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To: Transpower

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Genesis Energy's cross-submission on SOSFIP Review

We thank the System Operator for the opportunity to provide a cross-submission on the review of the Security of Supply Forecasting and Information Policy (**SOSFIP**).

Comments on Meridian's submission

Genesis makes the following limited comments to ensure that the record accurately reflects Genesis' operations, responsibilities, and commitments.

- **Safety and Compliance**

Genesis is committed to the safe and compliant operation of the Tekapo scheme and to the efficient, reliable and secure operation of New Zealand's electricity system. Our approach is grounded in sound engineering, environmental stewardship and adherence to all relevant consents and regulatory obligations.

Our management of Lake Takapō maximum and minimum levels is determined by consent limits and, as a responsible consent holder, we take our compliance with these seriously. During the past two winters (2024 and 2025), Genesis (with the support of Transpower) engaged with Environment Canterbury to request a relaxation to enforcement of the 1 October lake level step up for the express purpose of enabling us to increase hydro dispatch from Takapō in the interests of NZs security of supply (in the event, increased inflows meant we did not need to escalate the issue further).

- **Lake Takapō Fast Track Consent**

In response to the energy security challenges experienced in 2024 and 2025, Genesis sought to confirm the consented operating range at Lake Takapō. With the assistance of Transpower, the consent now more accurately reflects the operational flexibility of Lake Takapō.

- **Meridian's Fast Track Application**

We are engaging constructively with Meridian on their fast-track application and have already assisted in remediating a number of factual inaccuracies in that application. We await the results of our own technical assessments before providing detailed comment on concerns as to the structural integrity of our assets. Our main concerns relate to potential adverse effects resulting from damage to the temporary tailrace system and associated infrastructure on Genesis' land caused by lower lake levels, and effects on efficient operation of Tekapo Power Scheme as a physical resource of regional and national significance, with potential implications for system-wide reliability and efficiency. See Figure 1 below showing the tailrace weir prior to Lake Pūkaki being raised following commissioning of Tekapo B Power Station.

- **Statutory obligations**

Genesis operates our assets in full compliance with the Commerce Act 1968, the Electricity Authority Participation Code, and all applicable legislation. We remain committed to maintaining a code-aligned, transparent and competitive portfolio. Any concerns about market conduct can and should be raised with the appropriate regulatory agencies.

Restatement of our submission

For completeness, Genesis reiterates the positions set out in our submission of 4 November 2025. We support the System Operator's review of SOSFIP and the proposed changes, including its proposal to update the contingent storage reserve boundary buffers with adjustments for seasonality across different hydro lakes.

We consider that these measures, together with Genesis's replacement resource consents, address Tekapo's 'shadow constraint' and will enhance certainty, improve access to contingent storage when required, to ensure it remains, appropriately, the fuel of last resort within a resilient electricity system. We would also note that the long-term HFOs, which take effect next year, further decrease the likelihood of high prices (and the likelihood of any "benefit" of such high price solely accruing to Genesis).

In our view, contingent storage settings are not inconsistent with the Government Policy Statement: contingent storage is not treated differently due to fuel type but because it is intended as the fuel of last resort, reflecting the significant and unique role hydro storage plays in New Zealand's energy system. While we are not opposed to a more fundamental, "first principles" review of contingent storage settings, we note this is outside the scope of the System Operator's SOSFIP review and would require broader cross-agency work (including the Electricity Authority and MBIE), taking into account wider energy system and policy settings.

We encourage all parties to ground discussion of these important policy settings in evidence and regulatory process and to work constructively with the System Operator and other participants to ensure long-term, secure and affordable electricity supply for New Zealanders.

Yours sincerely,

A handwritten signature in black ink, reading "Mitchell Trezona-Lecomte". The script is cursive and fluid, with the first name "Mitchell" starting with a large 'M' and the last name "Lecomte" ending with a long, sweeping tail.

Mitchell Trezona-Lecomte

Senior Advisor, Government Relations and Regulatory Affairs

Response to Meridian comments on contingent storage settings



Figure 1. August 1977 – Tekapo B tailrace weir prior to Lake Pūkaki being raised following commissioning of Tekapo B Power Station. Approximate location of lake level at 513 and 518 masl indicated by dashed white line.