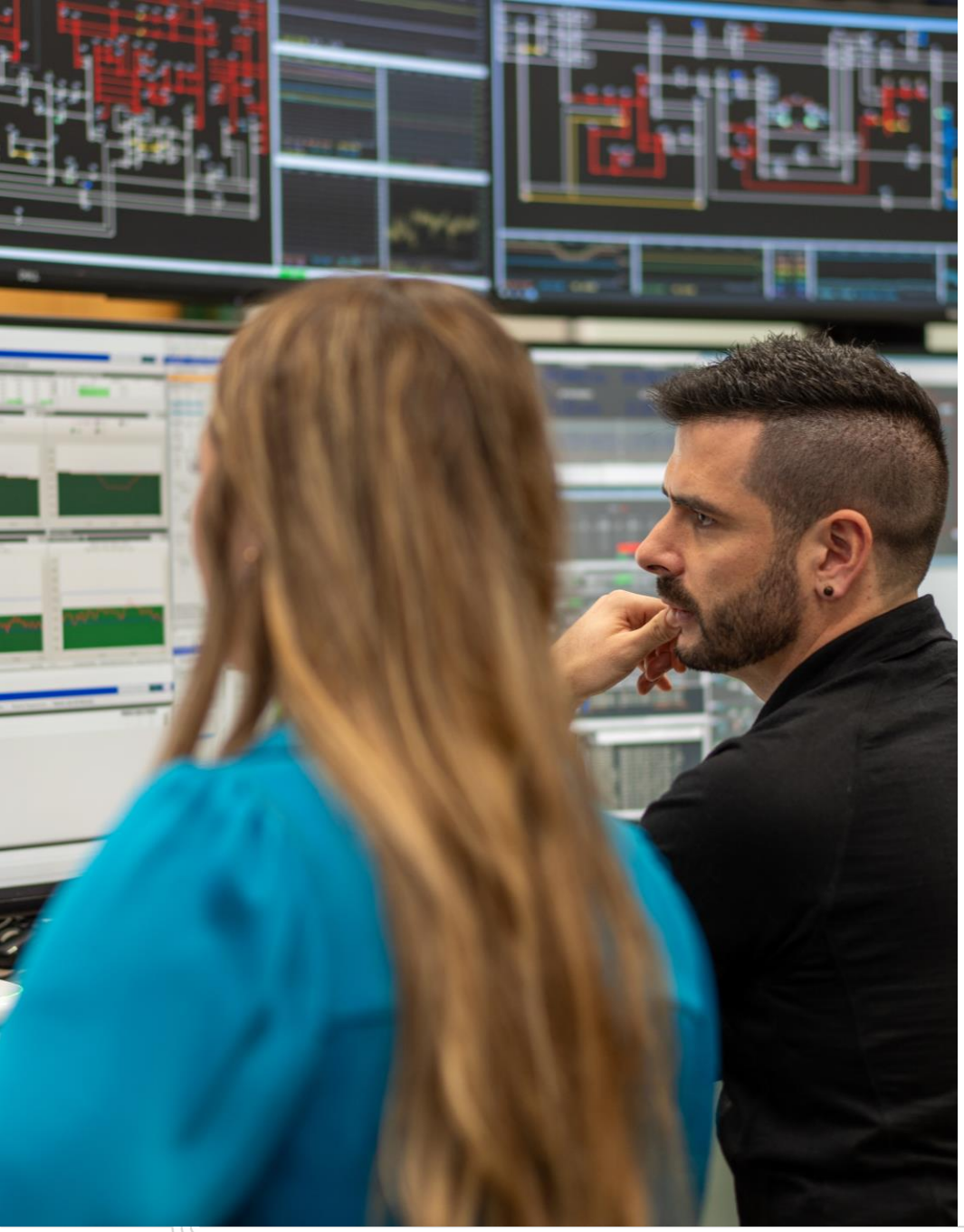
TRANSPOWER

System Operator Industry Forum

10 February 2026

Today's agenda

- Key messages
- Market update
- NZGB update
- Outage update – next four weeks
- Operational update
- Consultations, publications and events
- Questions / Patai



Key Messages

- National hydro storage is high but reducing.
- Thermal fuel storage (coal and gas) are also high.
- We are still seeing low levels of thermal generation and high levels of renewables (>96% renewables for 18 weeks).
- Annual HVDC pole outages are scheduled for 19 February to 2 March.

Market update

Energy: National hydro storage

National storage now sits just below the 90th percentile

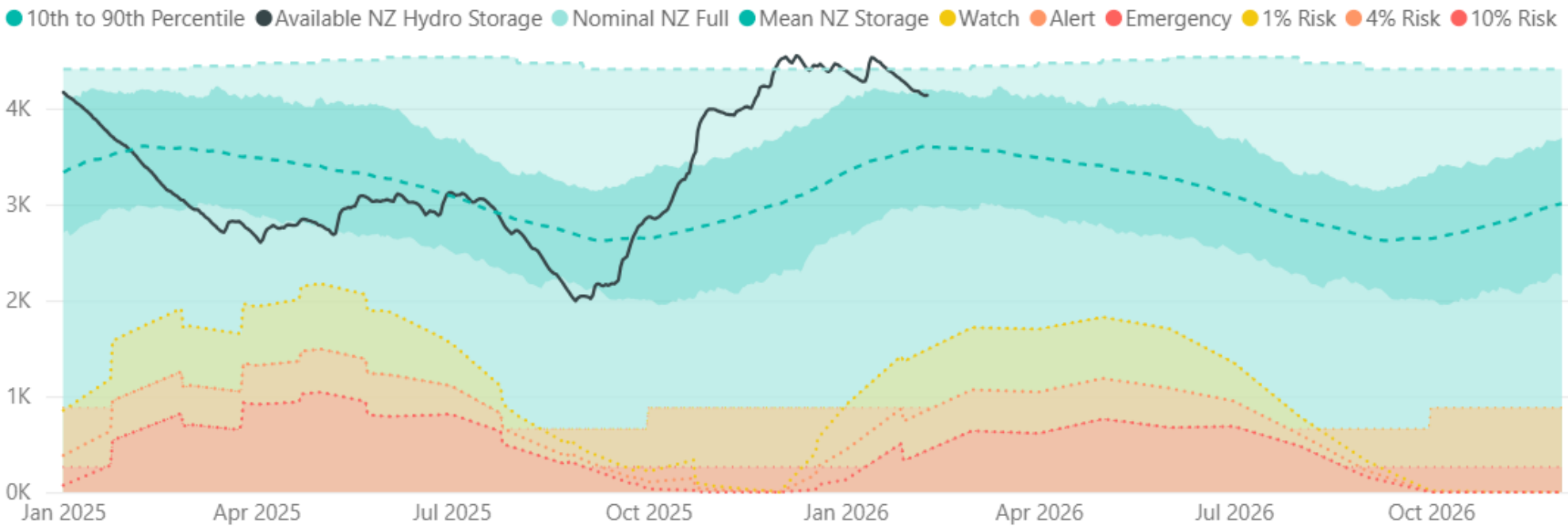
	Hydro storage level (% of mean ▲/▼)		
	New Zealand	South Island	North Island
Last forum	122%	119%	154%
Now	115% ▼	110% ▼	166% ▲

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

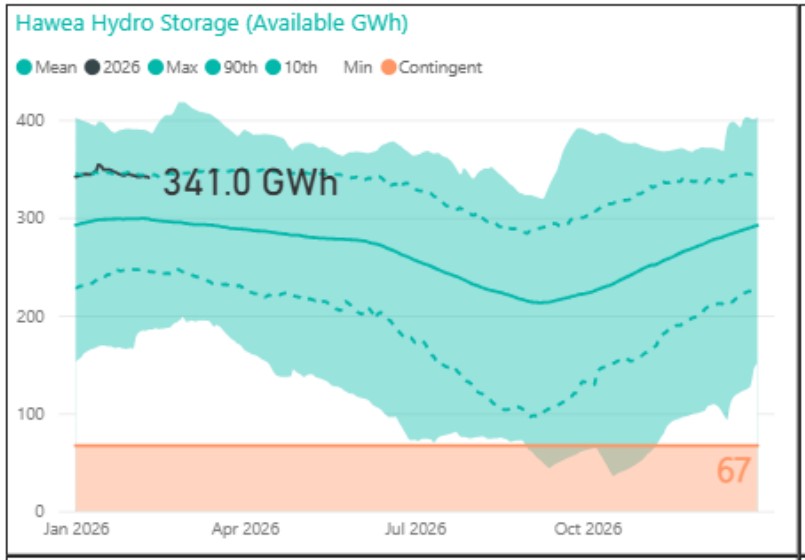
New Zealand Energy Risk

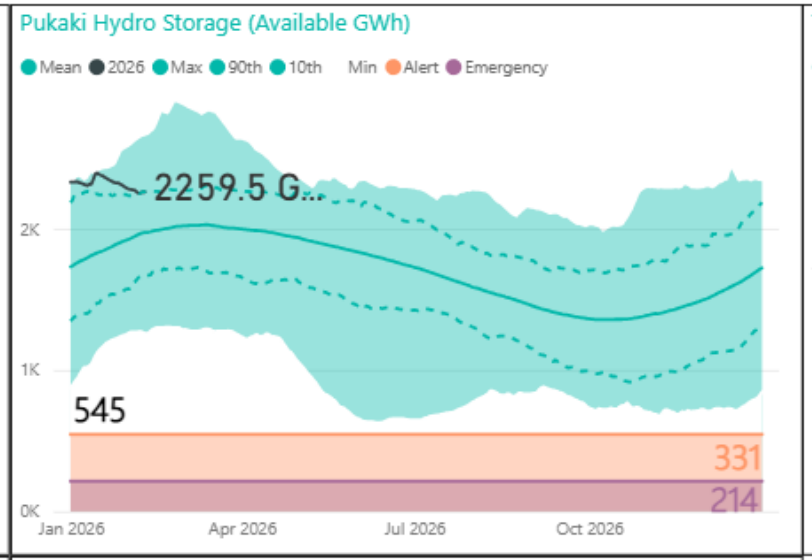
South Island Energy Risk

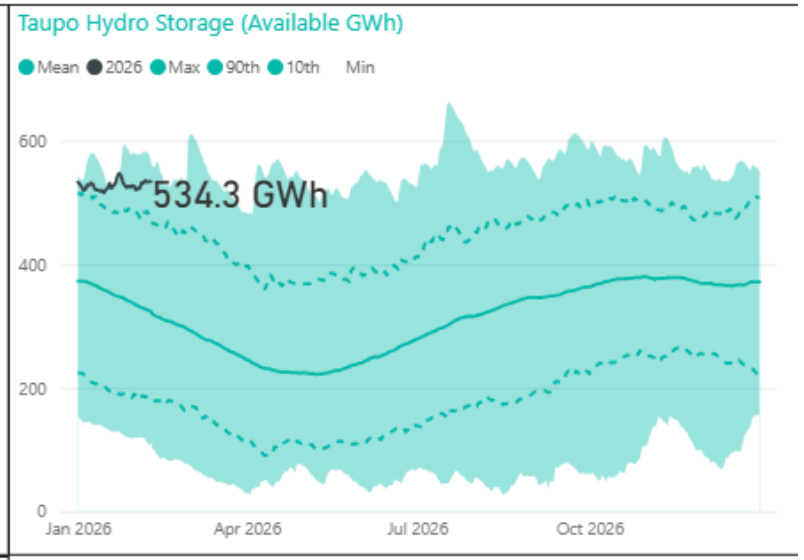
New Zealand Electricity Risk Status Curves (Available GWh)

