



25 August 2025

System Operator  
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**Subject: Consultation Paper- Evolving market resource coordination: Tie-breaker provisions**

Contact welcomes the opportunity to provide a cross-submission on the System Operator's (SO) consultation paper above.

We support in principle the proposed Dispatch in Proportion to Offers solution as this gives some certainty to participants ahead of time on how the situation will be managed and goes some way toward to being fair and equitable, but further assessment and consultation is required before a solution is finalised.

In principle the proposed solution is fit for purpose for competing plant that can be partially loaded, but we support Mercury and Ngawha Generation views that consideration needs to be given to geothermal plant. At present under discretionary dispatch, recognition is given to the merit order position of this type of generation over other renewable generation and the proposal as it stands does not consider this. Typically, geothermal plant is always offered at rated capacity and if forced to reduce output would mean a shutdown and lengthy return to service which has operational implications on the asset owner and the SO's ability to manage security of supply.

Contact would like to see a hybrid solution that uses the proposed solution but flags any market nodes where merit order is required to be applied i.e. prioritising different types of generation. New participants connecting to these nodes can be advised of this dispatch approach when applying to connect to that node providing transparency on the risk to dispatch. Prioritisation should also be given to grid connected generators that pay to participate in the MRDA over embedded generation that does not have to pay this cost.

We agree that the final agreed solution should be adopted in the Policy Statement for transparency.

If you require further information on the above, please contact me directly.

Yours sincerely

**Gerard Demler**

Transmission Manager, Contact Energy