



TRANSPower

System Operator Industry Forum

8 September 2026



Today's agenda

- Key messages
- Market update
- Security of supply update
- NZGB update
- Outage update – next four weeks
- Future Wairakei Ring Outages
- Operational update
- IR cost allocation changes
- Consultations, publications, and events
- Questions / Pātai





Key Messages

- National hydro storage is sitting above average for this time of year – as we head into Spring, we expect to see inflows increase, and demand ease.
- NZGB shows September capacity risks still need industry focus on unit commitment, plant availability, and flexibility. Please keep POCP updated.
- Seeking feedback on the WRK ring outage campaign timing from 2027 onwards which is targeting the first 3 weeks of October.
- We are trialing the use of an SFT constraint in Northland from next week to improve reliability in the region. Refer to the CAN issued last Friday.
- Note Instantaneous Reserve Cost Allocation Code changes take effect on 1 October 2026.



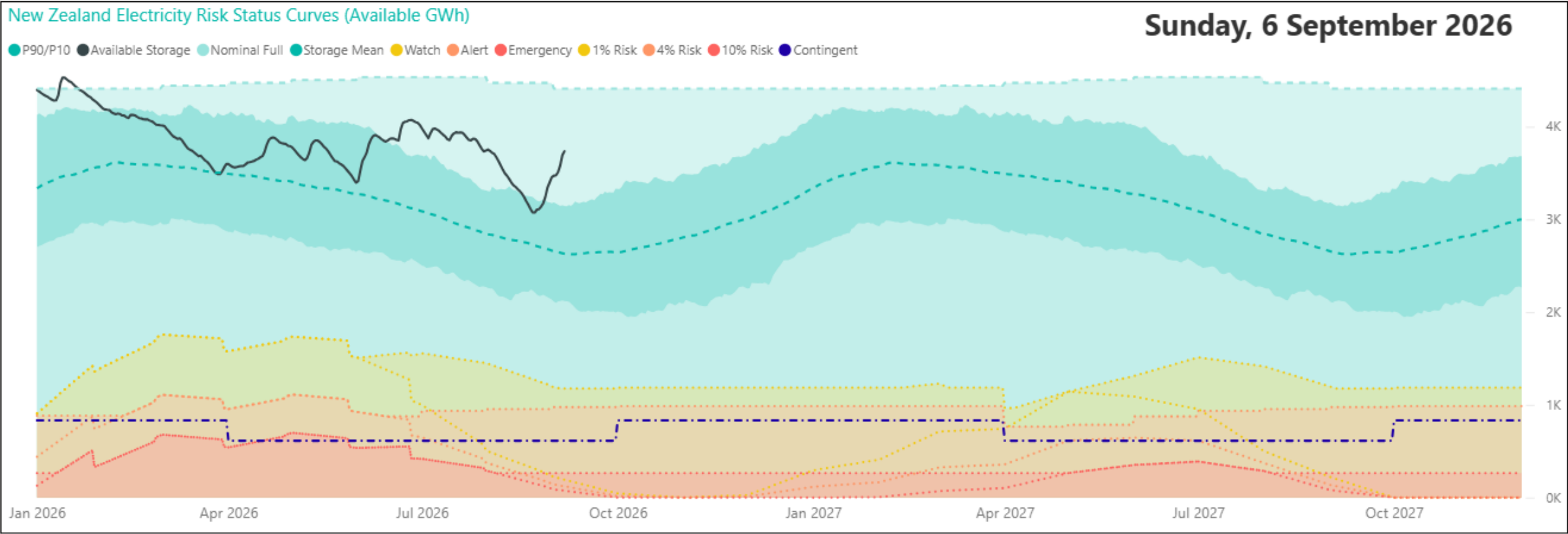
Market update

Energy: National hydro storage

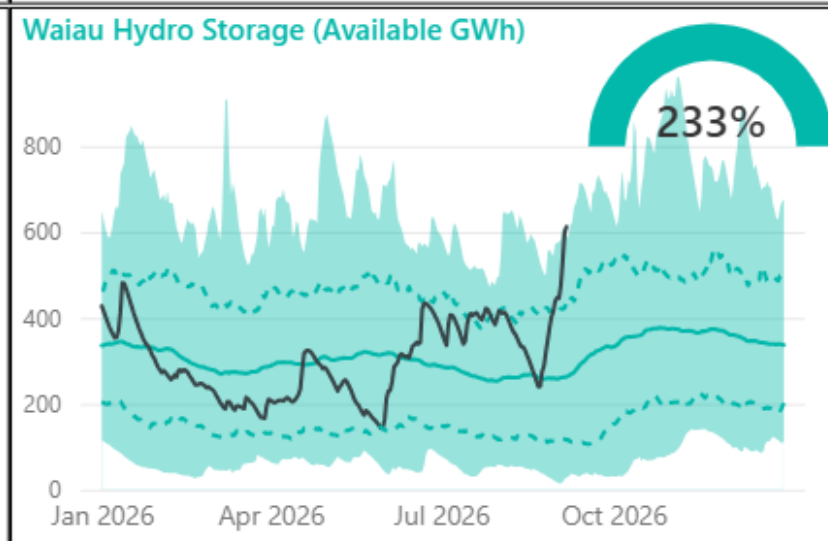
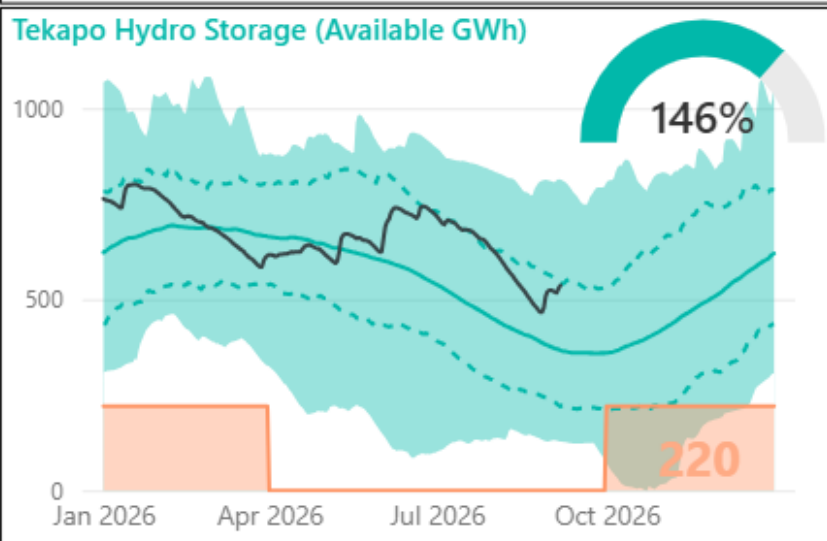
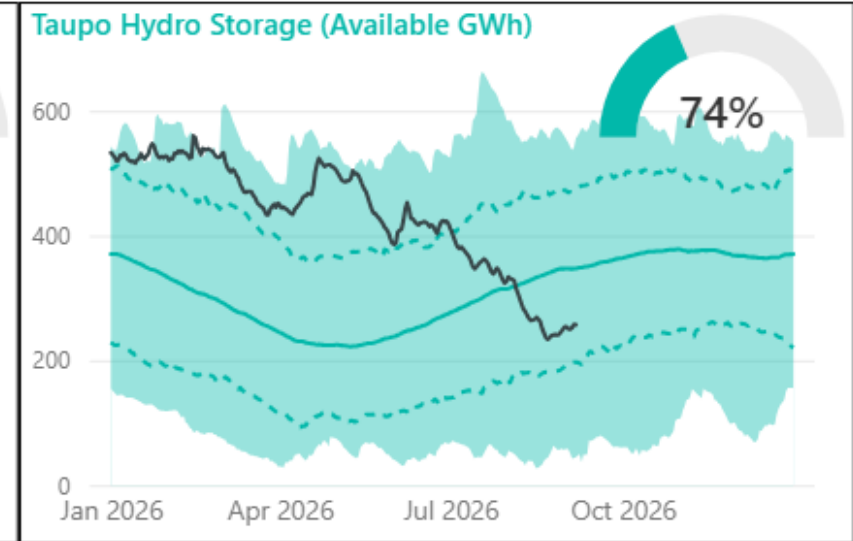
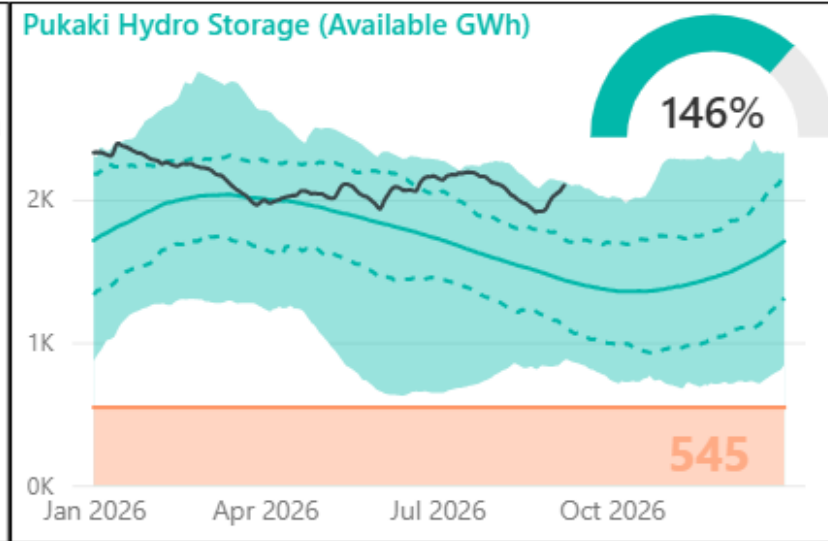
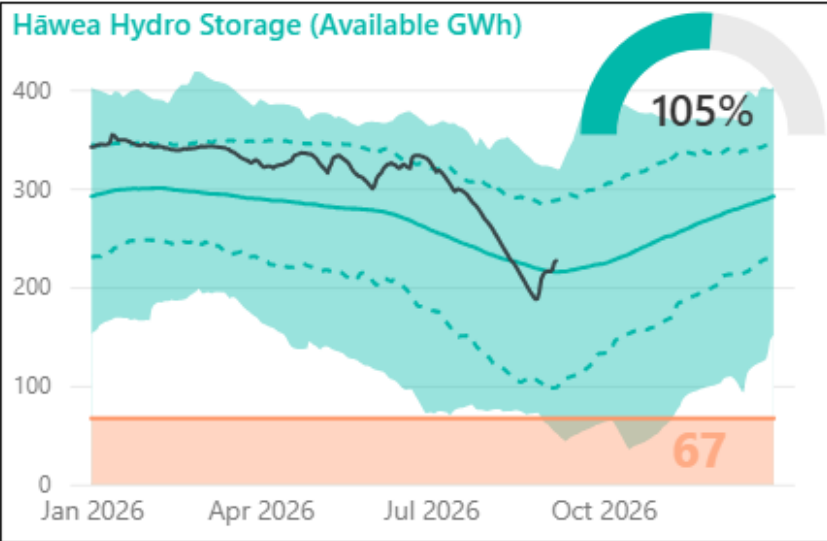
Increase in storage for both islands in the last fortnight. National hydro storage remains very healthy and above average.

