Firstgas Group

8 April 2022

Alison Andrew New Zealand REZ Consultation Transpower PO Box 1021 WELLINGTON

Sent via email: rez@transpower.co.nz

Dear Alison

Renewable Energy Zones

Firstgas Group welcomes the opportunity to comment on the "Renewable Energy Zones" consultation released by Transpower in March 2022.

There is no confidential information contained in this submission.

Criteria for selecting regions for development

We recommend that Transpower consider the location of gas pipelines as a potential selection criterion,¹ when selecting regions for Renewable Energy Zone (REZ) development.

Firstgas Group's strategy anticipates progressive blending of green hydrogen and biogases into our pipelines as part of Aotearoa's decarbonisation path. Regions with the greatest solar and wind resources have potential to become exporters of green hydrogen, and the availability of gas pipelines is another enabler of this. For example, a developer of a large solar farm might size their farm to be able to export electricity the majority of the time but have the option of diverting generation capacity that is surplus to network capacity (or just at times of low electricity wholesale prices) into production of green hydrogen.

Opportunities for green hydrogen production and transportation

Firstgas Group is an interested stakeholder in potential North Island REZs. We look forward to hearing from Transpower should development of any North Island REZs occur. We are happy to help generation developers understand the opportunities presented by the availability of gas pipelines.

Transpower is simultaneously consulting on the REZ potential in the Northland region. Our gas pipelines reach as far north as Kauri.² Therefore, a Northland REZ could benefit from the availability of gas pipelines in the Whangarei area.

As part of our strategy and our own decarbonisation, we are undertaking network trials of hydrogen blends. This will provide valuable experience that we are happy to share with Transpower and other stakeholders as results become available.

¹ As discussed in section 4.3 of Transpower's consultation document.

² Our network map is available at https://firstgas.co.nz/our-network/network-map/

Contact details

If you have any questions regarding this submission, please contact me on 027 201 6600 or via email at callum.mclean@firstgasgroup.co.nz.

Yours sincerely

Callum McLean

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