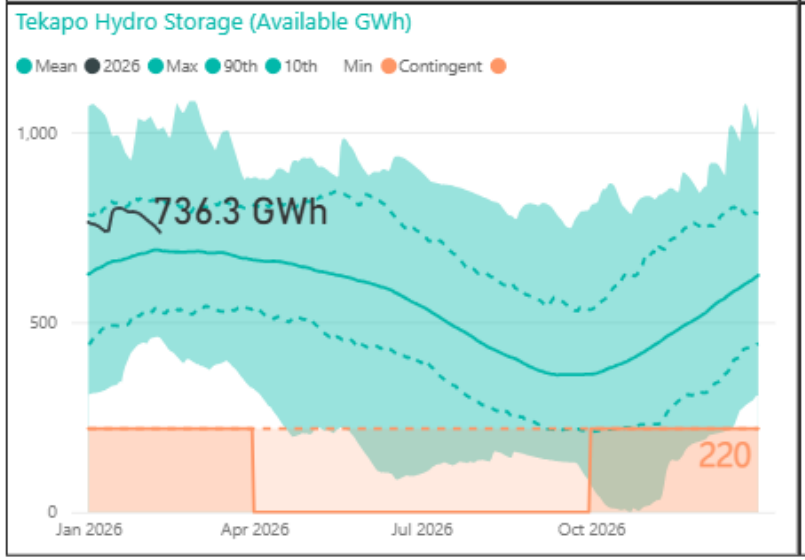


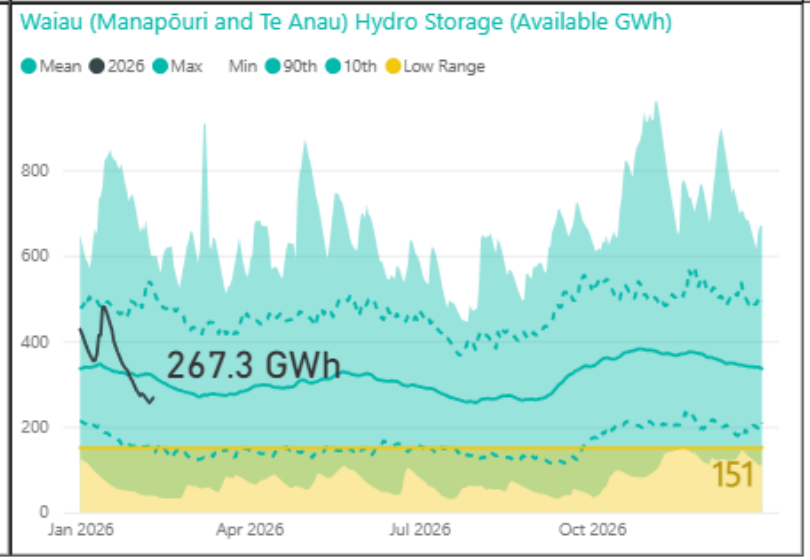
Hydro storage by catchment











Lake	Current (%) avg
nz_controlled	115
si_controlled	110
hawea	114
pukaki	114
manapouri	99
te_anau	76
tekapo	107
taupo	165

January Energy Security Outlook

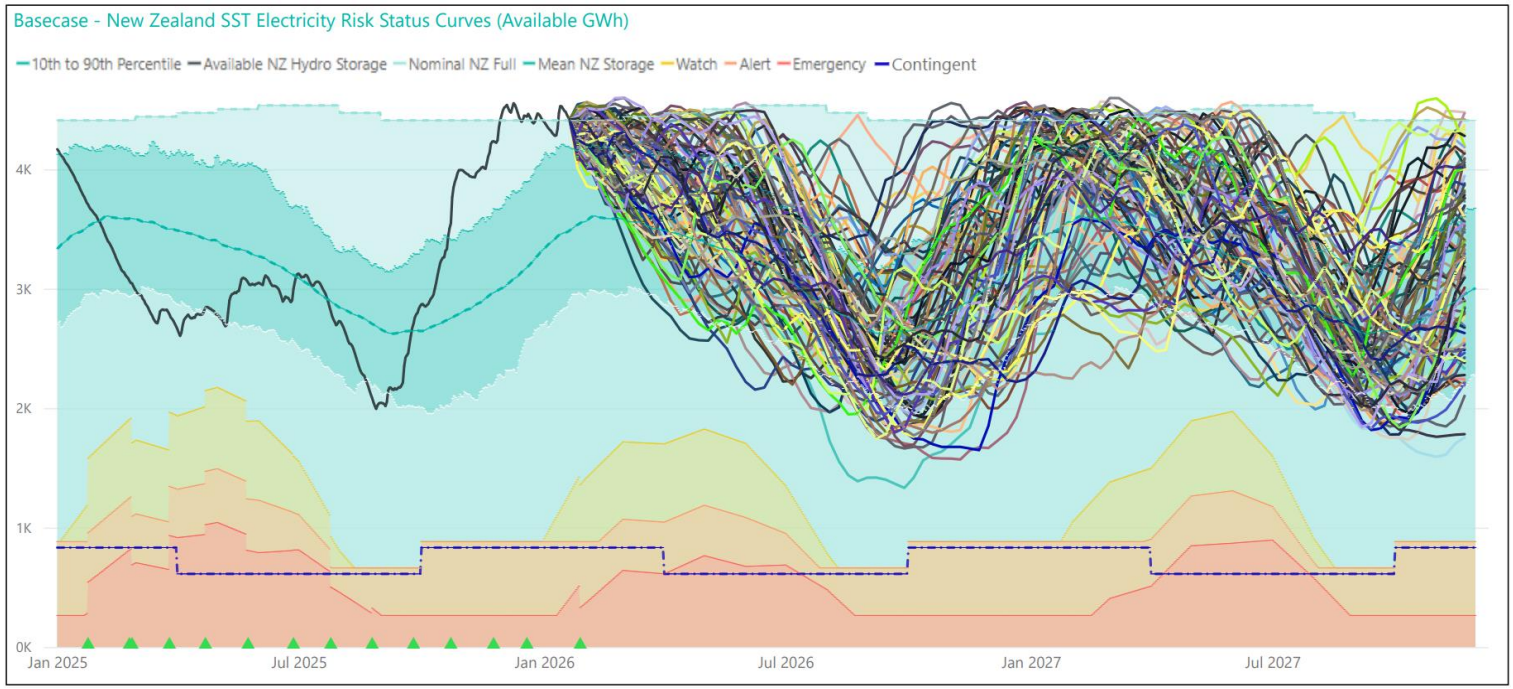
Changes this update:

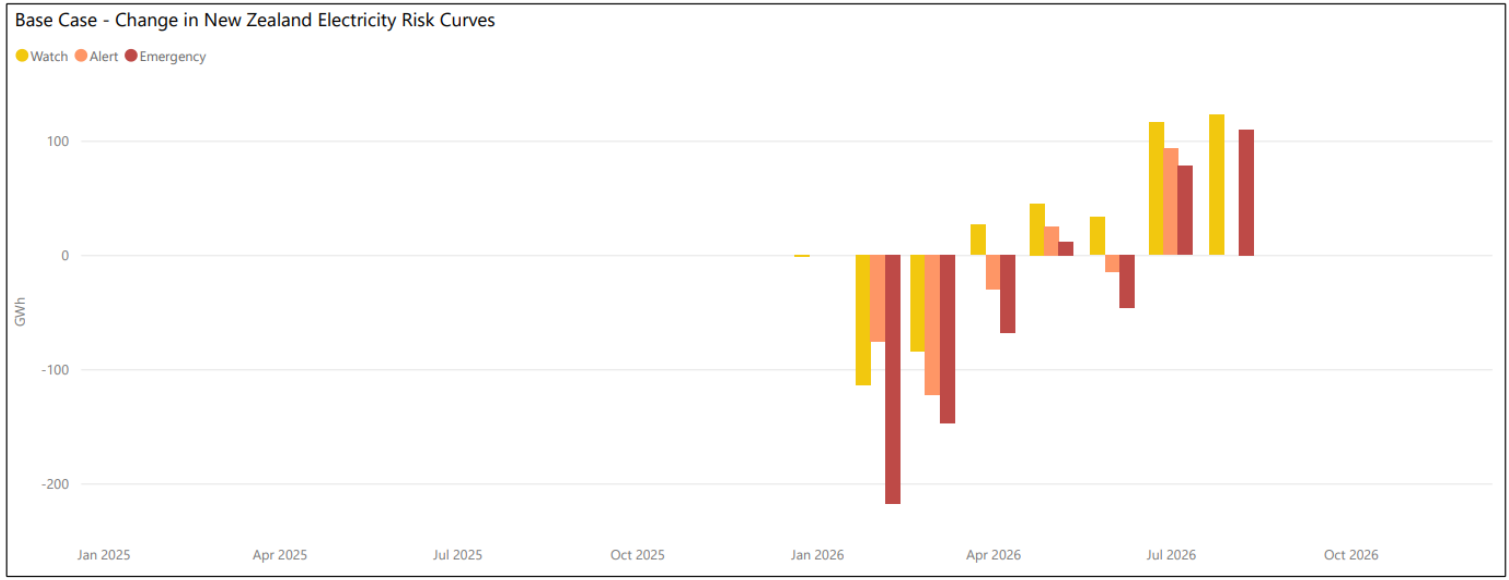
- An increase in Ahuroa gas storage
- An increase to demand forecast
- A decrease in the gas production forecast
- Commissioning and scheduled outages