	Hydro storage level (% of mean ▲ / ▼)		
	New Zealand	South Island	North Island
Last forum	113%	119%	69%
Now	142% ▲	152% ▲	74% ▲

Note: these numbers include contingent storage, so they differ from those reported by NZX



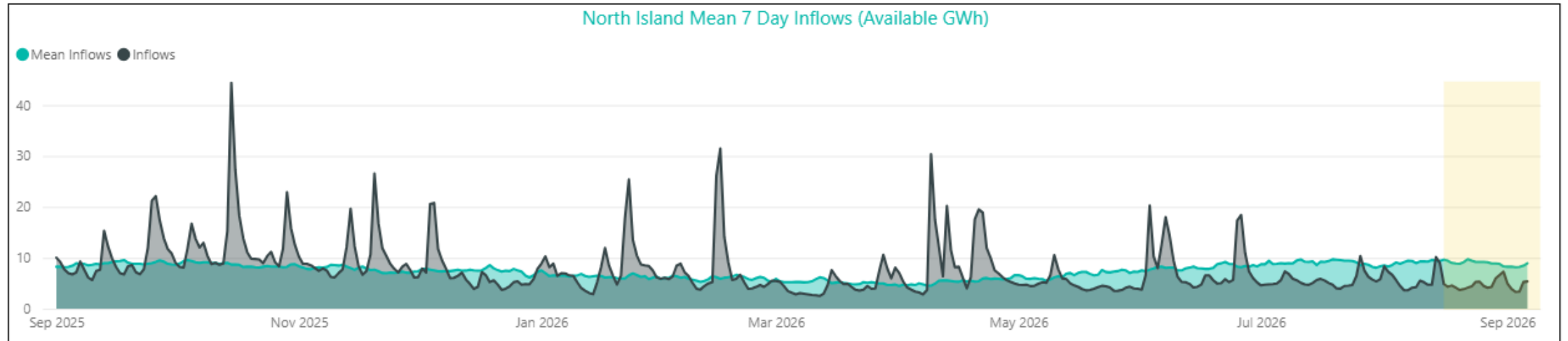
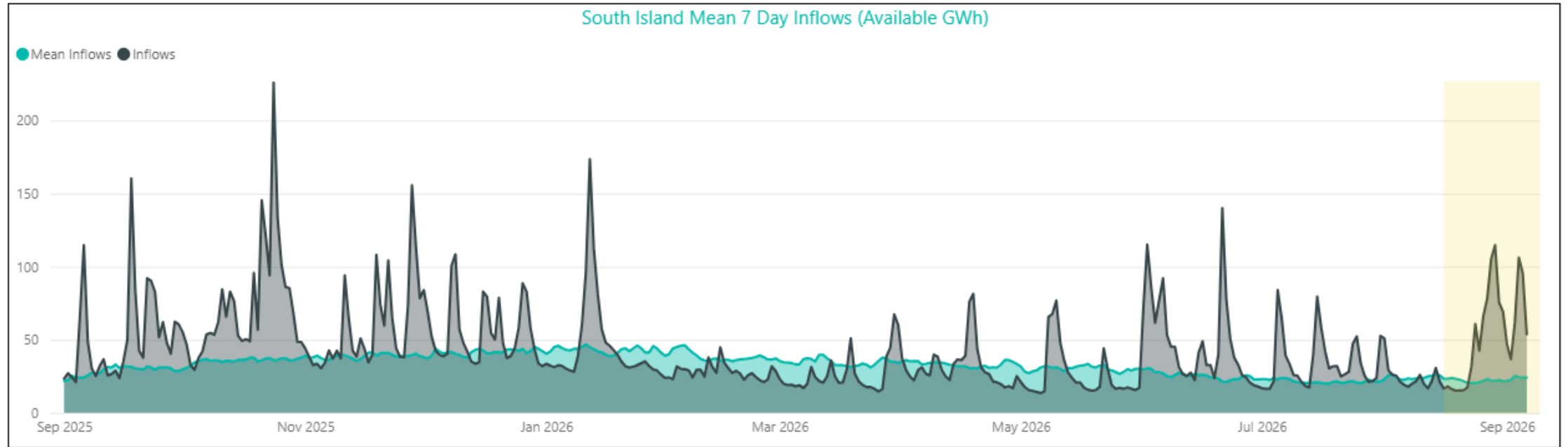
Hydro storage by catchment



Lake	Percent	GWh	Mean
Hāwea	105%	227	215
Manapōuri	212%	189	89
New Zealand	142%	3734	2629
Pūkaki	146%	2101	1437
South Island	152%	3476	2282
Taupō	74%	257	347
Te Anau	244%	423	173
Tekapo	146%	536	367



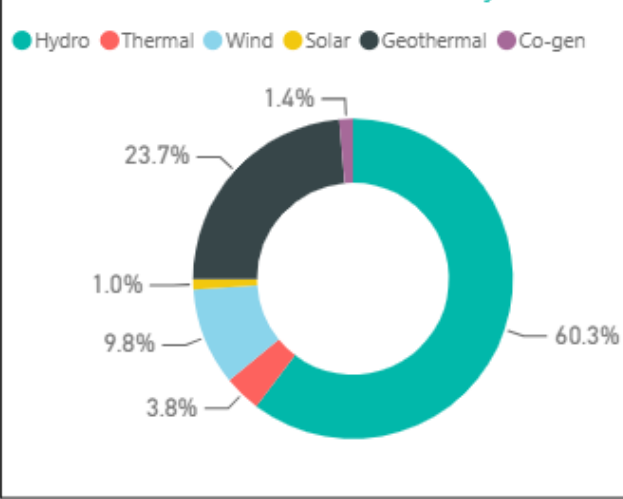
Hydro inflows



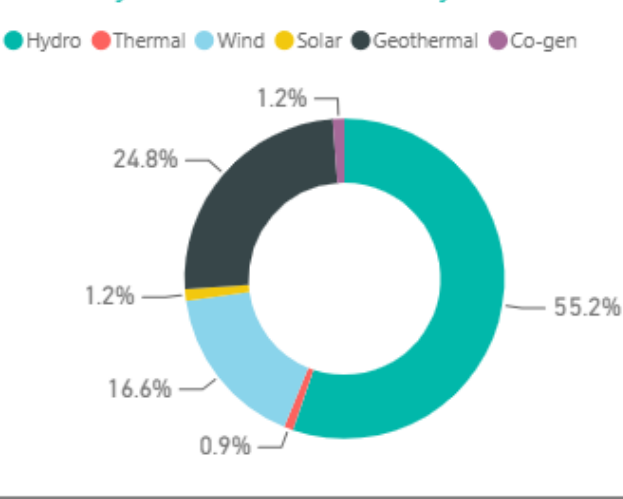
Generation mix

- Hydro below average at ~55%
- Thermal well below average at ~1%
- Geothermal close to average ~25%
- Wind very high at ~17%
- Solar and Cogen close to average ~1%

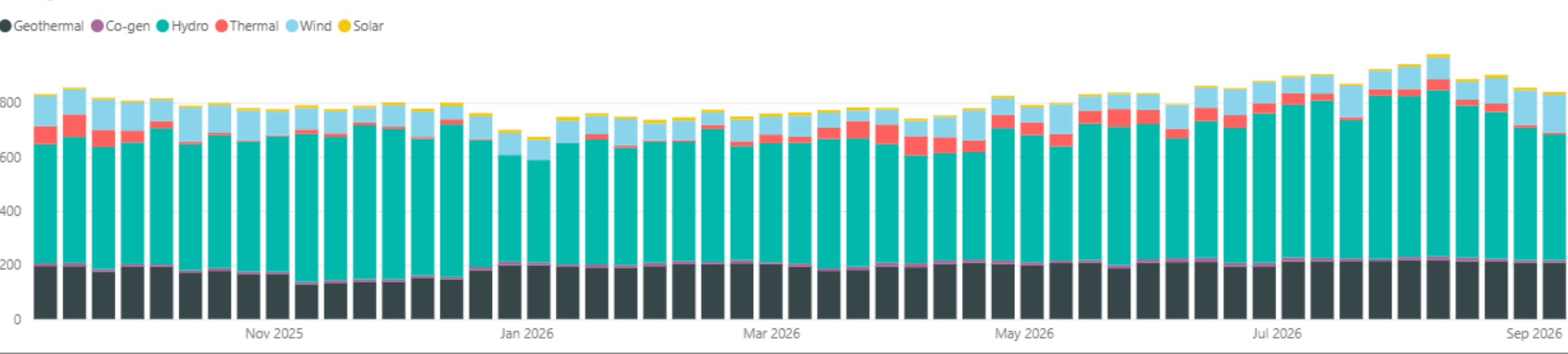
Last 52 Weeks Generation Mix - Weekly GWh



