

[REDACTED]

From: Karen Boyes [REDACTED]
Sent: Monday, 27 July 2026 10:31 am
To: System Operator
Cc: [REDACTED]
Subject: System Operator Strategy

Cyber Security Warning: This sender is from outside of the organisation. Please be cautious when opening the links or attachments.

Morena,

My apologies for not getting the MEUG submission in on this consultation paper by the Friday deadline (travelling and a cold).

We have reviewed the paper and generally comfortable with the direction that the System Operator has . We have provided the following points and comments for consideration:

- The SO has provided a good summary of the context facing the electricity market over the next 10 years.
- It is helpful to see the SO reflect on international events and how these learnings could apply to our transmission system.
- We support the 5 priorities identified for the SO strategy, which broadly cover all the key factors facing the sector, and within the SO
- We would encourage more reference to be given to large industrial users, with greater emphasis between the type of large loads on the network. For example, new large load (i.e. data centres, new businesses) alongside electrification of process heat at existing businesses (increasing grid capacity and electricity demand). These parties have differing requirements and ensuring smooth connections or increase in capacity is essential for NZ's action on climate change, reducing the amount of coal and gas used in NZ.
- We encourage the SO to make demand side response from large industrial and commercial users a greater feature in the strategy. To date the regulatory framework has not driven significant involvement from a number of large users, but research such as that from EECA demonstrates the huge potential that can be made available for the benefit of the electricity system. We encourage the SO to work directly with the Electricity Authority to progress DSR mechanisms target at large users, with a focus on ensuring any DSR is voluntary, fairly compensated and reflects the technical operation requirements of the business.
- We have reviewed Fonterra's submission and support the recommendations around improving security of supply information for major electricity users.
- We recognise that the SO has put forward a robust work plan under the five priorities of the strategy. It will be important that the SO look to balance this increased work against the available funding for the SO function. Affordability is a considerable issue for all consumers, and there is pressure on government agencies to reduce expenditure / make sure all expenditure is efficient. This may require staging of work, to ensure a manageable workload at a cost that can be recovered from consumers at an acceptable pace.

MEUG would like to thank Transpower for its open engagement on this issue and the time it has taken to both brief us personally and present to broader stakeholders. This work has been a positive step, and we thank the SO for engaging with stakeholders on this new approach.

We are happy to host the SO at an upcoming member meeting if that would be helpful to you, as you finalise this strategy.

Kind regards,



Major Electricity Users' Group

Karen Boyes
Executive Director
Major Electricity Users' Group



Want to see my availability? See my public calendar here: [My calendar](#)