and businesses who are not well-placed to negotiate for a fair deal, but would exclude utility generators and]large industrial customers.

Small businesses often run on tight margins, and if mid- to large companies are closing when electricity prices surge (see link), being able to export to the grid could actually support small businesses to remain afloat, and therefore gain traction as a reason to invest in solar and batteries (see link).

In summary, Electrify Wairarapa supports the aim of encouraging customers to supply power to the network when it's needed and rewarding them financially for peak time exports. However, we do not agree with the 45kVA connection limit or 45kW maximum generation capacity limit, as it would restrict many small businesses and organisations from accessing peak distribution export tariffs. Electrify Wairarapa believes that the connection limits and generation capacity limits for these entities should be significantly greater than this, for example, Rewiring Aotearoa recommends 1MW.