Last 7 Days Generation Mix - Weekly GWh

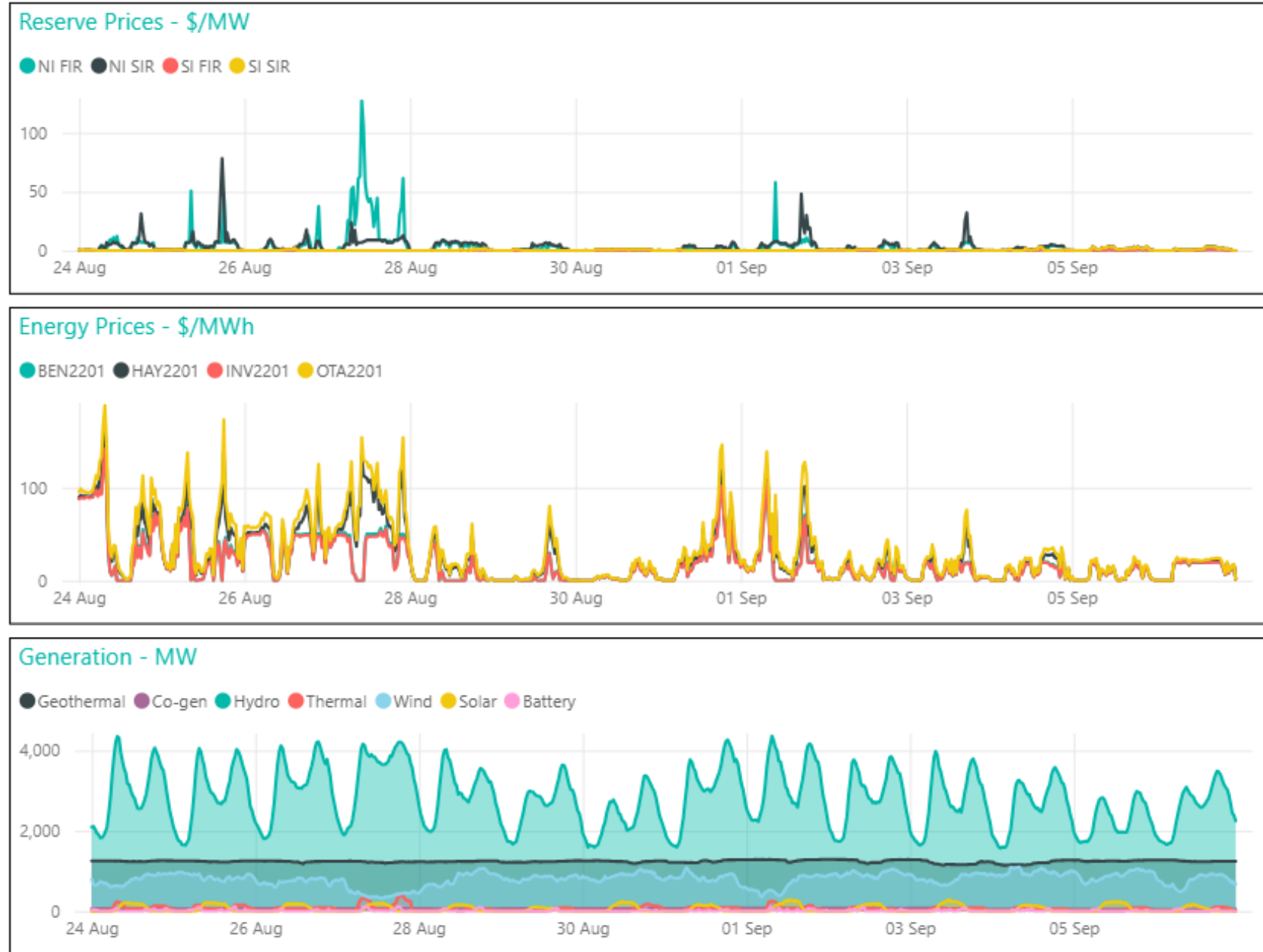


Weekly Generation Mix - GWh



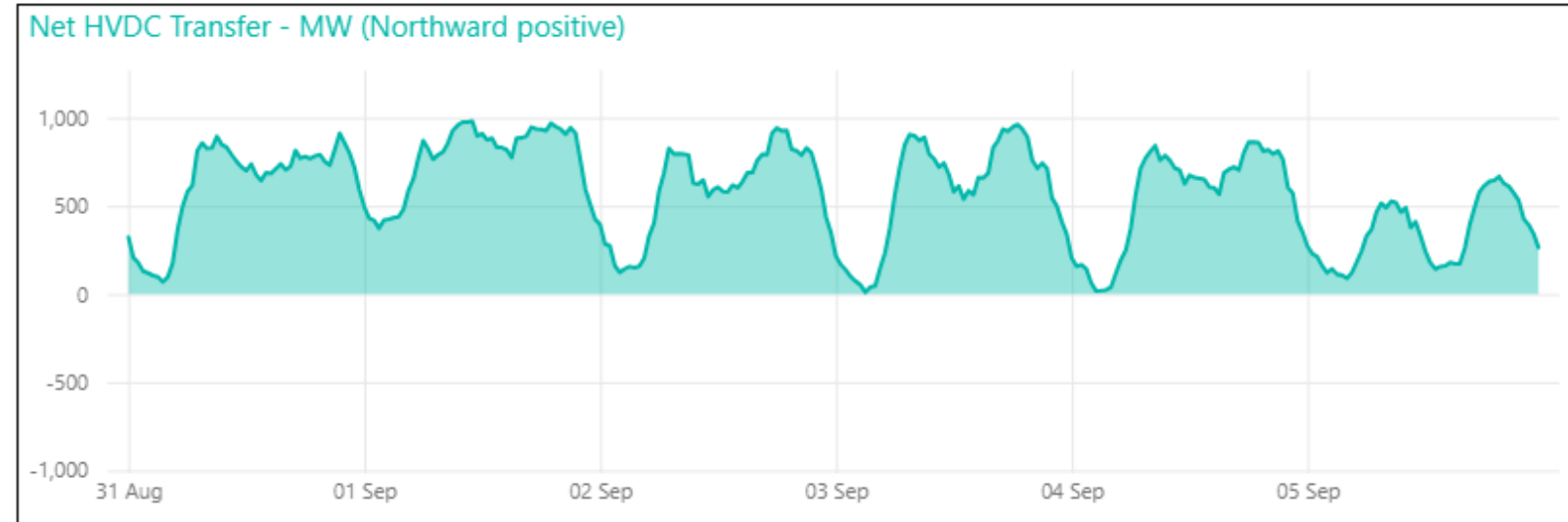
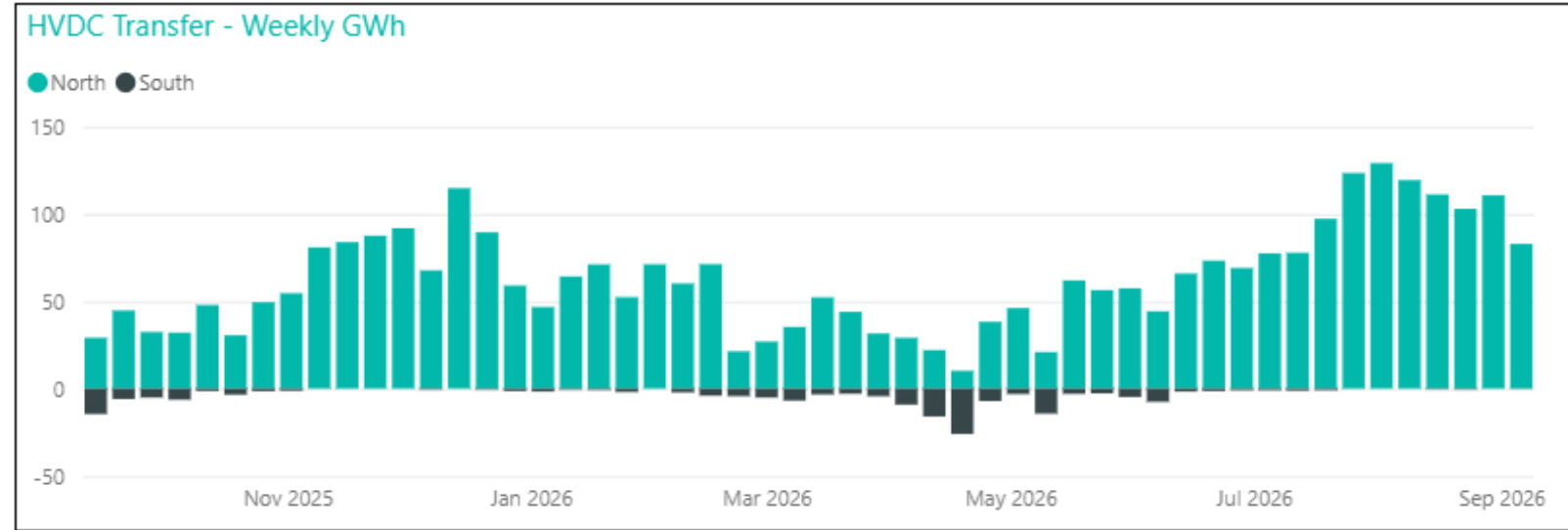
Pricing

- Price at Ōtāhuhu averaged \$22/MWh last week and \$42/MWh the week before
- Prices peaked at \$188/MWh at Ōtāhuhu on Monday 24 August during a high demand morning peak requiring higher priced thermal generation to be dispatched



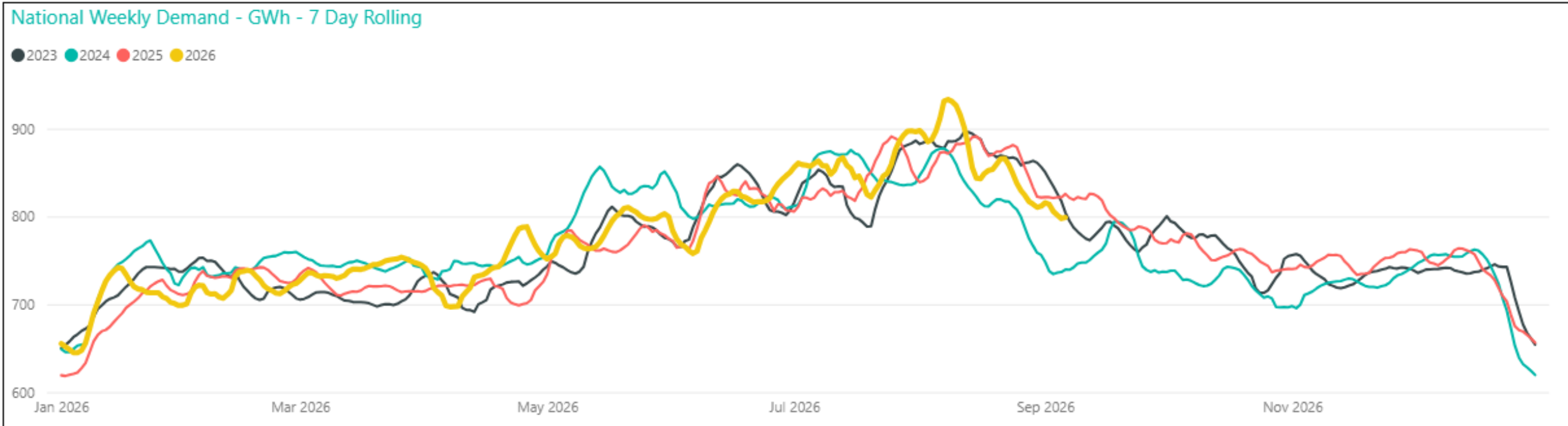
HVDC transfer

- HVDC transfer was entirely northward during the fortnight.
- Northward transfer was 111 GWh during the first week and 83 GWh in the second



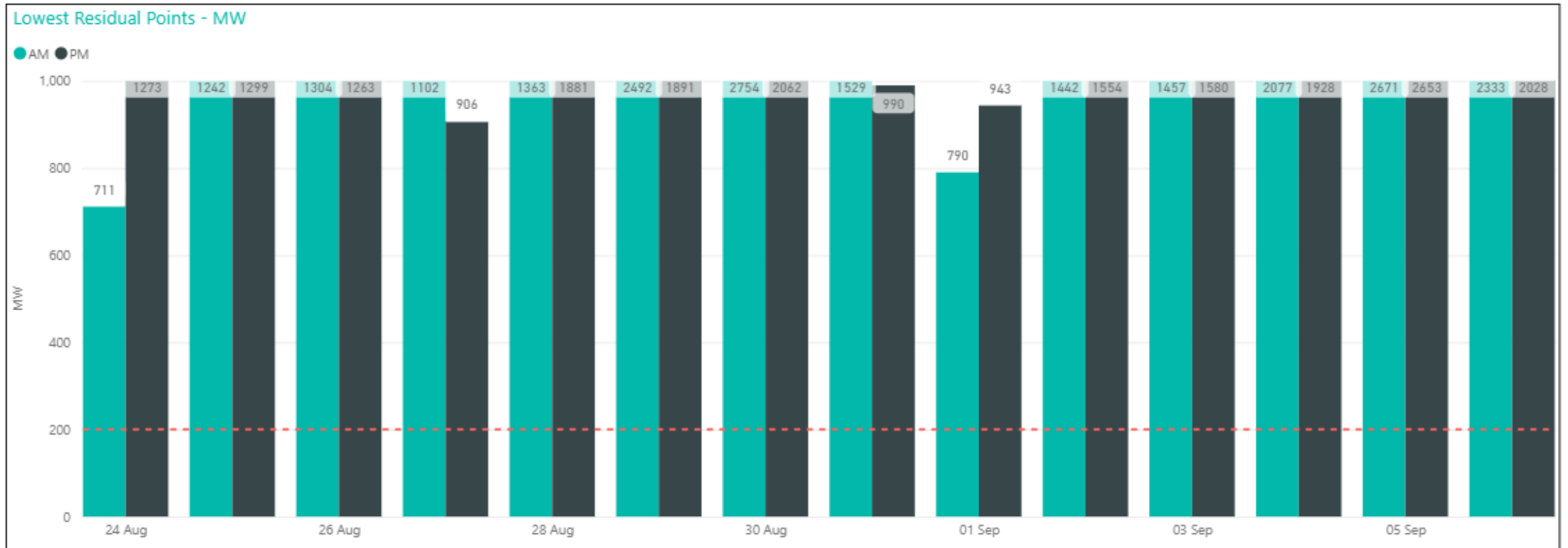
Demand

- Demand has reached levels back to as seen in previous years
- Peak demand reached 6,302 MW on the morning of Monday 24 August
- In total, demand was 799 GWh last week and 810 GWh the week prior



Capacity residual margins

- Returning moderate demand levels have meant healthy residuals over the past fortnight
- The lowest residual occurred on Monday 24 August during a relatively high demand morning





Security of supply update

Energy Security Outlook

Fuel Capability Case (Base Case)

Changes in August'26:

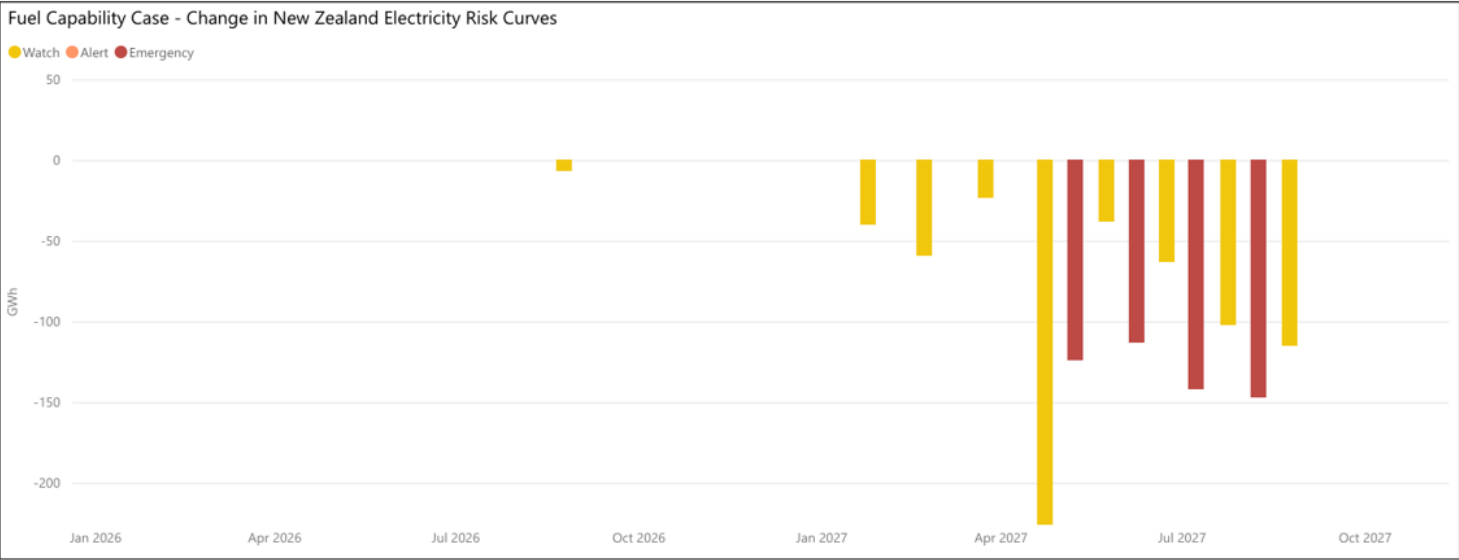
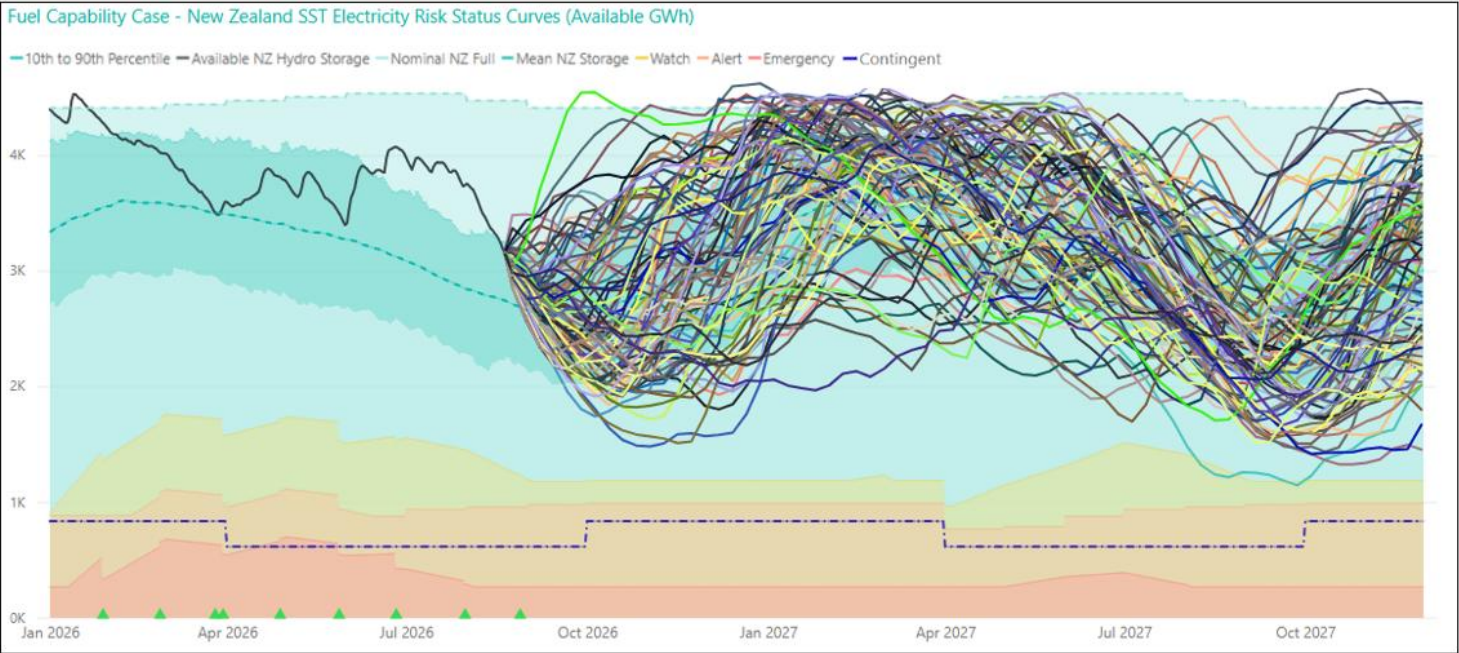
- Coal stockpile near maximum, AGS at (~90%) at start of August
- Increased forecast of gas availability in first half of 2027
- Additional commissioning projects in 2027

Decreases of up to:

- 225 GWh Watch (May 2027)
- 148 GWh Emergency (Aug 2027)

SSTs (Simulated Storage Trajectories) crossing NZ:

	Watch	Alert	Emergency
2026	0	0	0
2027	1	0	0



Energy Security Outlook

Contracted Fuel Case

Available thermal energy restricted to currently secured (firm) contracts by generators

Changes in August'26:

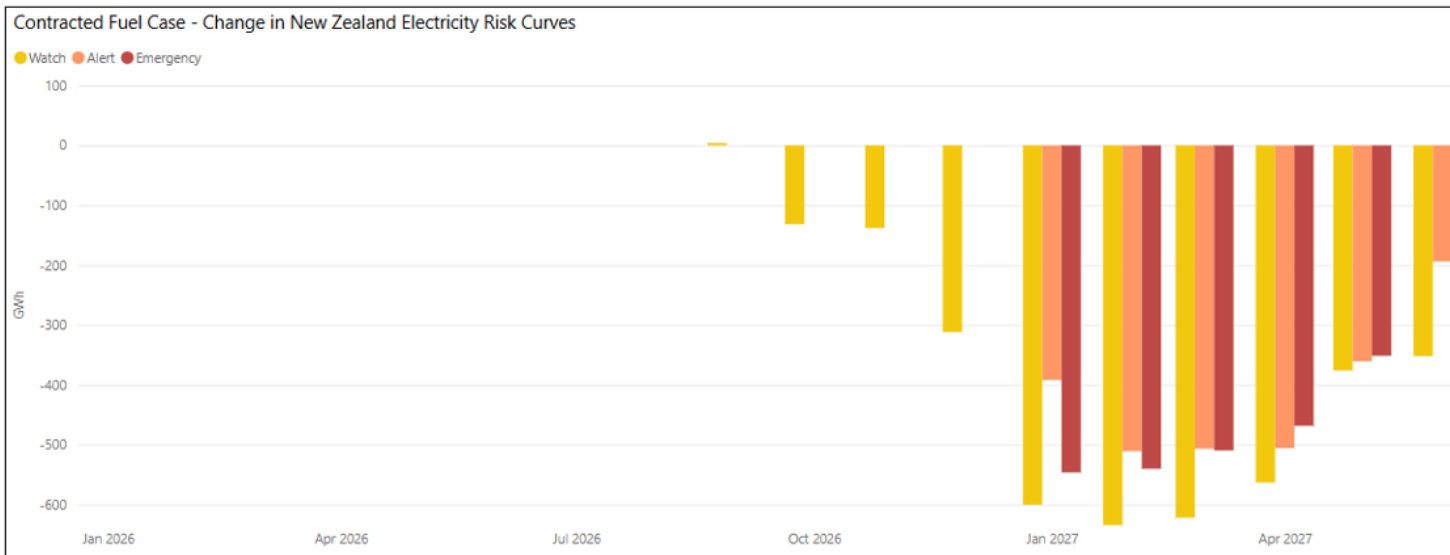
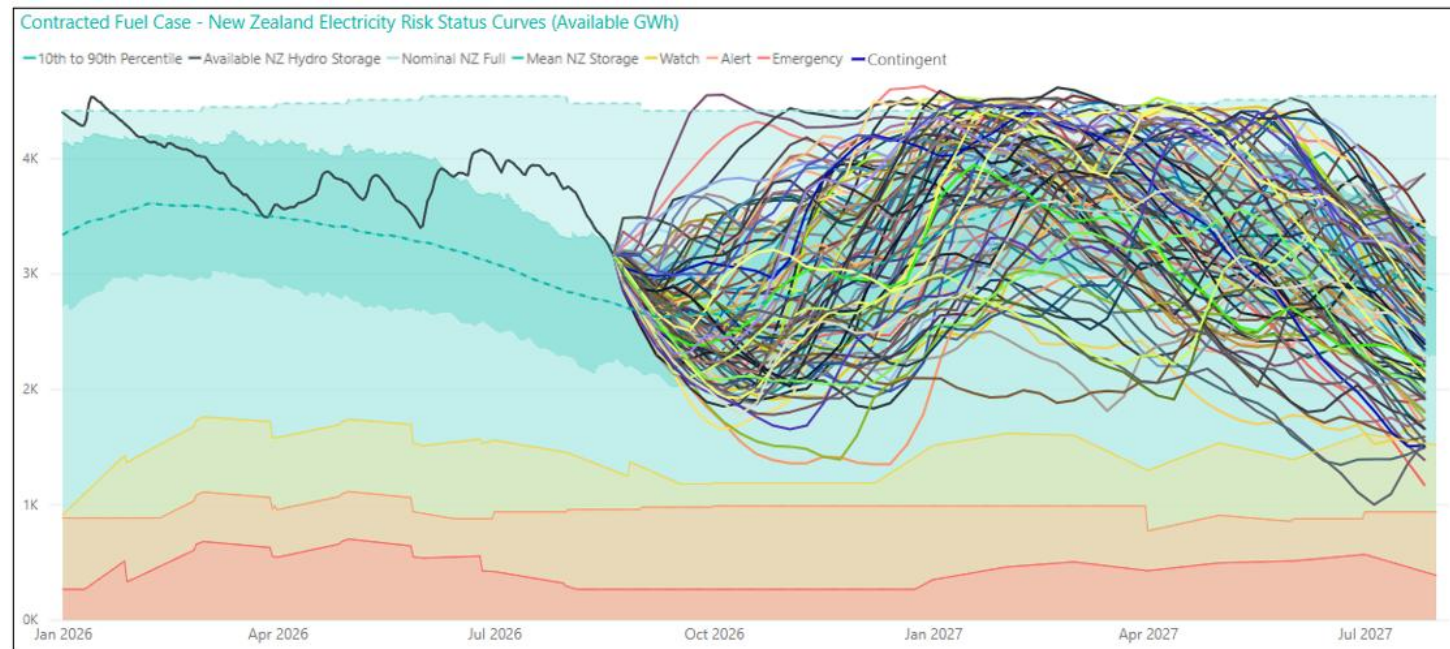
- Increased contracted gas volumes for 2027

Decreases of up to:

- 635 GWh Watch (Feb 2027)
- 546 GWh Emergency (Jan 2027)

SSTs (Simulated Storage Trajectories) crossing NZ:

	Watch	Alert	Emergency
2026	0	0	0
2027	8	0	0



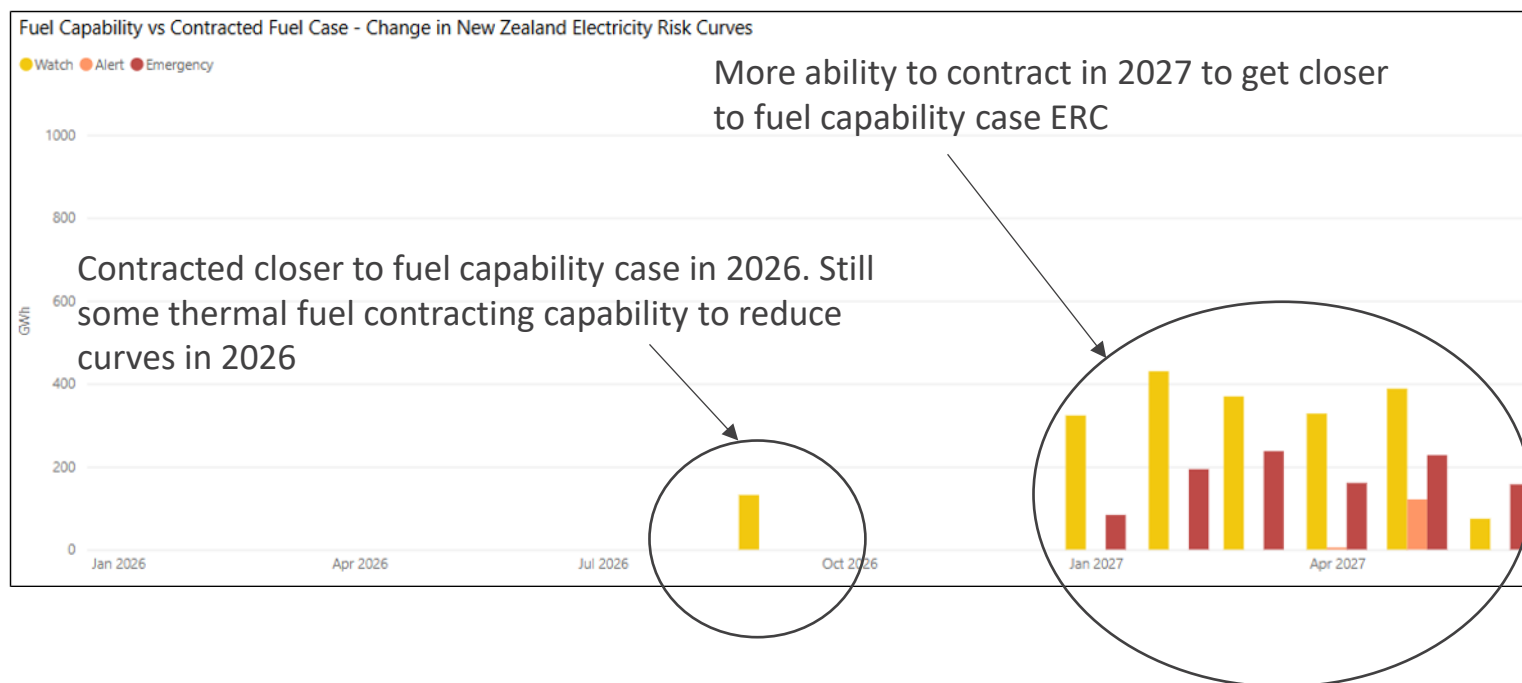
Energy Security Outlook

Fuel Capability vs Contracted Fuel Case

- Most of the system's thermal generation capability is currently deliverable in 2026
- The gap becomes more pronounced in 2027, reflecting the market's tendency to contract fuel closer to need

