

Ancillary Services Procurement Plan Emergency Reserve Update Consultation Questions

Submission Date:	25th September 2026
Organisation:	Lastmyle Limited

Question 1: Do you have any suggestions for other inputs or analysis that should form part of the forecasting process?	
	We support using grid balance assessments, security of supply reports, and planned outage registers as starting inputs.
Question 2: Do you have any comments on our suggested forecasting approach?	
	We support an annual forecast ahead of winter. However, Transpower should avoid overly cautious forecasting that over-procures backup capacity, as this inflates costs for consumers. We recommend adding a mid-season check if major market conditions change, such as unexpected power plant mothballing, line constraint changes, or major industrial closures.
Question 3: Do you have any thoughts on the balance between accuracy and pragmatism in the forecasting process, and where the System Operator should aim to land in this balance?	
	For the first three years, maintaining a level of pragmatism gives space to allow new and innovative sources of capacity (like Maestro, which acquires and orchestrates load across a broad range of distributed assets, like hot water, EVs, and HVACs) to mature alongside the new market mechanic. Any shift from a pragmatic forecast approach to more targeted forecasting (eg. rolling forecasts) needs to be well communicated, well in advance, to allow participants notice and time to adjust their own business planning and financial forecasting.
Question 4: Do you have any comments on our proposed procurement approach?	
	We support buying emergency reserves on a firm quantity basis through an open tender. However, we strongly advocate for an allowance for aggregators to join on a national portfolio basis. A portfolio approach would enable innovative aggregators to pool thousands of small household devices, including hot water cylinders, space heaters, and electric vehicles, into reliable power blocks. We also advocate for

Transpower implementing regional constraints during tender reviews when power transfer limits between islands are expected.
Question 5: Do you have any feedback on the tendering approach described in the consultation document?
Tender reviews should clearly recognise the value of aggregated household or business assets, which, with advances in technology, are now able to be unlocked as sources of capacity. We ask that tender rules remain flexible so innovative aggregators can offer variable capacity blocks across the day. Household devices have natural usage rhythms across a 24-hour cycle, so allowing time-blocked offers will unlock far more demand response than requiring a single flatline number.
Question 6: Do you support our proposed approach to pre-contract technical review and testing?
Yes, we support technical reviews that check software links and communication readiness. However, testing for aggregated pools should focus on verifying the overall software response rather than requiring full physical turn-off tests at every individual home, which creates unnecessary disruption for families.
Question 7: Do you support our proposal to use a “high trust” system, including self-certification? Do you have any comments on our proposed implementation of the “high trust” system?
We strongly support the high trust self-certification model. Company director sign-off, paired with one-minute timestamped records and post-event checks, creates strong accountability without slowing down the onboarding of thousands of home and business assets like EVs, HVACs and hot water.
Question 8: Do you support our proposed eligibility settings?
We support broad eligibility for flexible load. However, we ask Transpower to reconsider the strict rule B44.4 that locks an individual device out of all other flexibility services for six months. Instead of locking out individual devices, the contract should be for the total volume of load flexibility. Complex orchestration of distributed devices is possible with advances in technology. ‘Total volume of load’ will enable aggregators to deploy assets flexibly. For example; using hot water cylinders for emergency reserve while keeping electric vehicles and space heaters active in daily balancing markets. If Transpower keeps device-based lockouts, it prevents asset stacking and limits how much flexibility households and businesses can offer.
Question 9: Do you have any comments or questions about the eligibility criteria? Note that some eligibility criteria are determined by the Code’s definition of “emergency reserve” and therefore out of scope for the current consultation.