Modest changes to curves from December update:

- -113 GWh Watch (Feb 2026)
- +122 GWh Watch (August 2026)
- -217 GWh Emergency (Feb 2026)
- +110 GWh Emergency (August 2026)

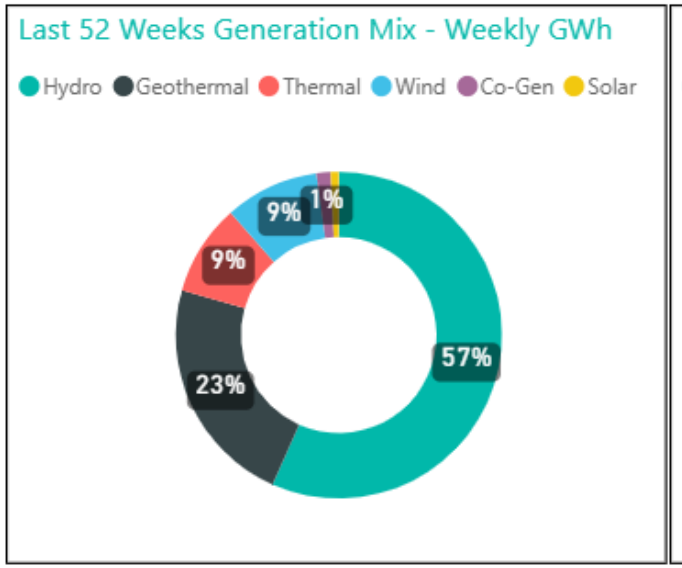
No SSTs cross any risk curves.

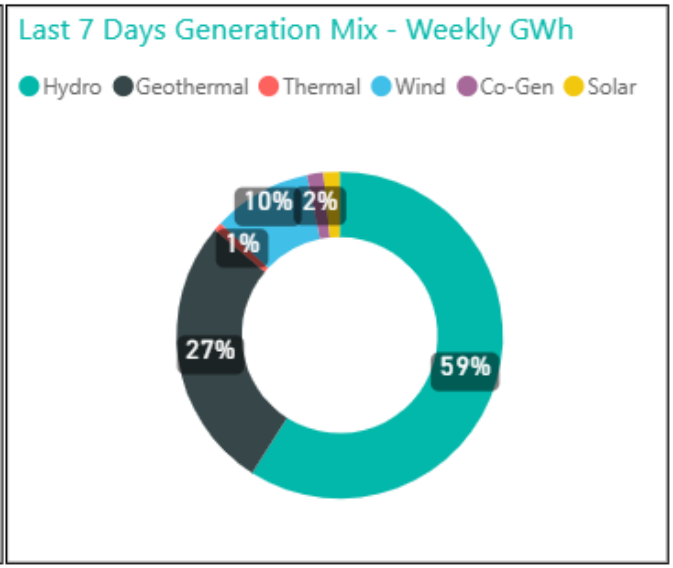


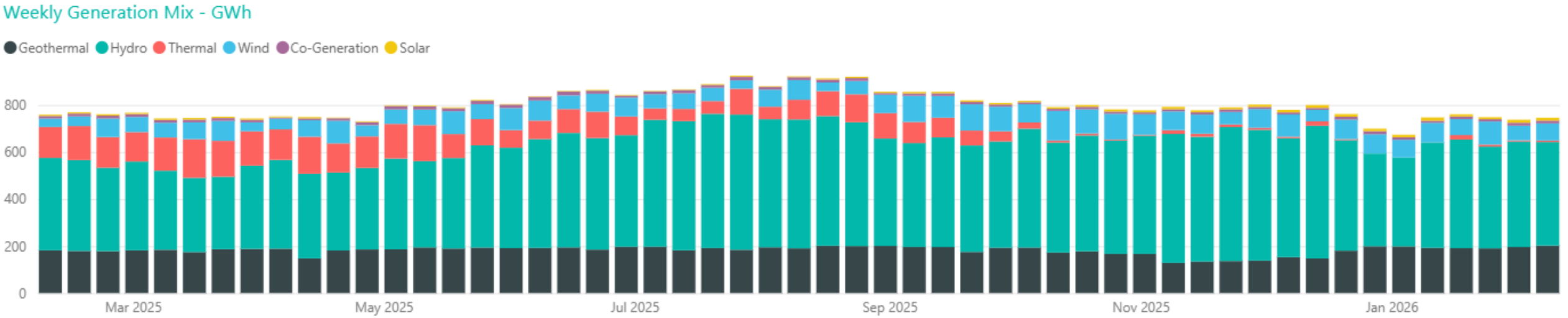


Generation mix

- Hydro generation share high at 59% last week
- Wind generation above average at 10%
- Thermal generation very low at 1%
- Renewable share >96% for eighteen consecutive weeks