Differences of up to:

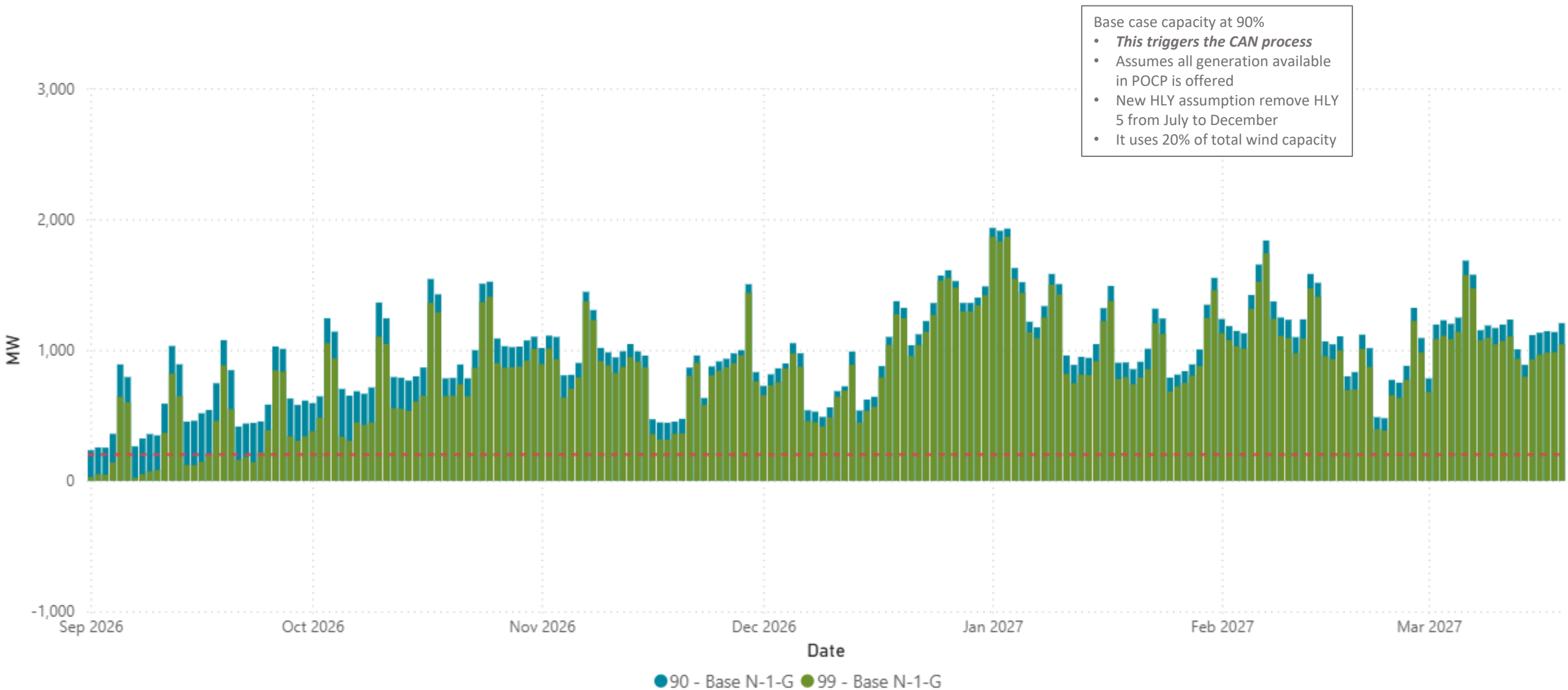
- 131 GWh Watch (Sep 2026)
- 430 GWh Watch (Feb 2027)



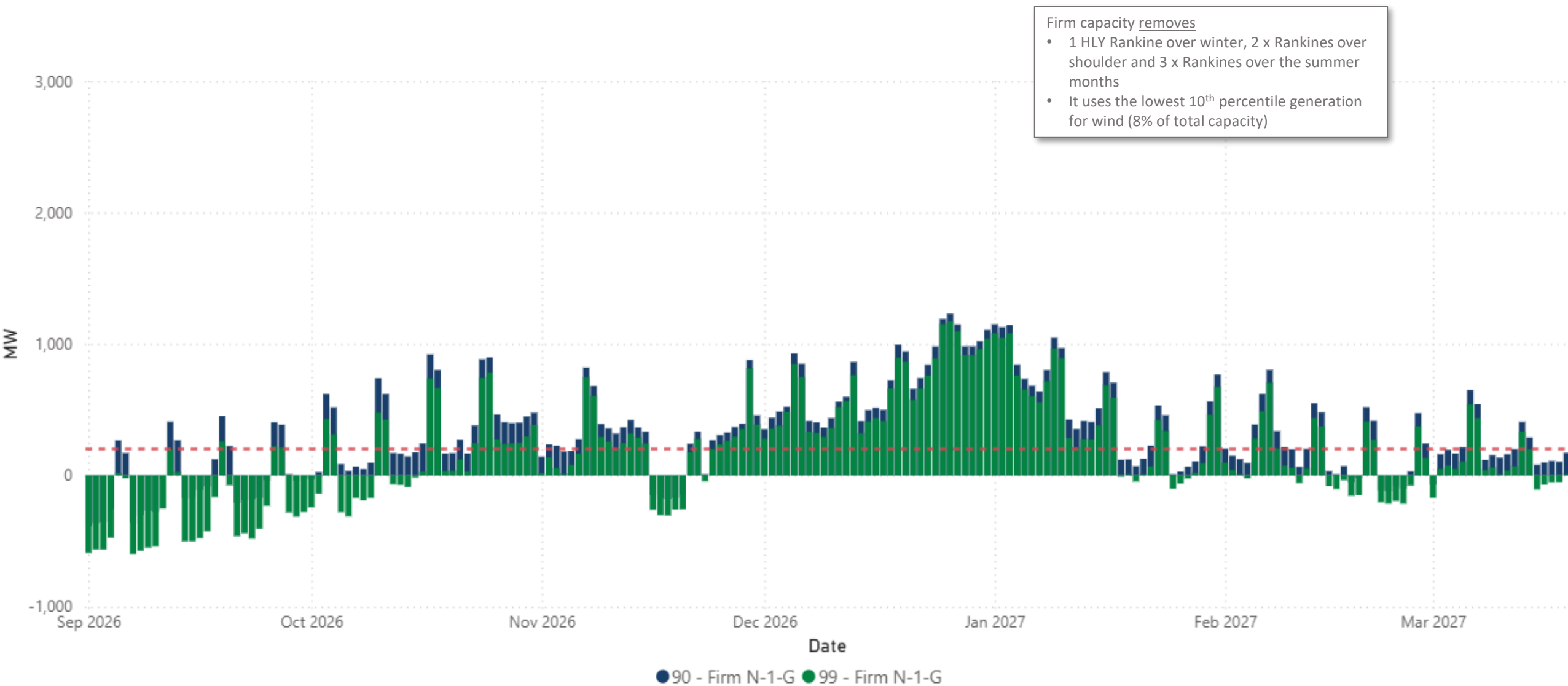


NZGB update

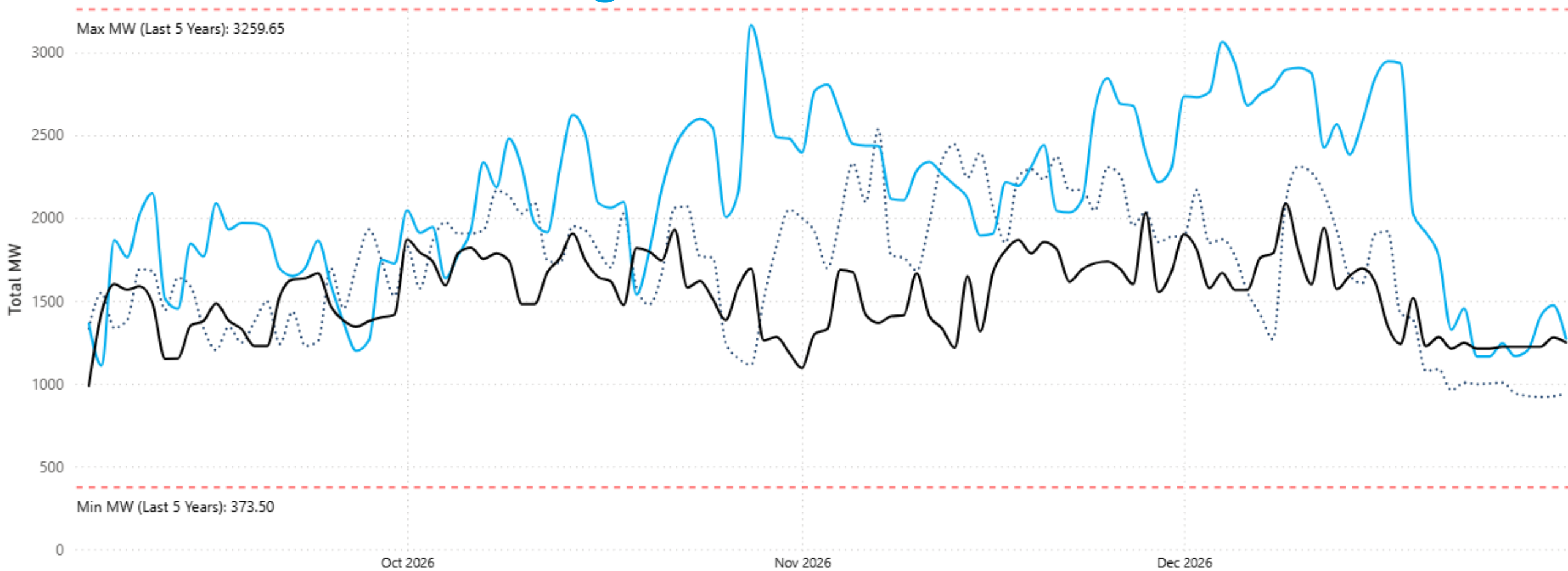
NZGB update: base capacity N-1-G



NZGB update: firm capacity only N-1-G



POCP Generation Outages



Mean Difference
(2025/2026)

-597.96 MW

Mean % Difference
(2025/2026)