Please provide explicit guidance regarding sites located on networks with active EDB load management (e.g., lines company ripple control, or geographically-targeted peak demand management). We request confirmation that background EDB load management does not automatically disqualify a site from offering Emergency Reserve, provided the baseline calculation methodology appropriately accounts for EDB control events.
Question 10: Is your organisation considering entering the emergency reserve market? If so, are you considering using resources removed from other schemes (such as interruptible load), or resources that do not currently participate in any similar schemes? Are you considering using load or generation or both?
Yes, Maestro intends to enter the market as an aggregator. We plan to pool household and business demand response from hot water cylinders, space heaters, and electric vehicles that do not currently take part in wholesale reserve markets.
Question 11: Do you have any questions or comments on the System Operator's proposed use of specified software for the implementation of Emergency Reserve?
We support using specified software like FlexPoint to streamline integration. FlexPoint already provides a Participant API for events and offers. We ask that Emergency Reserve notifications are also available through that API. We also ask for clarification on the exact operational functionality of pre-activation acknowledgements in FlexPoint. Specifically, we would like to know if an aggregator can decline a pre-activation warning without being removed or the contract volume reduced during the six-month contract.
Question 12: Do you support our proposed availability requirements including call period, allowed outages, and maximum response duration?
We recommend three key adjustments to these settings: 1. Portfolio-level availability: Compliance should be judged on whether the total promised megawatt volume is delivered across the pool, rather than tracking individual assets. 2. Duration cap: Transpower must set a duration maximum limit on power pauses. This will allow aggregators to determine which assets to pool based on energy reserves. 3. Time-blocked capacity: Transpower should allow aggregators to offer variable capacity blocks across the day rather than forcing a 24/7 flatline capacity commitment, as household device availability naturally changes between day and night.
Question 13: Do you support our proposed approach to setting pre-activation and activation triggers? Do you have comments or suggestions regarding the residual threshold values to be used?

Question 14: Do you have any comments about our proposed operational approach to pre-activation, activation and restoration?
No.
Question 15: Do you have any comments on our proposed reporting provisions?
We support monthly reporting.
Question 16: Do you support our proposed approach to on-demand testing?
On-demand testing should be limited to a maximum of once per 6-month call period per provider, and reasonable operational costs should be reimbursable whenever the tested assets successfully pass the test.
Question 17: Do you support our proposed approach to monitoring and verification?
Yes.
Question 18: If you are a potential provider of Emergency Reserve, are the suggested requirements technically feasible for you? To what extent would metering or other hardware upgrades be required for your assets to participate in the scheme?
Maestro currently manages behind-the-meter assets, so no changes in metering or standard hardware upgrades are required. One-minute data logging is fully supported by our software and smart control hardware. However, we request confirmation that aggregated telemetry from multiple sites is acceptable for verification. We request that FlexPoint offers and maintains clear, automated software connections to support servicing this new market.
Question 19: Do you have any comments on our proposals regarding baselining? If you are a potential provider, you may wish to include examples relating to particular assets that may participate in the scheme.
We agree that baselining must prevent unfair load inflation. Because pre-activation notifications can arrive up to 36 hours early, excluding the entire warning window from the baseline calculation could use outdated normal household power use. We suggest using an industry-standard ten-day historical average adjusted for cold weather.

Please clarify whether baseline calculations and one-minute record formats will be required for each individual device or is there provision for them to be calculated by aggregating the total traded asset pool.
Question 20: Do you have any comments on our proposed approach to enforcement and penalties?
Penalties must remain fair, realistic and proportionate. If an aggregator fails to deliver the promised power reduction during an active emergency, reducing the payment makes sense. However, minor software communication delays should not trigger a total fee loss or contract cancellation if the actual physical power reduction was successfully delivered to the grid. A one-sized-fits-all approach to penalties, or penalties based on historic sources of flex provision may discourage innovative participants.
Question 21: Do you support our proposed approach to fees?
Yes
Question 22: Do you have any drafting suggestions for our proposed amendments?
We suggest updating rule B122 to clarify that while individual assets may go offline for repairs, an aggregator stays fully compliant as long as the overall promised megawatt reduction is met across the wider pool.
Question 23: Do you agree the benefits of the proposed amendments to the Procurement Plan can reasonably be expected to outweigh its costs?
Yes.
Question 24: Are there any other options we should consider? Please explain your preferred option in terms consistent with the Authority's statutory objective in the Electricity Industry Act 2010.
Question 25: Do you agree that the proposed amendment complies with section 32(1) of the Act?
Yes, the proposed changes support grid reliability, encourage competition, for the long-term benefit of New Zealanders. However in it's current form as proposed, it may limit the ability to secure new and non-traditional sources of flexibility, which have the ability to further advance these objectives.
Any other comments:

Thank you for this consultation process.