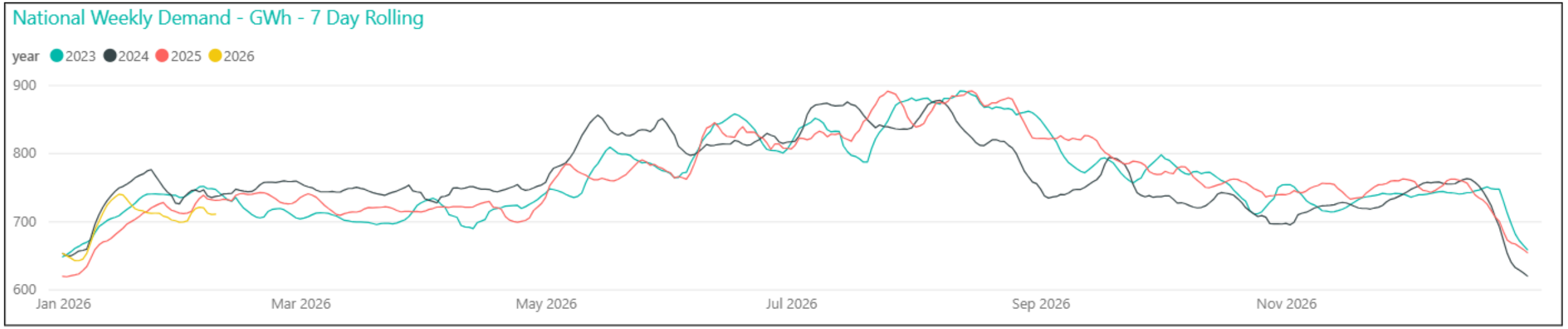






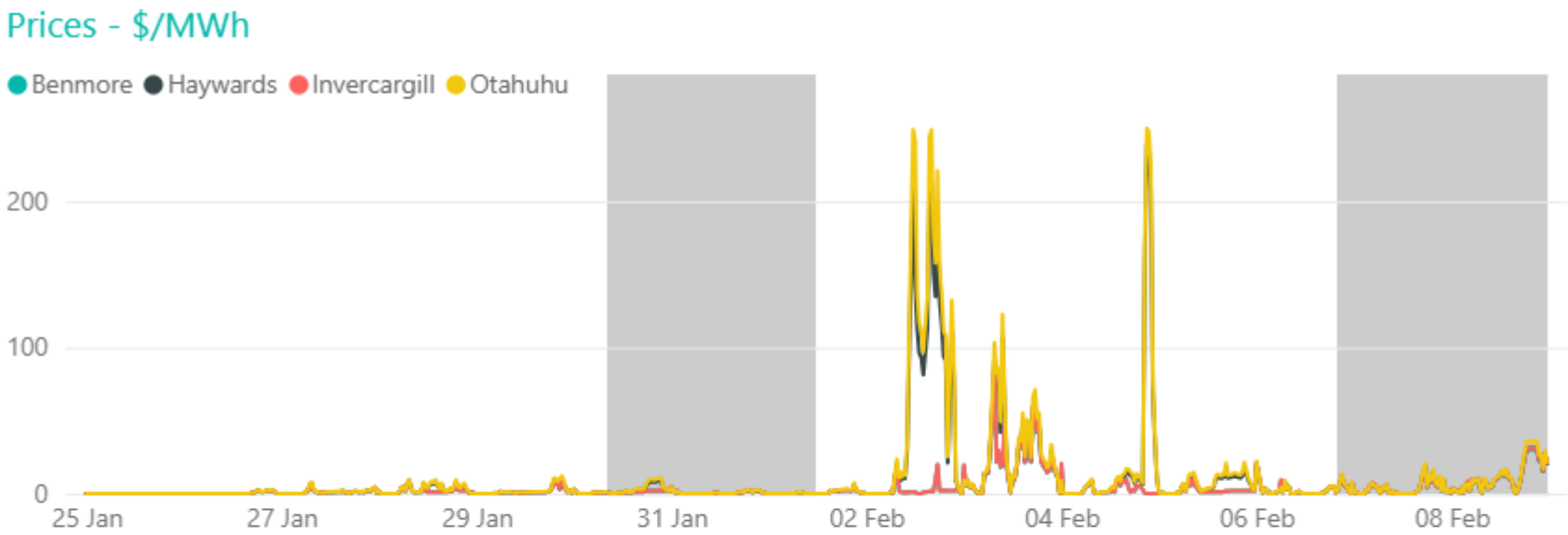
Demand

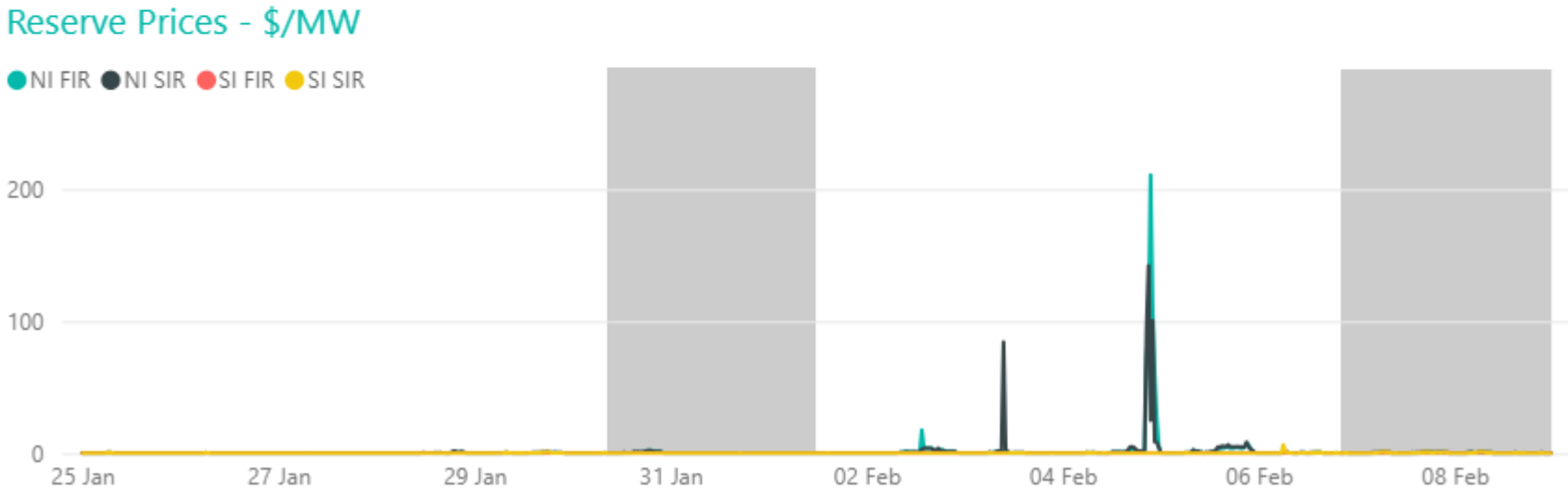
- Demand has continued to drop with less seasonable summer temperatures compared to previous years



Pricing

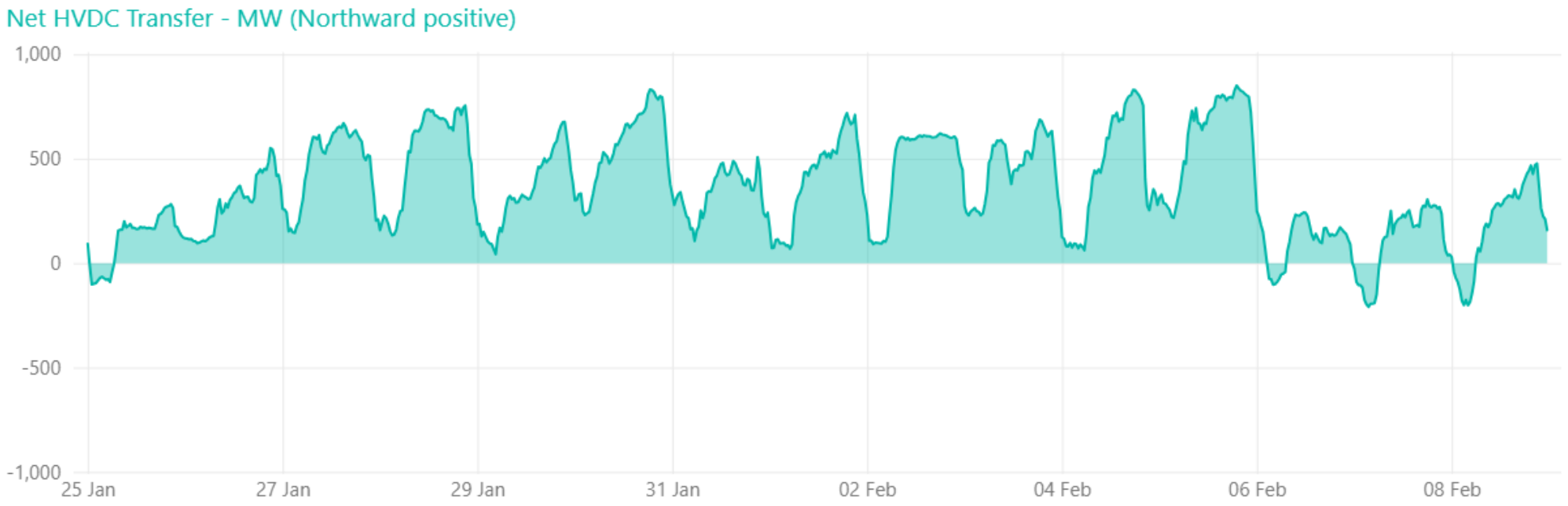
- Low average wholesale prices, in line with low demand and high hydro storage
- Price separation during two periods of the last two weeks:
  - HVDC operating at reduced capacity on 2 Feb
  - Unplanned outage on the HVDC on 4 Feb and UFE
- Peak of $250/MWh at Ōtāhuhu, 9:00 pm on 4 February during the unplanned HDVC outage





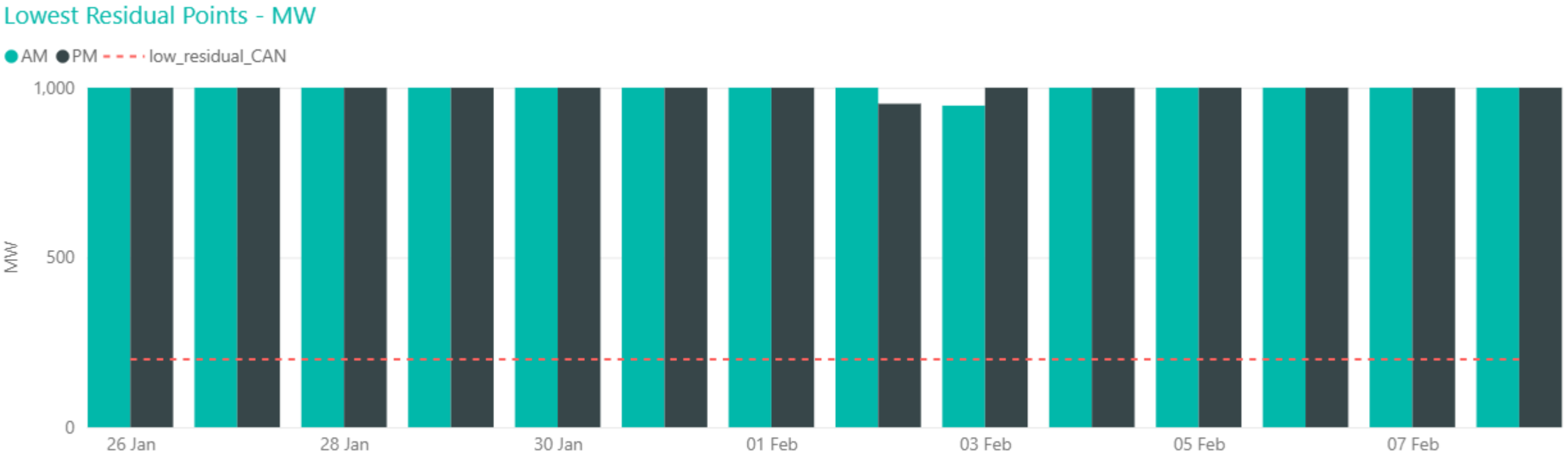
HVDC transfer

- HVDC transfer has been majority northward. Some southward transfer overnight with low demand
- Past fortnight 129 GWh sent north, 2 GWh sent south



Capacity residual margins

- Residuals continue to remain healthy with low demand despite low thermal unit commitment