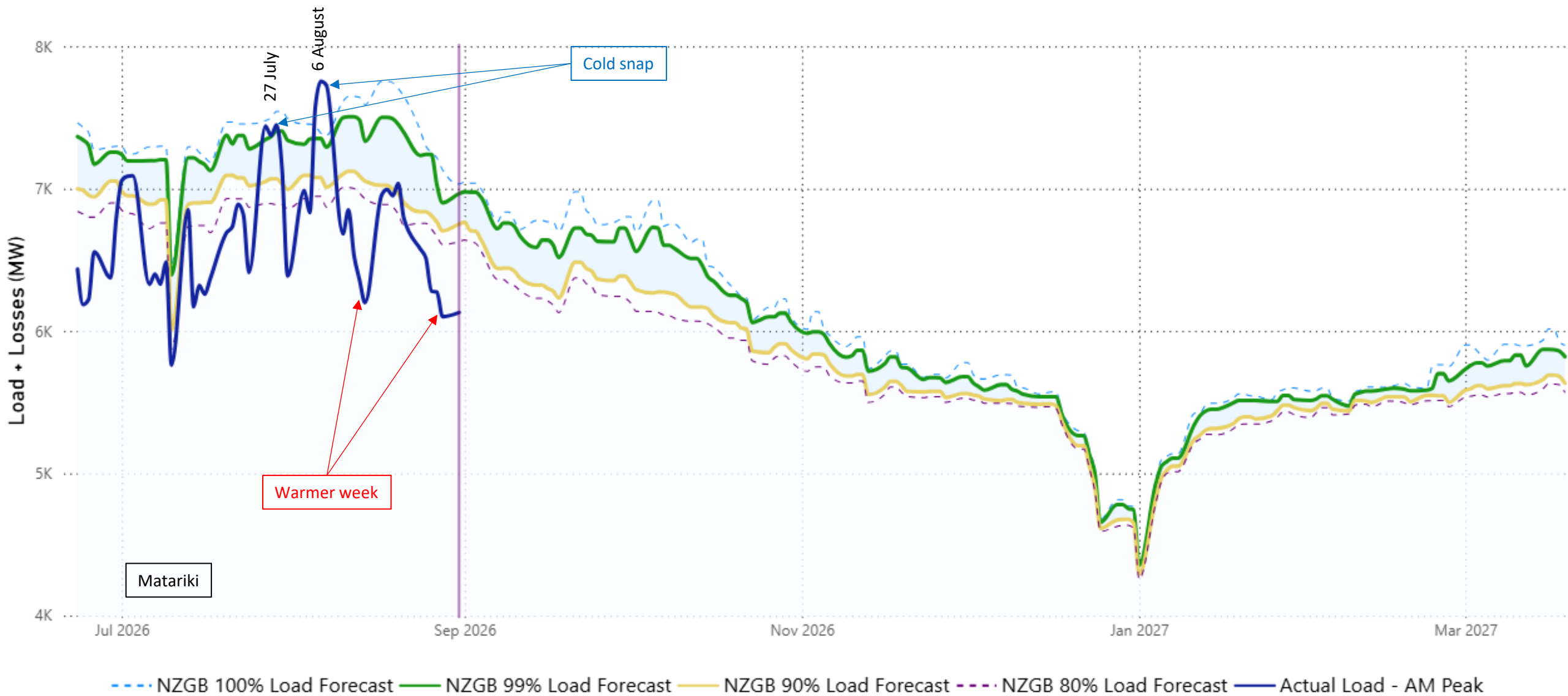
-24.75%



Year

- 2024
- 2025
- 2026

Peak Load vs Forecast





Outages next 4 weeks

Outages

NNI outages

SNI outages

SI outages

Asset owners:

- Check in POCP for detailed dates
- Consider the impact on your own outages



NNI Outages

Week of 14 September

- MNG_ROS_1
- OHW_OTA_1
- DRY_TAK_OTA_1
- HEN_HPI_1 / BRB_HPI_1

Week of 21 September

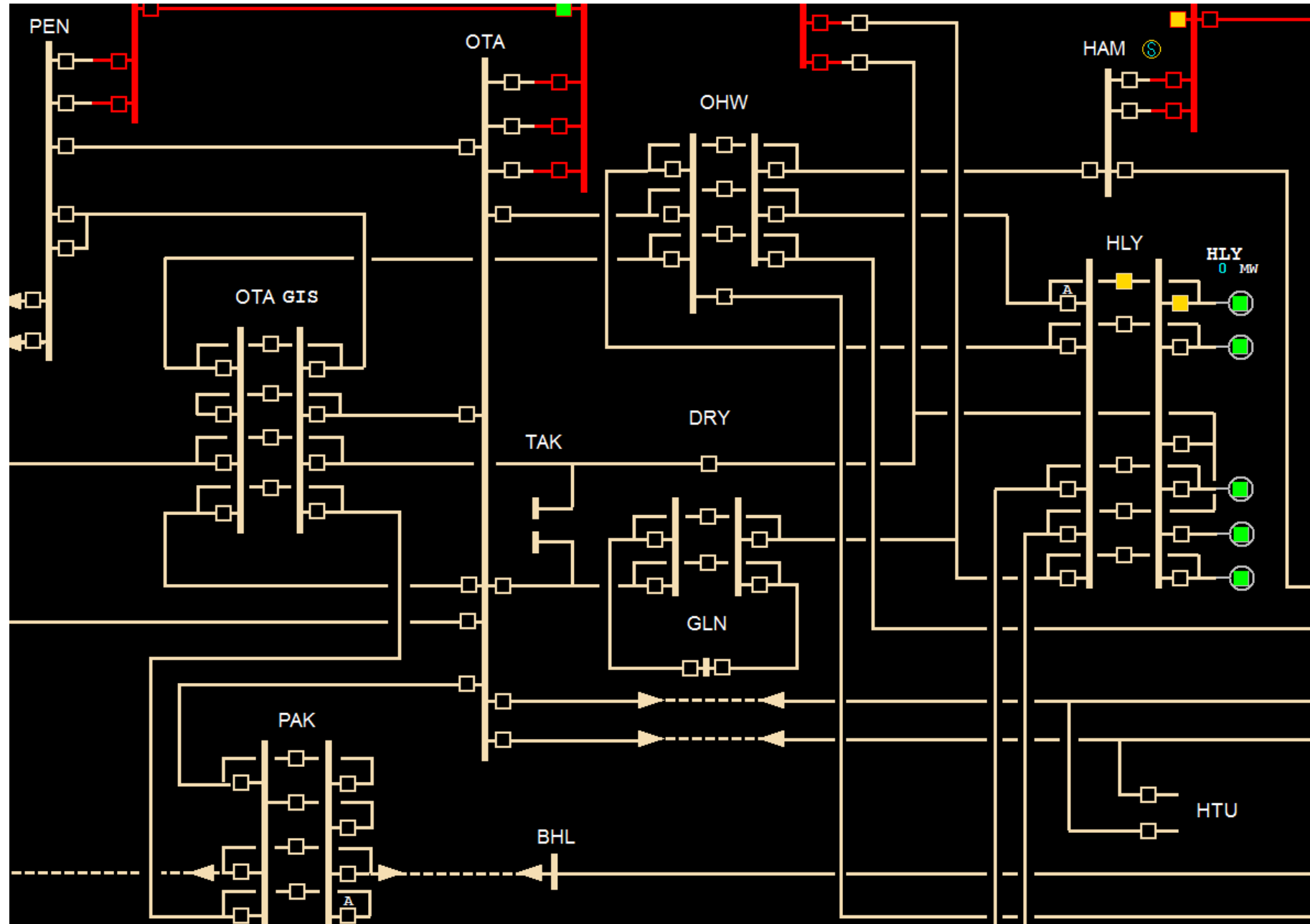
- OHW_OTA_1
- DRY_TAK_OTA_2
- OTA_ROS_1
- EDG_KAW_1 / EDG_KAW_2

Week of 28 September

- HEP_ROS_2
- OTA_PEN_2 / OTA_PEN_5
- OHW_OTA_2
- EDG_TRK_2

Week of 5 October

- HEN_MPE_1 then 2
- DRY_BOB_HLY_1
- KIN_317_368 (Split the bus)
- EDG_427_437_447 (N-security)
- KAW_547_587_627 (N-security)



