

Amendment to Exemption Under Section 11(4) of the Electricity Industry Act 2010 to Exemption No. 346 (WEL Network Limited and NewPower Energy Limited)

In accordance with section 11(4) of the Electricity Industry Act 2010 ("Act"), the Electricity Authority ("Authority") gives the following notice.

Notice

1. Principal Dispensation and Commencement

(1) This Notice amends the exemption granted by the Authority on 18 October 2024, under section 11(2) of the Electricity Industry Act 2010 entitled 'Electricity Industry (Exemption No. 346 (WEL Networks Limited and NewPower Energy Limited)) Exemption Notice 2024' as amended on 26 June 2025 ("principal exemption").

(2) This Notice comes into force on the day after the date it is notified in the *New Zealand Gazette*.

2. Amendments to Principal Exemption

(1) Delete and replace the condition 2 of the principal exemption with the following:

- a. This exemption applies to the following generation owned by WEL or NewPower (as specified):
 - i. a battery energy storage system up to a maximum capacity of 32.945MW (NewPower);
 - ii. Taiohi solar farm in Huntly up to a nameplate capacity of 22.4MW (Newpower);
 - iii. Rangimarie solar farm in Maramarua up to a nameplate capacity of 10MW (NewPower); and
 - iv. various small scale solar and battery storage with a total capacity of 0.6178 MW as follows (WEL):

Location	Type	Capacity (kW)
Hamilton (Maui Street)	Solar	15
	Solar	60
	Solar	2
	Solar	59.8
	BESS	91
	Diesel	120
Pukete	Solar	10
Hamilton (Avalon Drive)	Solar	15
	BESS	15
	Diesel	80
Hamilton (McKee)	Solar	110
	Bess	40

- v. BESS up to a maximum capacity of 50kW (WEL);
- vi. BESS up to a maximum capacity of 2MW (WEL or NewPower);
- vii. a solar farm up to a nameplate capacity of 24MW (NewPower);
- viii. a rooftop solar system to a nameplate capacity of 1 MW (WEL);
- ix. BESS up to a maximum of 5MW (NewPower);
- x. a solar farm up to a nameplate capacity of 2.4MW (WEL);
- xi. a rooftop solar up to a nameplate capacity of 220K (WEL); and
- xii. a rooftop solar up to a nameplate capacity of 700Kw (WEL).
- b. the exemption applies to the existing and new generation assets up to a nameplate capacity of 101.333MW;
- c. the exemption from the requirement to comply with rule 3I only applies to the appointment of management to positions of material influence over WEL and NewPower;
- d. WEL and NewPower must not engage in retailing, as that term is defined in the Act, to any customer connected to

WEL's distribution network;

- e. WEL or NewPower must issue a Request for Proposals (RFP) to develop or provide the proposed 2MW BESS in the Raglan region;
- f. WEL or NewPower must issue RFP to develop or provide the proposed 5MW BESS;
- g. the exemption applies while WEL is wholly-owned by the WEL Energy Trust;
- h. the exemption expires on 1 October 2040 or the day that any additional generation (other than generation installed for the purpose of providing network support) owned by WEL, NewPower or any of WEL's subsidiaries, or any "connected generators" as defined in cl 6A.3 in relation to WEL, is connected to WEL's network, or the day any amendments to the Code or the Act come into force which remove the need for the exemption and dispensations, whichever date is earlier.
- i. WEL must comply with Part 6 and WEL and NewPower must comply with all other arm's-length rules in the Code.

(2) Add new clause 3(3c) to section 3 of the principal exemption as follows—

- a. The reasons for granting the amendment to the dispensation on 17 November 2025 under section under clause 6A.9(6) of the Code are the Authority is satisfied that granting the amendment to the dispensation is necessary or desirable for meeting the Authority's objectives because:
 - i. competition and reliability are expected to be unaffected by the granting of the amendment;
 - ii. efficiency is expected to be improved by the granting of the amendment;
 - iii. the increase in generation as a result of this amendment is small (8.32MW);
 - iv. while total generation capacity will exceed the 50MW threshold by a more than minor amount, the overall capacity remains relatively small;
 - v. any potential risks, incentives or opportunities to inhibit competition can be addressed by the application of the remaining arm's length rules in Schedule 6A.1 of the Code, Part 6 of the Code, information disclosure requirements under the Commerce Act 1986 and the conditions set out in paragraph 2 of this notice.

Dated at Wellington this 27th day of November 2025.

For and on behalf of the Authority:

ANNA KOMINIK, Chair, Electricity Authority.