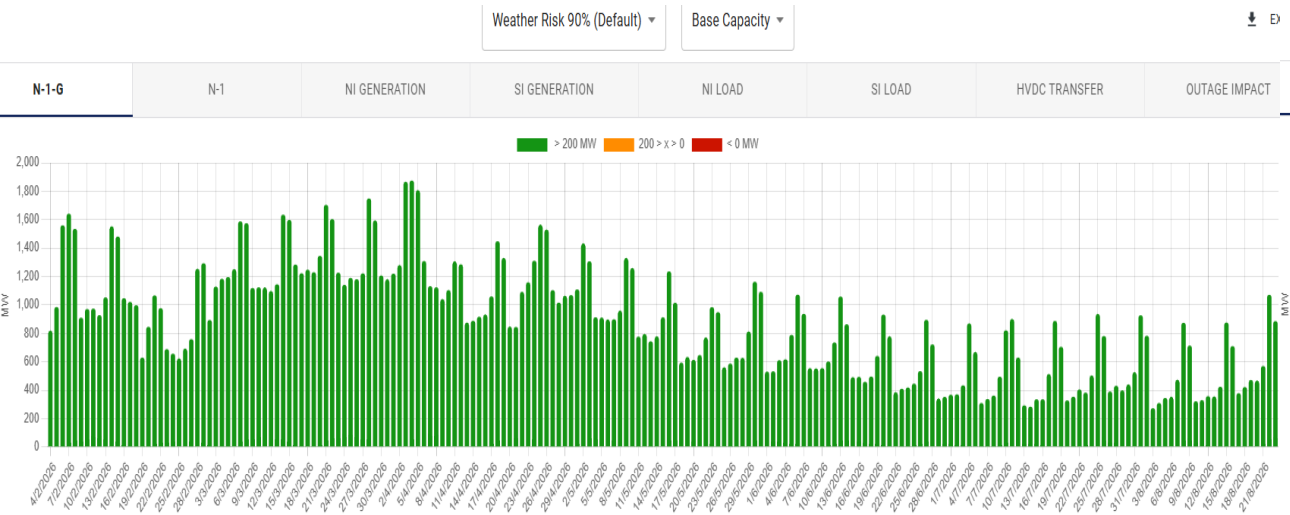


NZGB update

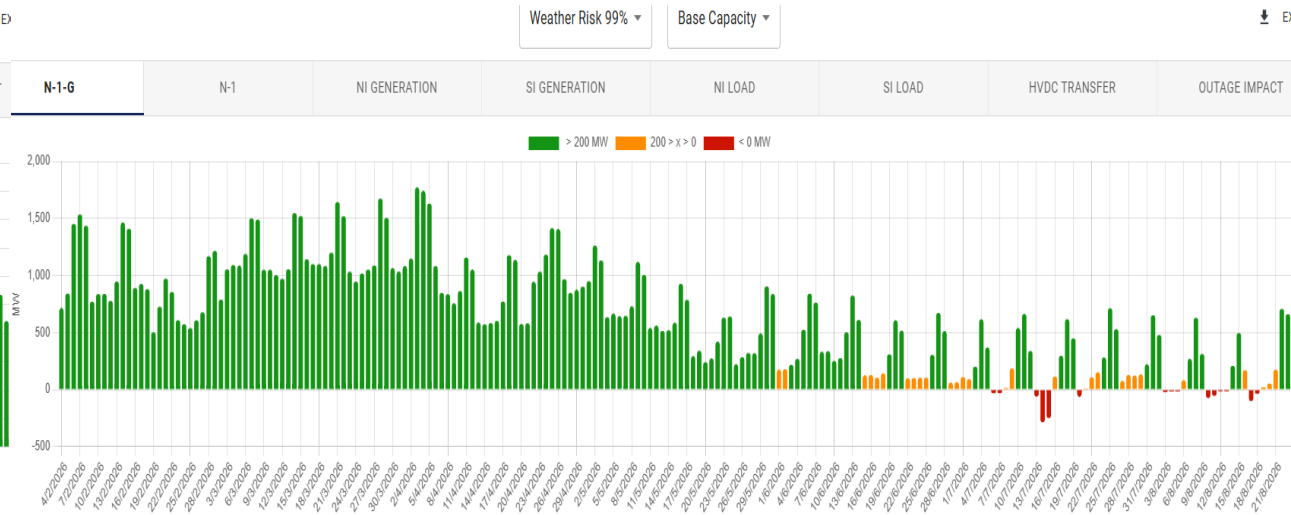
NZGB update: base capacity N-1-G

- N-1-G margins for 90th percentile load are currently showing healthy values
- Under the 99th percentile load, which we would expect under a cold snap, the margins drop substantially through the winter months and shows some shortfalls in mid July

Base case capacity at 90%
- ***This triggers the CAN process***
- Assumes all generation available in POCP is offered
- It uses 20% of total wind capacity



90th percentile load



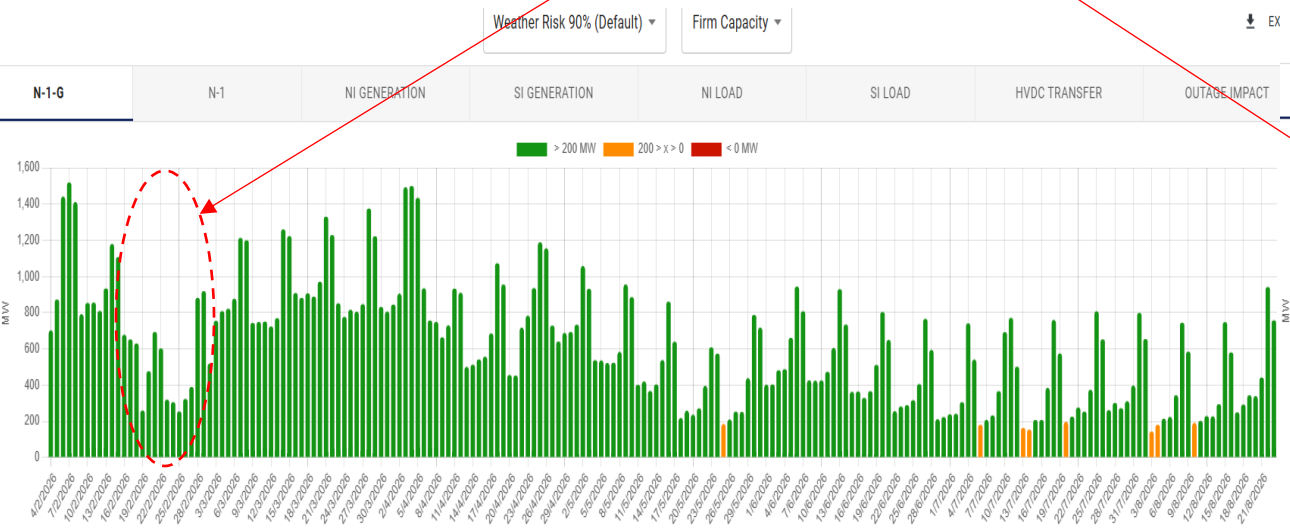
99th percentile load

NZGB update: firm capacity only N-1-G

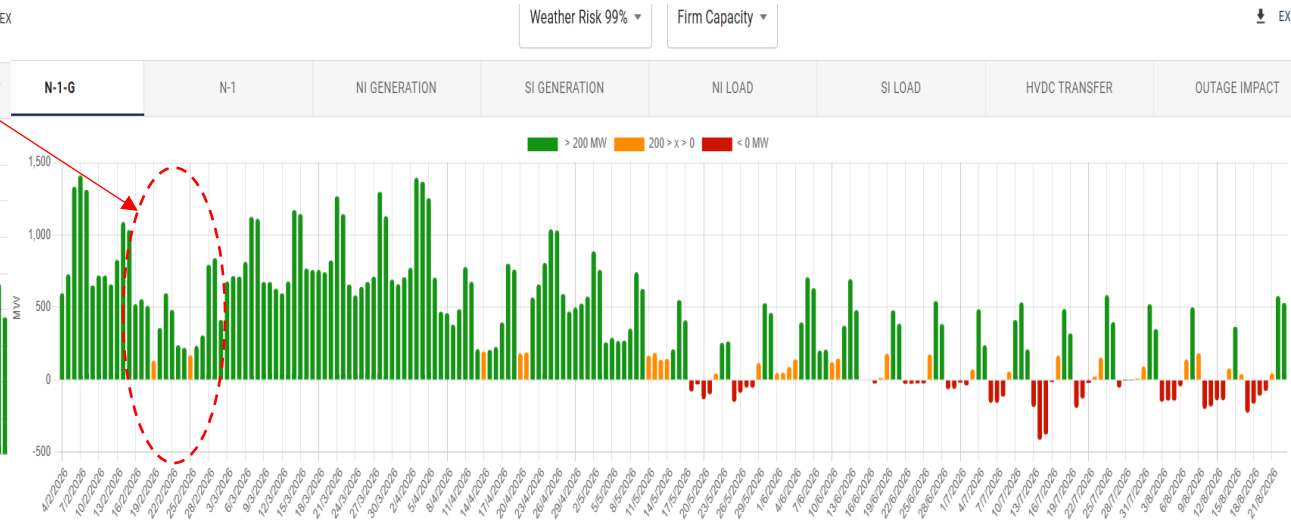
- Firm capacity scenario reflects units that historically operate for at least 90% of AM & PM peaks.
- Any shortfall or low margin periods highlight the potential reliance on these units to be available to cover N-1-G
- This means we are relying on the market to coordinate especially slow starting thermal units, to get through high peak load periods

Firm capacity removes
- 1 HLY Rankine over winter months June to November, and 2 Rankines over the remaining months
- It uses the lowest 10th percentile generation for wind (8% of total capacity)