SNI Outages

Week of 14 September

- BPE_MTN_WGN_1
- BRK_SFD_3
- BPE_TNG_1

Week of 21 September

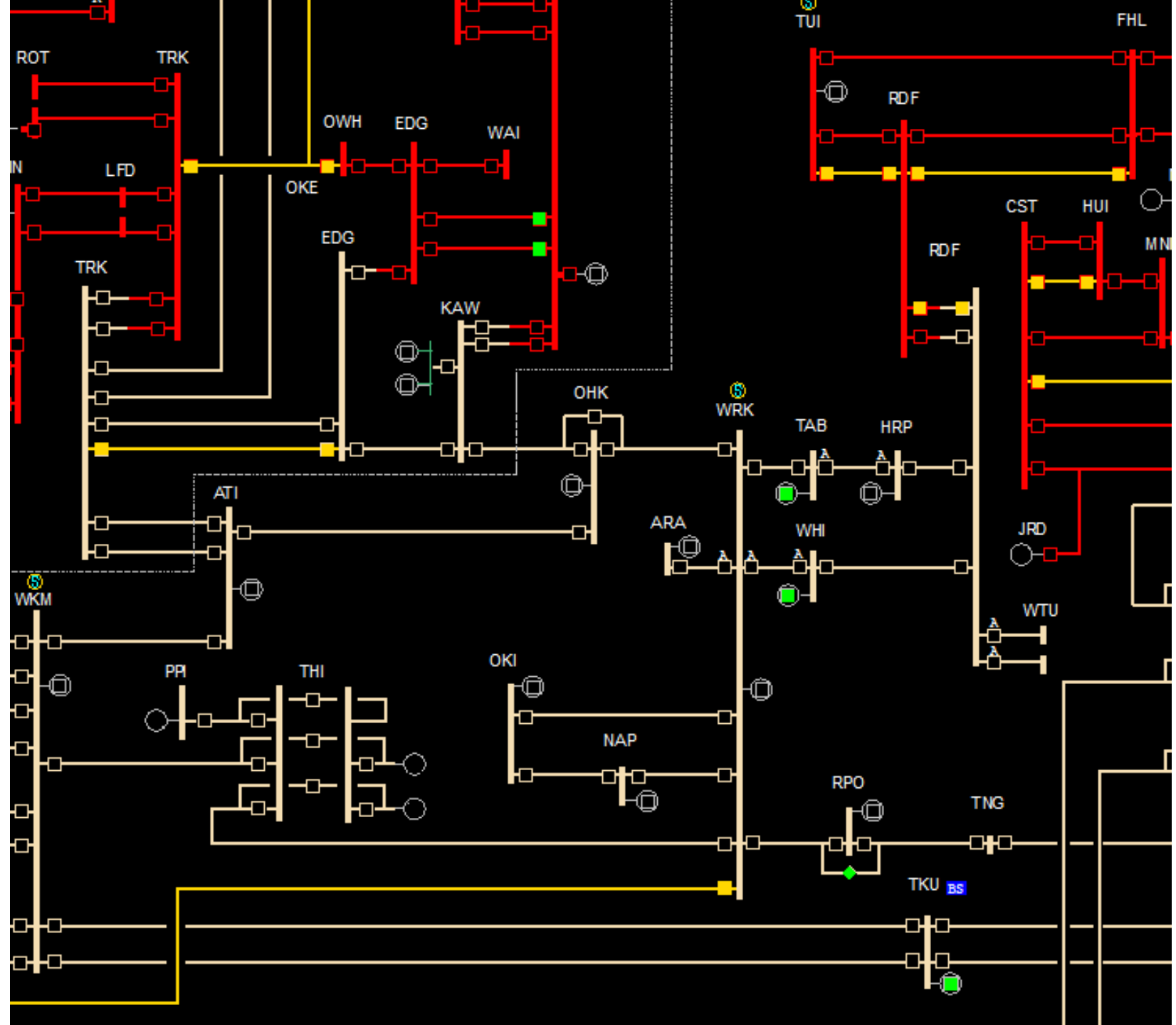
- BPE_MTN_WGN_1
- BRK_SFD_3

Week of 28 September

- BPE_MTN_WGN_1
- BRK_SFD_3

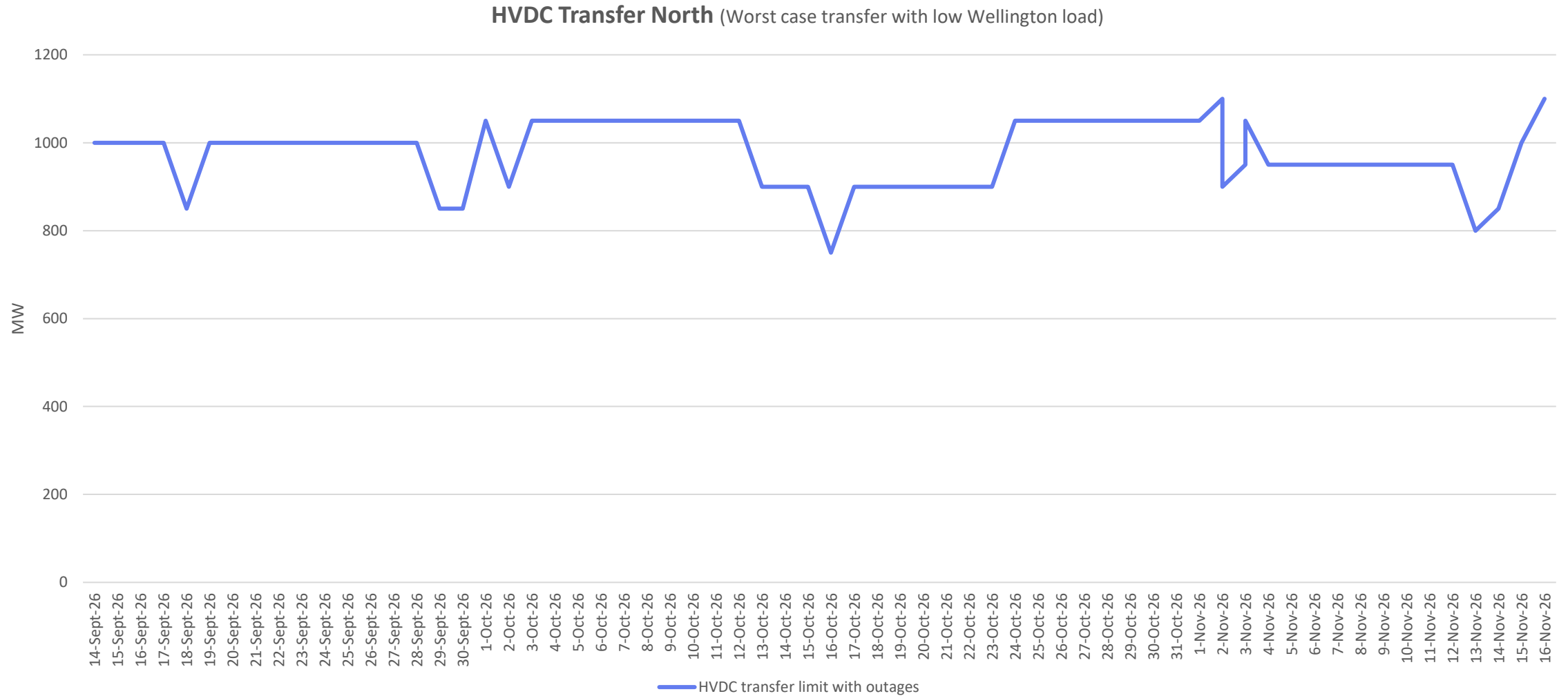
Week of 5 October

- BRK_SFD_3
- RPO_TNG_1
- CPK_WWD_WIL_3
- OKN_NPK_ONG_1



- ISL_SBK_1 / ISL_SBK_2
- CYD_CML_TWZ_1
- ASB_ISL_1
- INV_MAN_2
- INV_TWI_1

HVDC North transfer limit

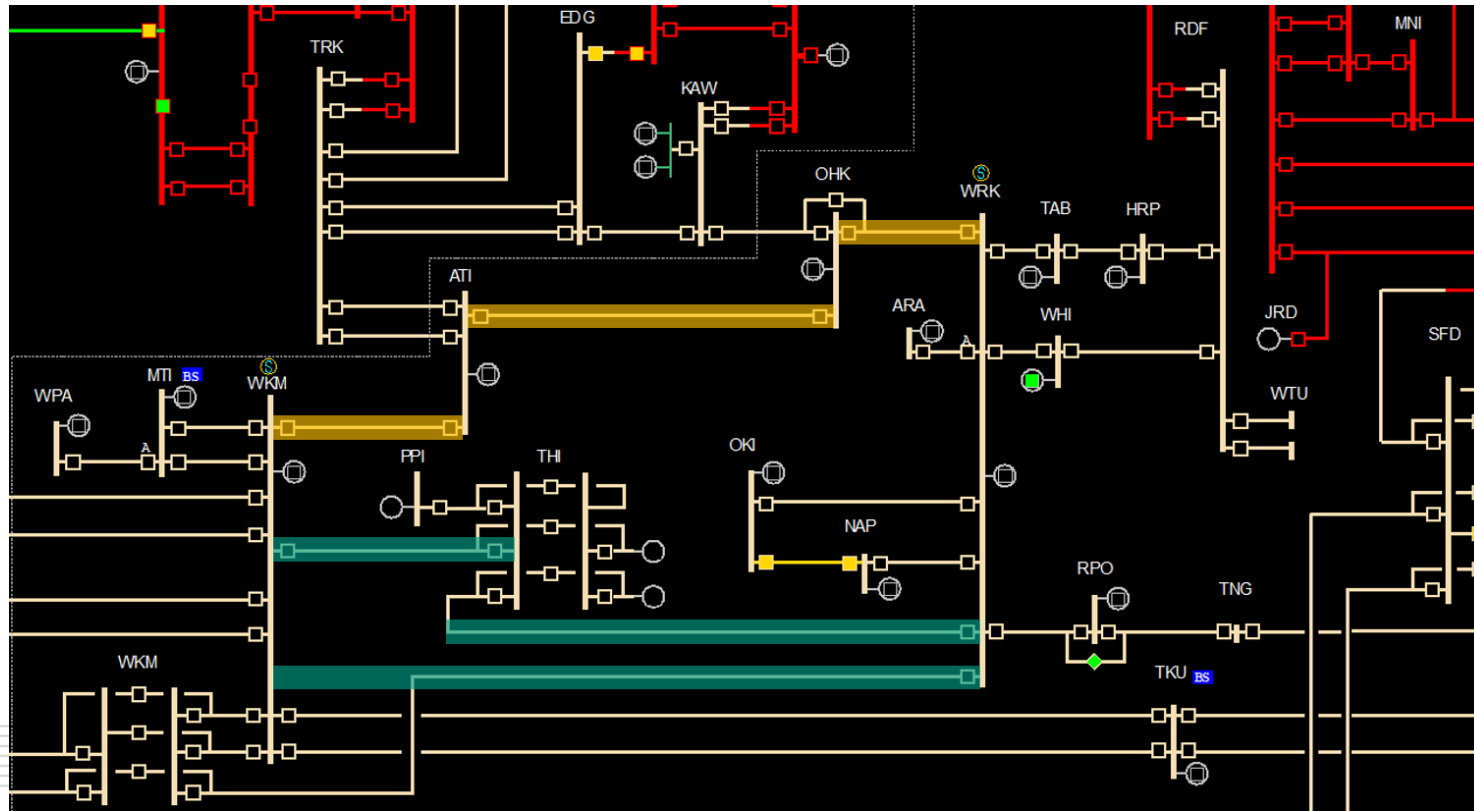




Future Wairakei Ring Outages

Background

- Generation dispatch in the Wairakei Ring area depends heavily on the WRK-WKM-C line circuits. Outages constrain generation by 600MW to 800MW (and growing).
- Outages have traditionally been targeted for November / December.
- Historically outages have been difficult to manage with late cancellations and change requests not uncommon.
- Campaign management is needed to improve Transpower's ability to effectively deliver these outages. This means firm outage windows each year supported by both Transpower and Industry.



Timing for 27/28 AOP and Future

Month	Peak load	Unit commitment (Like Huntly)	Dry year risk	Circuit Ratings	Transpower work 220kV upgrades	Market participant outages 2027
January						
February						
March						
						
April						
WINTER May, June, July, August, September						MTI – 35MW (30/08 – 2028) HLY_4 – 240MW (03/09 – 12/12)
						
1-20 October						MTI – 35MW (30/08 – 2028) MTI – 35MW (04/10 – 05/10 & 11/10 – 12/10) ARI – 20MW (04/10 – 03/11)
20-31 October						MTI – 35MW (30/08 – 2028) ARI – 20MW (04/10 – 03/11)
November						MTI – 35MW (30/08 – 2028) HLY_5 – 385MW (05/11 – 12/12) KPO – 35MW (01/11 – 02/11) TAB – 170MW (31/10 – 11/12) NAP – 136MW (07/11 – 15/11)
December						MTI – 35MW (30/08 – 2028) HLY_5 – 385MW (05/11 – 12/12) TAB – 170MW (31/10 – 11/12)

2027/28 Outages and Beyond

- The first 3 weeks of October present the best window for the WRK ring circuit outages.
- Having a fixed window going forward means better alignment of outages will be possible for all participants.
- We will appreciate your feedback and inputs regarding this proposal. Ops.planner@transpower.co.nz





Operational update

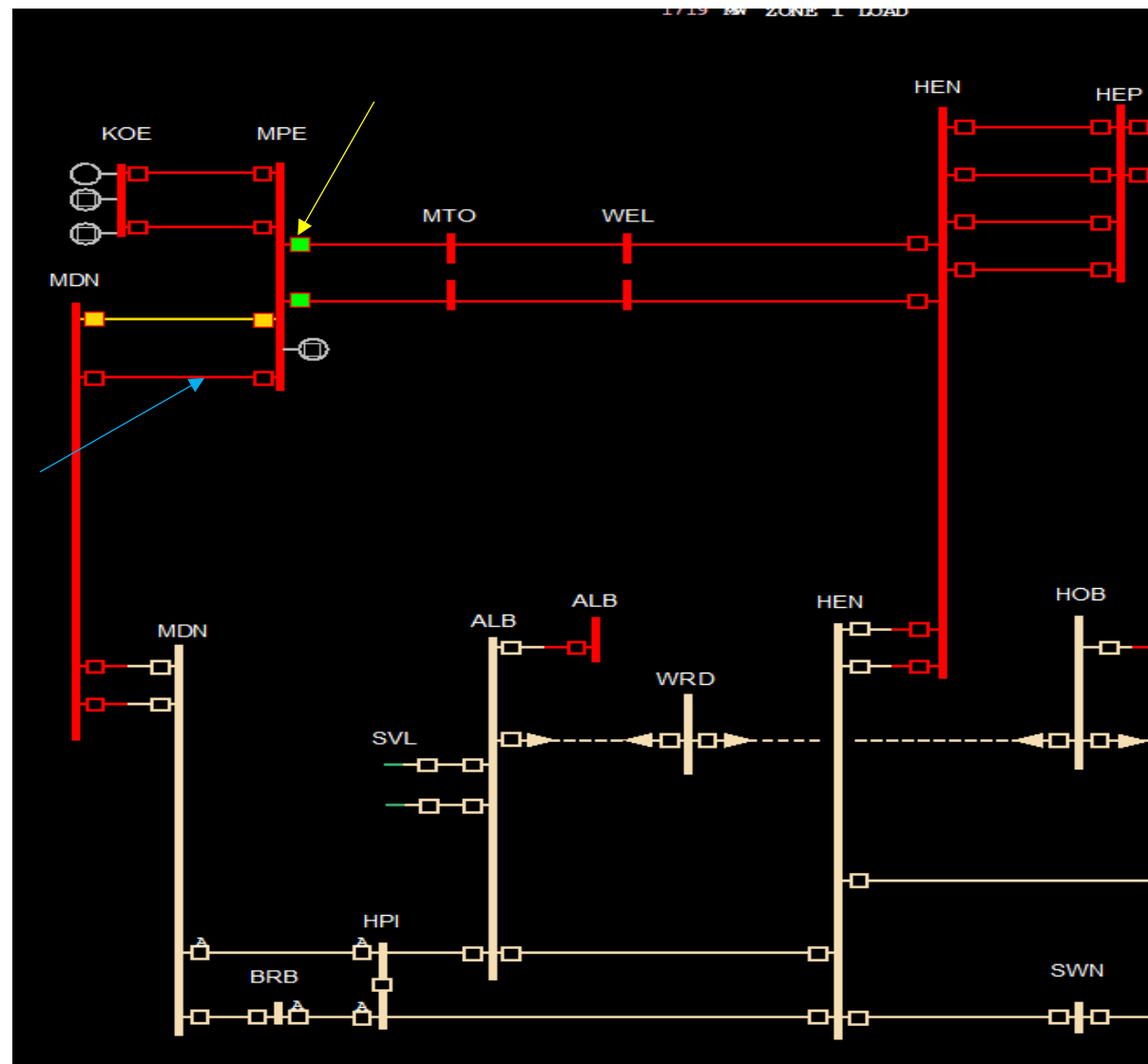
Enabling SFT to protect HEN MPE circuits during HEN HPI/BRB HPI outages

During some northern circuit outages, certain contingencies will result in northern load being supplied via the HEN MPE 110kV circuits

Historically, especially during week days, the MPE/KOE/KTA load is higher than the combined capacity of the two HEN MPE circuits

To avoid the need for pre-contingent load restrictions, a system split is implemented at MPE on the HEN MPE circuits

With the recent installation of northern solar and battery generation, there is potential for the HEN MPE circuits to connect Northland to the grid and remain within limits



