

1 March 2024

The System Operator Transpower New Zealand

By email: system.operator@transpower.co.nz

Consultation on changes to the System Operator Rolling Outage Plan (SOROP)

- 1. Thank you for giving us the opportunity to comment on proposed changes to the System Operator Rolling Outage Plan, or SOROP.
- 2. We agree that the electricity industry needs to be prepared in case rolling outages are ever required.
- 3. We set out our comments on the proposal below.
- 4. We do not consider any part of this feedback as confidential.
- 5. If you have any questions or queries or aspects of the submission which you would like to discuss, please contact me on 03 363 9898.

Question 1 Do you agree with our assessment of the problems with the SOROP?

6. Yes we agree with the assessment of the problems that are set out in paragraph 4 of the Consultation Paper.

Question 2 Do you support our proposal to amend the SOROP?

7. Overall, we support the proposal to amend the SOROP.

Question 3 Are there any other amendment options we should consider? Please explain your preferred option in terms consistent with the Authority's statutory objective in the Electricity Industry Act 2010 and consideration of practicality of the solution to implement.

8. We haven't identified any other amendment options at this point.

Question 4 Do you agree with splitting the declaration of a supply shortage into a shortage of electricity supply and a shortage of transmission capacity. Is this split clear?

9. Yes, we agree with this split, and we think this split is clear in the proposed amendment.

Question 5 Do you agree with the proposed change to this method of when to declare a supply shortage?

10. We agree with the proposed change to this method of when to declare a supply shortage. Specifically we like how the triggers will be consistent and repeatable.

Question 6 Do you agree with our proposal to use the current inflow forecast, assuming 1% daily inflows beyond 7 days, as one of the inputs in determining when to declare a supply shortage?

11. No comment.

Question 7 Do you agree with using a demand forecast as described above over the next 35 days in determining whether to declare a supply shortage?

12. No comment.

Question 8 Do you agree with the proposal to lower the notification period for declaration of a supply shortage from 14 days to 7 days? If not, what timeframe would you suggest as appropriate?

13. We agree with this proposal.

Question 9 Do you agree with the proposal for the calculation of savings targets?

14. Yes we agree with this proposal.

Question 10 Do you agree with using a forecast of specified participants consumption over the next 35 days in setting savings targets rather than last year's demand?

15. Yes we agree with this approach.

Question 11 Do you agree with the proposal to provide for participant feedback on the demand forecast within 48 hours if a participant believes it is wrong?

16. Yes, we agree with this proposal.

Question 12 Do you agree with lowering the notification of savings targets from 9 days to 7 days?

17. Yes, we agree with this proposal.

Question 13 Do you agree with the proposal to add the requirement for Participant Rolling Outage Plans to provide a seven-day planned outage list with daily outage and restoration times and half hourly

GXP level demand upon notification of savings targets?

18. No, we do not agree with this proposal. It is not clear to us why the System Operator requires this information. We consider that this will present considerable logistical difficulties with hundreds of feeders and the rotation of feeders to lessen the impact on customers. This may be able to be achieved at a high level but as we see it, the important point is that we do not exceed 25MW per 5 minutes and achieve our savings targets at the GXPs.

Question 14 Do you agree the priority order in the Table in 6.8 of the SOROP for disconnection of demand should remain unchanged?

19. No, we do not agree with the current approach. In particular the reference to communication networks in priority 2 presents difficulties. Communication networks are for the most part embedded in our low voltage network in priority 6 (ie embedded in our residential feeders).

Question 15 Do you agree with the proposal to not change the requirement to provide information on the arrangements in place between the distributor and retailers?

20. We agree with this approach.

Question 16 Do you agree with this clarification in clause 6.12(b)?

If not, would you suggest anything different or would you prefer what's in the current SOROP which does not specify any time of year or month?

21. We agree with this approach.

Question 17 Do you agree with the proposal to remove the provision for directly connected consumers to provide a full information plan given participants (which includes directly connected consumers) can provide feedback on their demand forecast and on their savings targets?

22. We agree with this approach.

Question 18 Do you support our proposed transitional arrangements under which specified participants would not have to bring forward their proposed amendments/update of their Participant Rolling Outage Plans?

23. Yes, we support this approach. It makes little sense to have PROPS that do not align with the SOROP.

Question 19 Do you agree with the objectives of the proposed amendment?

24. Yes we agree with the objectives as set out in para 109 of the Consultation Document.

Question 20 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?

25. No comment.

Question 21 Do you agree the benefits of the proposed amendments to the SOROP can reasonably be expected to outweigh its costs?

26. Yes, we agree.

Question 22 Do you agree that the proposed amendment complies with section 32(1) of the Act?

27. Yes, we agree.

Yours sincerely

Stu Kilduff

Head of Operations