HVDC outage

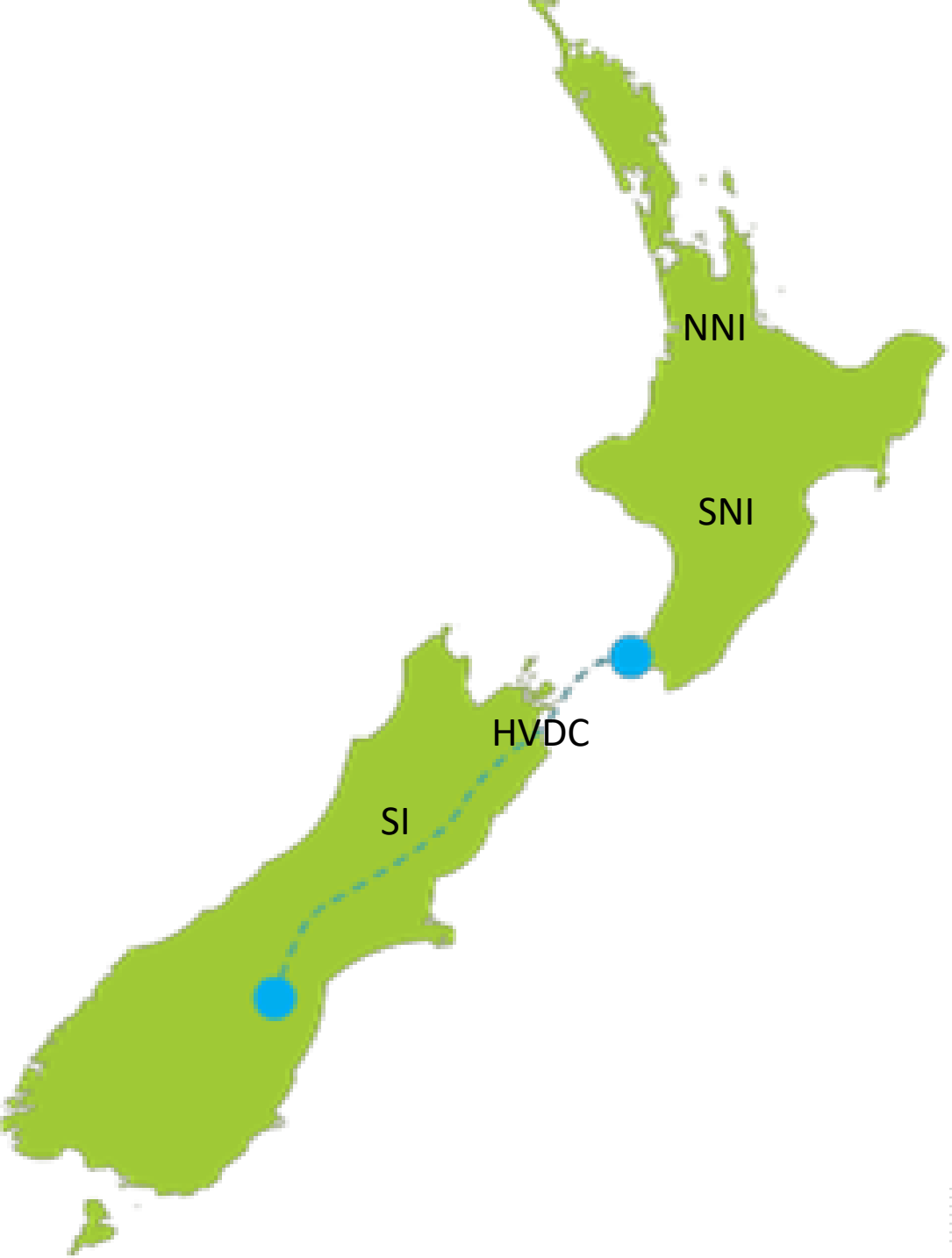


90th percentile load



99th percentile load

Outages next 4 weeks



Outages

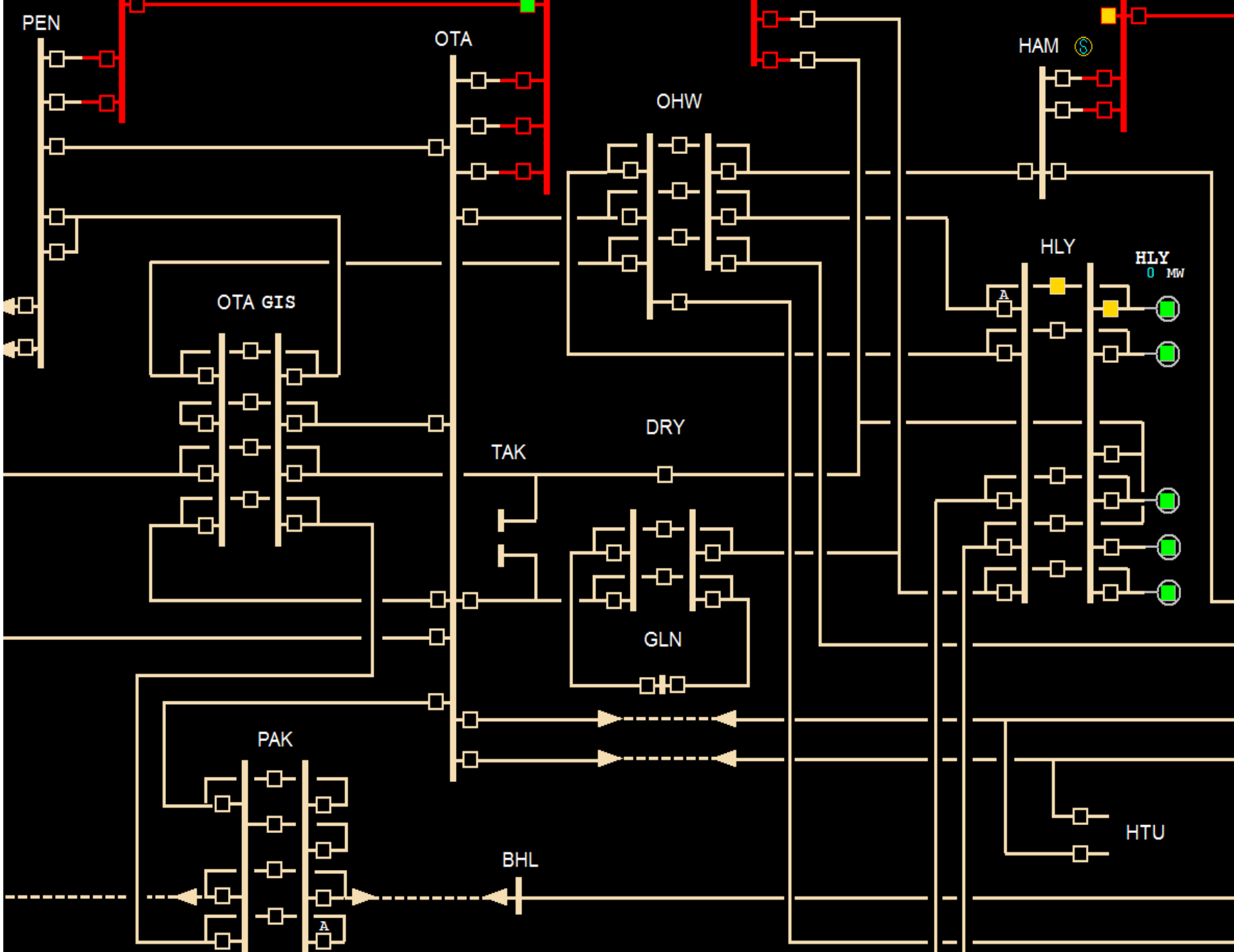
- NNI outages
- SNI outages
- SI outages
- HVDC outages

