

2026 Draft Policy Statement Questions

Submission Date:	04/06/26
Organisation:	Contact

Question 1: Do you support our proposal to introduce a new credible event classification for the loss of a group of generating units?

Support. The determination of the “group of generating units” requires thorough consultation with the affected parties given the market cost to the affected party and the market as a whole. If the proposed groupings are with respect voltage fault ride through non-compliance, then the period at risk needs to be determined by real time system modelling rather than permanently applied given the cost mentioned above.

Question 2: Do you support our proposal to publish a process for managing insufficient generation offers and reserve shortfalls, including an LRS process?

Support.

Question 3: Do you support our proposal to allow the System Operator to depart from the dispatch schedule for plant safety reasons?

Support.

Question 4: Do you support our proposal to introduce the tie-breaker methodology into the Dispatch Policy?

Support, but please refer to Contact submission dated 25/08/25. We propose that a hybrid solution is more efficient. This would use the System Operator’s proposed solution but flags any market nodes where merit order is required to be applied i.e. prioritising generation that cannot be partially loaded. New participants connecting to these nodes need to be made aware of the proposal to provide transparency on dispatch risk. Prioritisation should also be given to grid connected generators that pay to participate in the MRDA over embedded generation that share the same market node but do not have to pay this cost.

Question 5: Do you support our proposal to publish a process for managing oversupply?

Support.

Question 6: Do you support our proposal to make changes to the Compliance Policy to recognise that direct consumers, other large consumers, and their assets can impact on the System Operator's ability to comply with the PPOs?

Support. We would like to see these draft requirements consulted on prior to implementation.

Question 7: Are there any other potential amendments or options we should consider? Please explain your preferred amendment(s) or option(s) and comment on whether they are consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.

No comment.

Question 8: Do you have any comments or suggestions on the approach we should take to formalising NZGB arrangements into the Policy Statement?

No comment.

Question 9: Do you consider there is value in the System Operator progressing a style review of the Policy Statement separate from the regular policy reviews, and if so, what priority should it be given?

No comment.

Question 10: Do you agree with the statement of objectives of the proposed amendment?

Agree subject to these being based on best practice to account for NZ power system/market conditions rather than purely based on what has been implemented in other jurisdictions. Would also like to see all submissions responded to.

Question 11: Do you agree it is appropriate to rely on qualitative evaluation of the costs and benefits of the proposed amendments? If not, what information, evidence etc can you provide and/or what methods would you recommend to quantify the costs and benefits?

Agree subject to affected party costs being actively requested and accurately accounted for in the CBA analysis.

Question 12: Do you agree the benefits of the proposed amendments to the Policy Statement can reasonably be expected to outweigh its costs?

Please refer to our response in question 11 above.

Question 13: Do you agree that the proposed amendment complies with section 32(1) of the Act?

Agree.

Any other comments:

None.