Enabling SFT to protect HEN MPE circuits during HEN HPI/BRB HPI outages

HEN HPI/BRB HPI circuit outages are planned for 14-18 September

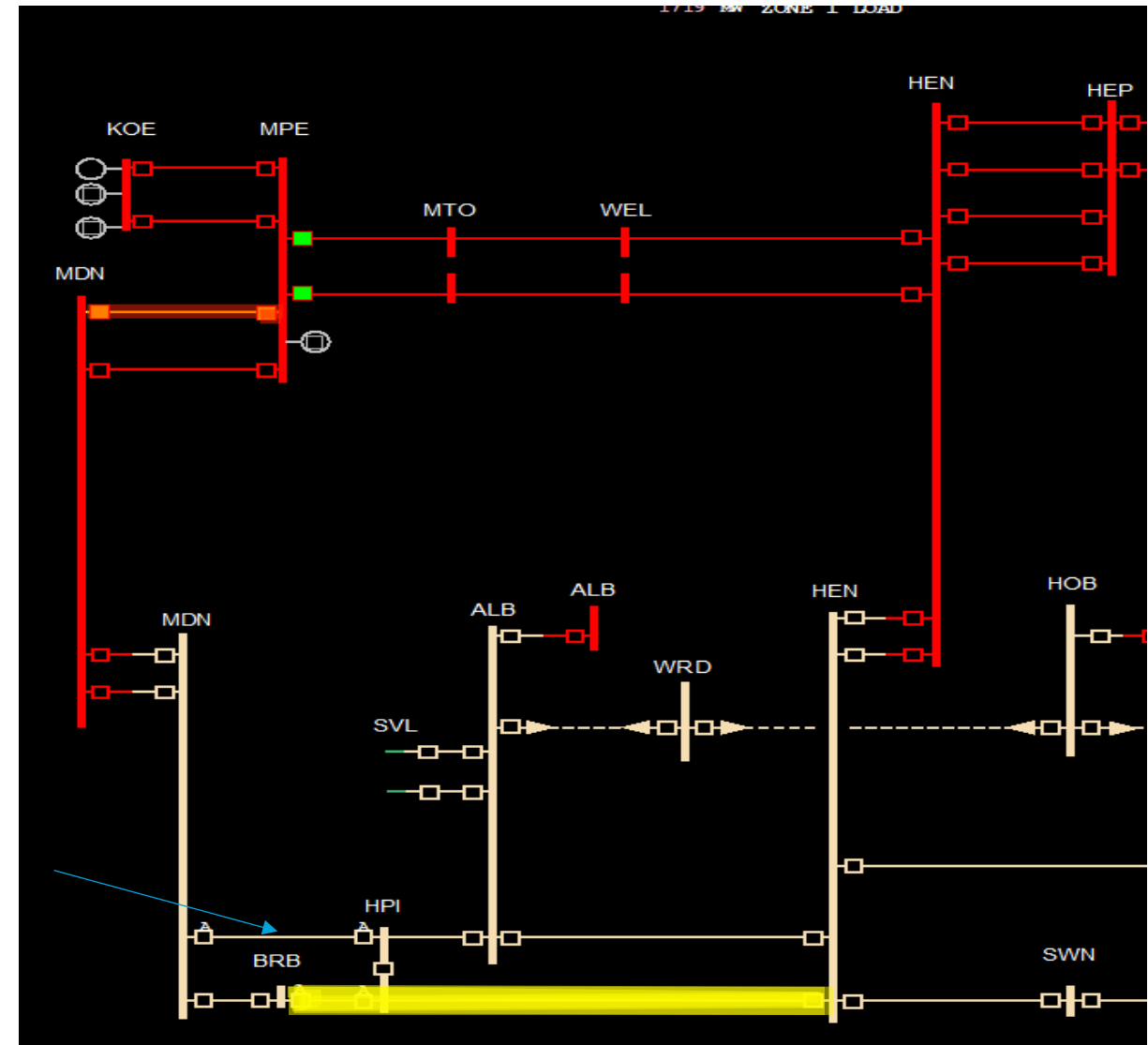
During this outage the loss of the ALB HPI/HPI MDN circuits will disconnect the 220kV from Northland.

BRB and the RUK Battery will still be connected to Northland

Along with northern solar and geothermal there can be sufficient generation available to keep flows on the HEN MPE circuits below max capacity and therefore mitigate the need for the MPE splits

A trial with SFT enabled to protect the HEN MPE circuits for the loss of the ALB HPI MDN circuit will be run for the duration of this outage

SFT will ensure sufficient generation is cleared or battery charging is reduced.





Instantaneous Reserves cost allocation changes

Instantaneous Reserve Cost Allocation

Code changes take effect on 1 October 2026

Why was the Code amended?

- Reserve costs are allocated on a causer pays basis.
- Some generation creating contingent-event risk was not allocated reserve costs.
- The amendment aligns reserve cost allocation with system risk.

What's changing from 1 October 2026

- Groups of generating units may become liable where they present a single contingent-event risk
- The SO will publish and maintain an at-risk generation list ahead of 1 October 2026.

Instantaneous reserve cost allocation to groups of generating units

Decision paper

22 October 2025

ELECTRICITY
AUTHORITY
TE MANA HIKO



Existing liabilities continue and grouped risks are added

Currently liable

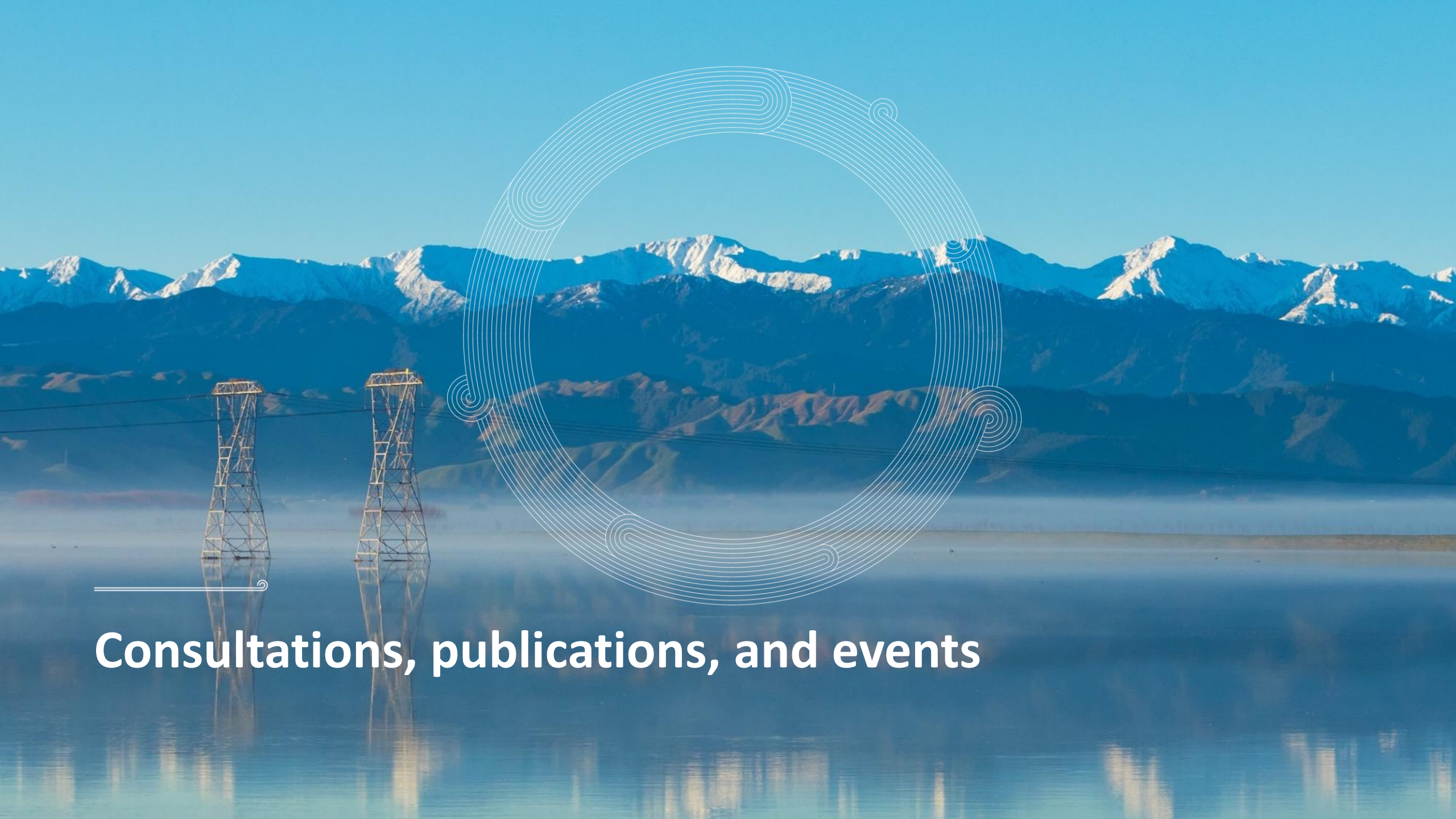
- Individual generating units above 60 MW
- HVDC owner for at-risk transfer above 60 MW

Newly liable

- Groups of generating units above 60 MW treated as a single contingent-event risk

- The System Operator will publish and maintain an at-risk generation list identifying the assets that fall within that criteria.
- Affected participants will be contacted regarding liable assets and any required metering arrangements ahead of 1 October 2026.



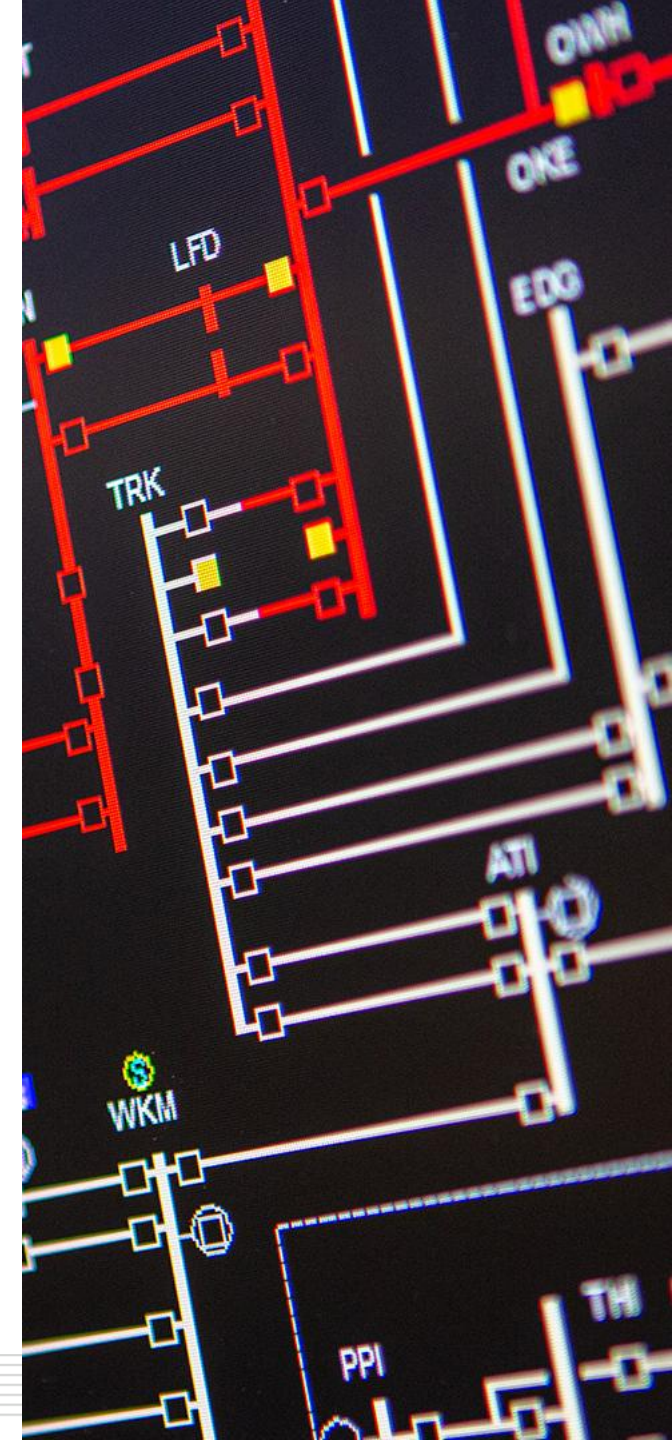


Consultations, publications, and events

Consultations, publications, and events

Our consultation on the draft amendments to the [Ancillary Services Procurement Plan to implement Emergency Reserve](#) as a new ancillary service is now open. Submissions are due by 5pm on 25 September followed by a week for cross-submissions.

On 15 September we are holding a **Controllable Load information forum** to discuss changes introduced by the CACTIS. Invites have been sent out, contact system.operator@transpower.co.nz if you require further information.



Questions / Pātai



Please raise your hand

If you have feedback let us know via our [Feedback Form](#)

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