Asset owners

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

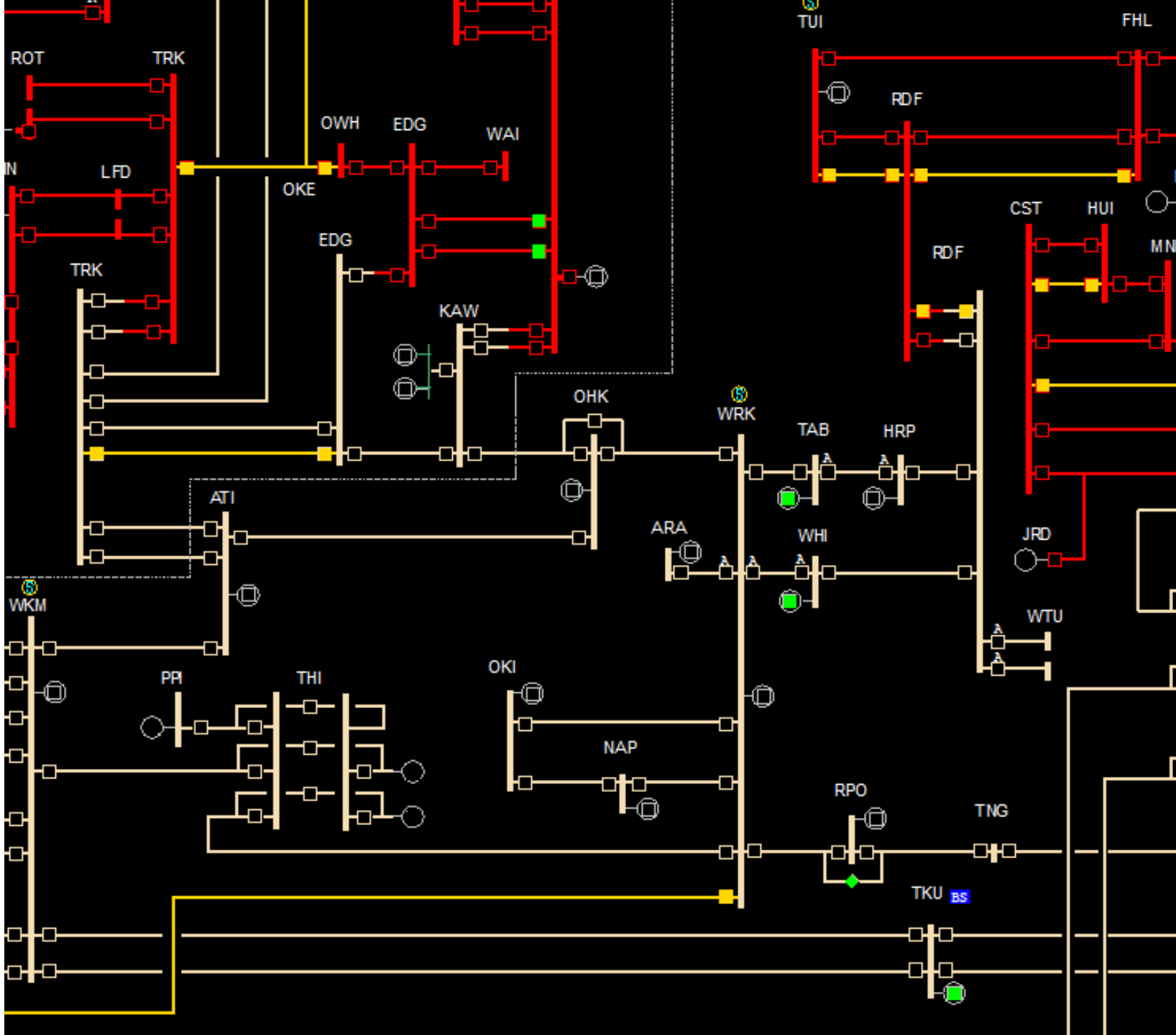
NNI Outages

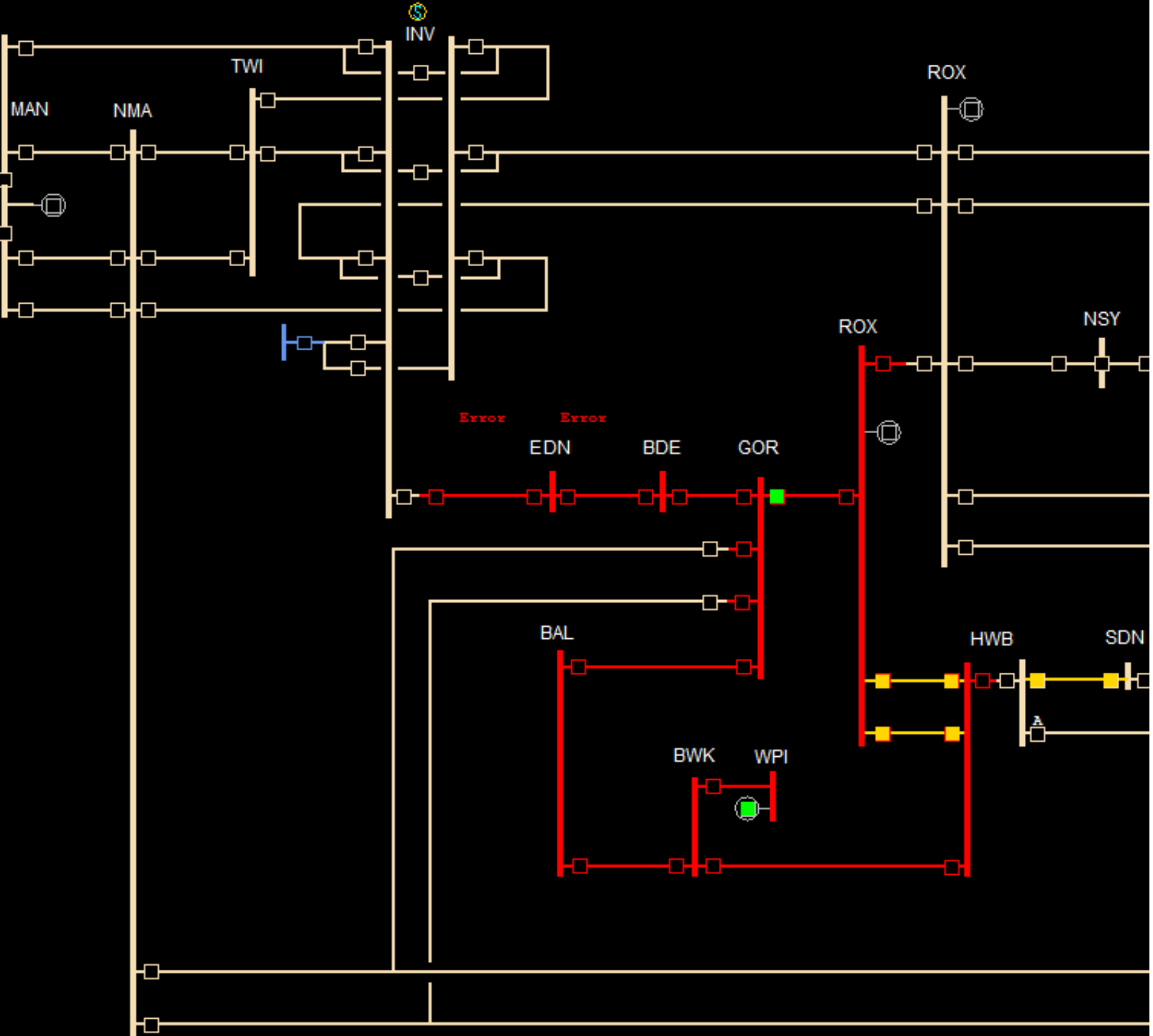
- Week of 16 Feb
  - ALB_WRD_4
  - OTA_Tie_5
  - OTA_T4
  - HAM_WKM_1
- Week of 23 Feb
  - ALB_WRD_4
  - HAM_OHW_1
- Week of 2 Mar
  - ALB_WRD_4
  - HAM_OHW_1
- Week of 9 Mar
  - ALB_WRD_4
  - OWH_OTA_2
  - OTA_HTU_WKM_2



SNI Outages

- Week of 16 Feb
  - TKU_WKM_2
  - BRK_SFD_1
- Week of 23 Feb
  - TKU_WKM_2
  - BRK_SFD_2
  - RDF_WHI_1
- Week of 2 Mar
  - TKU_WKM_2
  - BRK_SFD_2
  - HAY_WIL_LTN_1
  - HAY_T2
- Weeks of 9 Mar
  - TKU_WKM_2
  - BPE_TKU_2
  - BRK_SFD_3
  - HAY_WIL_LTN_1

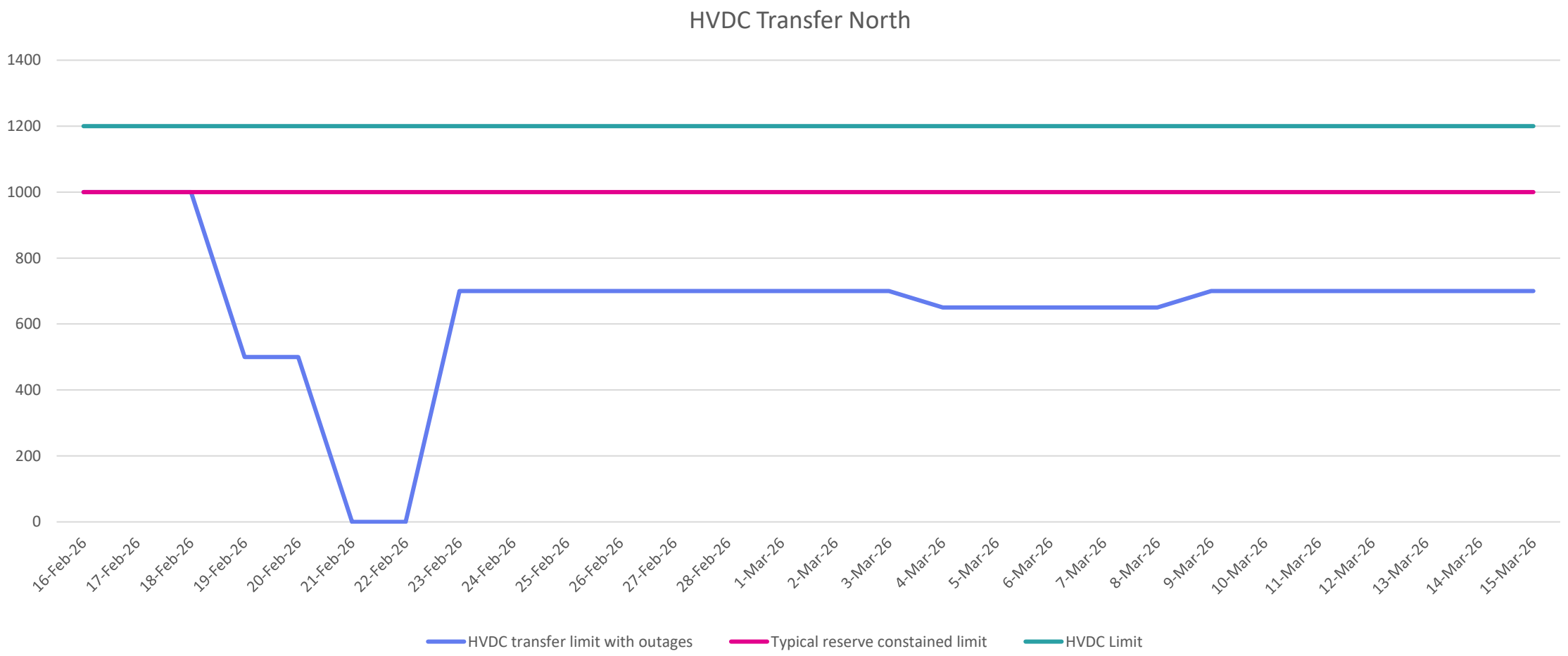




SI Outages

- Week of 16 Feb
  - No Significant outages
- Week of 23 Feb
  - No Significant outages
- Week of 2 Mar
  - BRY_ISL_1
- Week of 9 Mar
  - INV_ROX_1

HVDC North transfer limit



Operational update

HVDC Pole 3 Tripping – Feb 4th, 2026

- **HVDC Pole 3 Tripped at 20:30**
  - HVDC North Transfer was ~780 MW
  - HVDC Pole 2 capability 500 MW
- **Under Frequency Event (UFE)**
  - North Island Frequency dropped to 49.2 Hz
  - ~30 MW Interruptible Load tripped (and restored)
- **Market Impact**
  - Price separation between NI and SI
  - NI reference price ~$250/MW
  - SI reference price ~$0/MW

TRANSPOWER CAN

Customer Advice Notice

To: CAN NZ Participants
From: The System Operator
Sent: 04-feb-2026 20:42
Telephone: 0800 488 500
Ref: 7099580146
Email: NMData@transpower.co.nz
Revision of:

Cause: Unplanned Outage
Outage/At: HVDC Pole 3
Starting: 04-feb-2026 20:30
Ending: 05-feb-2026 01:00 Continuous

Transpower as the System Operator advises HVDC Pole 3 will be unavailable during the above times. Pole 2 will remain in service.
HVDC capacity during this outage will be:

Asset	North capacity	South capacity
HVDC Pole 2	500 MW	489 MW
HVDC Pole 3	0 MW	0 MW

Round power will be disabled during this outage, preventing HVDC reserve sharing in the reverse power direction below the monopole minimum transfer.

The System Operator business process for manual operation of the HVDC poles can be found on Transpower website at the following link:

https://www.transpower.co.nz/system-operator/information-industry/frequency-keeping-control-fkc-information

HVDC Annual Outages – 19th Feb –2nd March 2026

- **HVDC Pole 3 outage**
  - HVDC Pole 2 capability 500 MW
  - Maybe limited if insufficient reserved offered
  - No round power so unable to seamlessly transition from North to South
  - No reverse reserve sharing when near pole minimum

- **Bi-pole Outage**
  - No HVDC capability
  - No Frequency support from other island
  - Increased frequency keeping band to 25MW
  - Single Frequency Keeping only (No MFK)

- **HVDC Pole 2 outage**
  - HVDC Pole 3 capability 780 MW
  - Maybe limited if insufficient reserved offered
  - No round power so unable to seamlessly transition from North to South
  - No reverse reserve sharing when near pole minimum

TRANSPOWER CAN

Customer Advice Notice **Revision**

To: CAN NZ Participants
Sent: 05-feb-2026 11:41
Ref: 7101743115

From: The System Operator
Telephone: 0800 488 500
Email: NMData@transpower.co.nz

Revision of: CAN, 7101539125, 05-feb-2026 11:20, Planned Outage

Cause: Planned Outage
Outage/At: HVDC Pole 2, HVDC Pole 3
Starting: 19-feb-2026 05:00
Ending: 02-mar-2026 22:00 Continuous

Transpower advises that HVDC Pole 2, Pole 3, and Bi-pole will be on outage for scheduled yearly maintenance and projects during the following times:

HVDC capacity during these outages

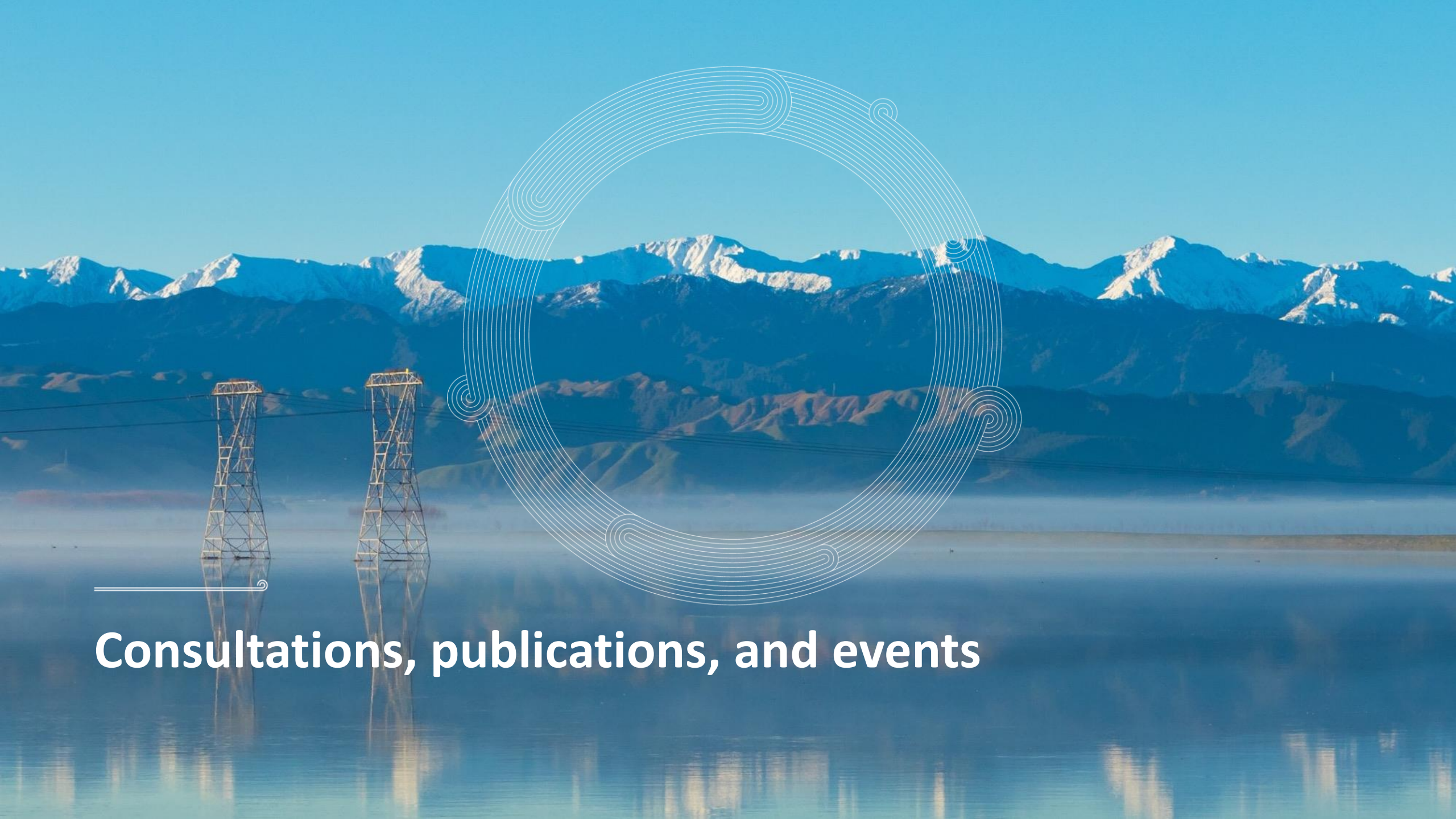
Asset	North capacity	South capacity
Pole 3 outage: 05:00 19th February to 05:00 21st February 2026		
HVDC Pole 2	500 MW	489 MW
HVDC Pole 3	0 MW	0 MW
Bi-Pole outage: 05:00 21st February to 22:00 22nd February 2026		
HVDC Pole 2	0 MW	0 MW
HVDC Pole 3	0 MW	0 MW
Pole 2 outage: 22:00 22nd February to 22:00 2nd March 2026		
HVDC Pole 2	0 MW	0 MW
HVDC Pole 3	780 MW	780 MW

During the Bi-pole outage while Frequency Keeping Control (FKC) is not available the System Operator will revert to Island based Single Frequency Keeping (SFK) and disable Multiple Frequency Keeping (MFK). With FKC disabled and SFK enabled, the frequency keeping bands will be 25MW for the North Island and South Island. SFK providers who are dispatched during this outage will be able to satisfy their six monthly SFK testing obligations without the need for a test plan.

During the Pole outages round power will be disabled, preventing HVDC reserve sharing in the reverse power direction below the monopole minimum transfer.

Frequency Keeping Control (FKC) may be disabled for trading periods in which the scheduled HVDC transfer is close to the monopole minimum. No SIR sharing is modelled when FKC is disabled. The System Operator business process for disabling and enabling FKC during HVDC monopole operation is described on the Transpower website at the following link:

https://www.transpower.co.nz/system-operator/information-industry/frequency-keeping-control-fkc-information



Consultations, publications, and events

Consultations, publications, and events

We invite feedback until 27 February on our **Key Trends and Issues** paper which will help inform the development of our **System Operator Strategy**.

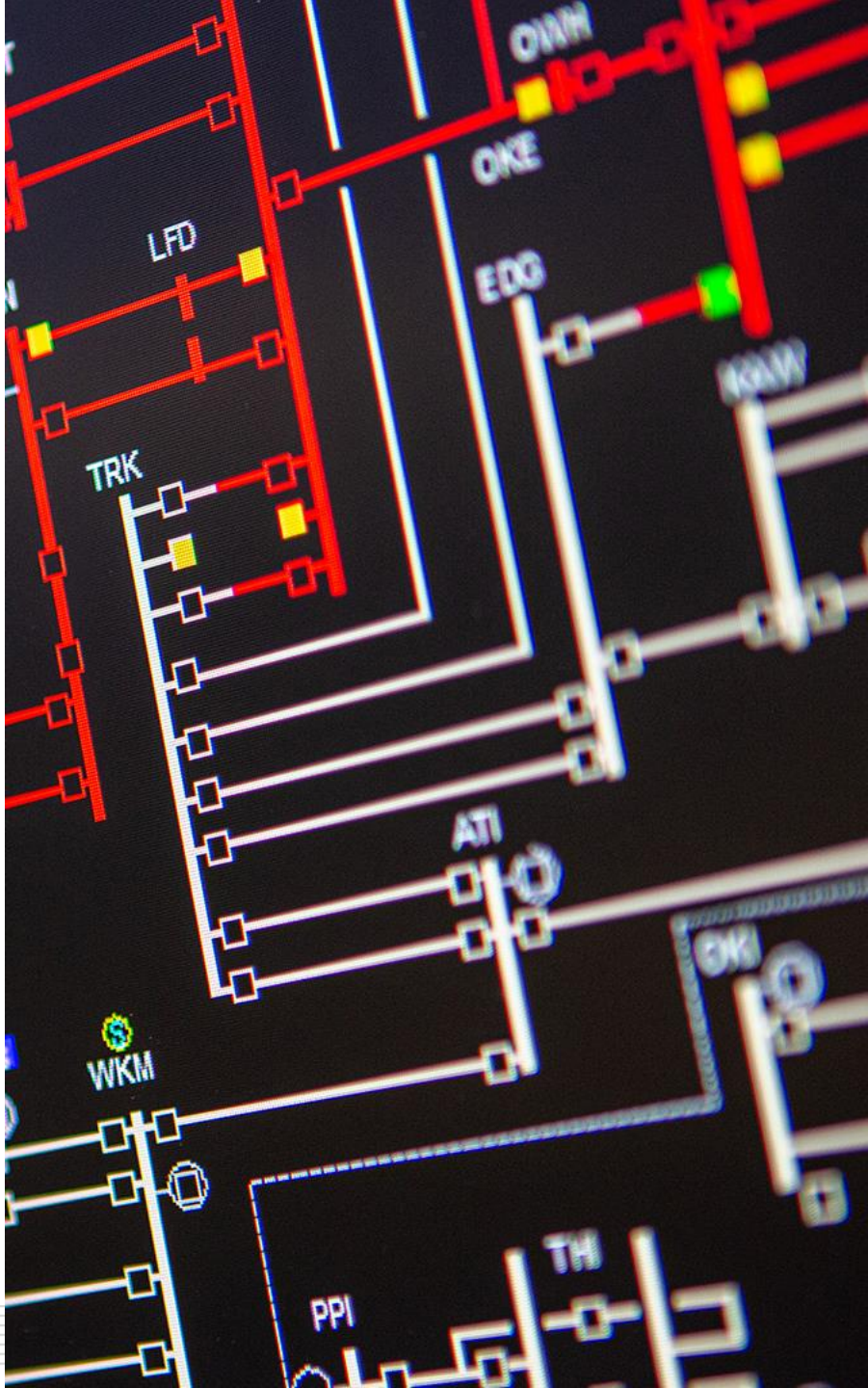
The January **Energy Security Outlook** is available on our website.

We will publish our response to submissions this week to the **2026 SOSA Reference Case Assumptions and Sensitivities** consultation.

We will also publish our **Quarterly Security of Supply Outlook** next week.

On 26 February Transpower will host the Electricity Authority's **Reactive Power and Voltage Coordination workshop**. You can find more information and register for the workshop on the Authority's website.

Registrations will soon be sent out for **Industry Exercise 2026** which is scheduled for 20-21 May, this year the exercise will simulate a major space weather event. There will also be a space weather educational webinar on 5 March and pre-exercise briefing on 12 May.



Questions / Patai

Please raise your hand

If you have feedback let us know via our **Feedback Form**

TRANSPOWER.CO.NZ