Tararua enabling new renewables MCP - long list consultation

- MEUG support's Transpower's work to future proof the transmission network, to meet the needs of consumers across the country, including businesses' plans to electrify process heat and electrify transport fleet.
- We also support the concept of anticipatory investments, with networks being built out ahead of time to enable and better support growth in both renewable generation and demand growth.
- However, our concerns relate to how Transpower can optimally select the first region(s) for this future proofing investment. We strongly support Transpower's work on Te Kanapu - the future grid blueprint. We consider that this robust nation-wide programme of insight should enable both Transpower and stakeholders to understand where anticipatory investment should first be made, bringing the highest benefits. It is clear that there is significant wind and solar resource in the Taurarua area, but it is unclear if this may be better to progress first over other regions - without seeing the grid blueprint first.
- MEUG still has considerable concerns with how the Transmission Pricing Methodology allocates costs for existing work, as well as any possible anticipatory investments. The current TPM would see the cost of any anticipatory investments fall heavily on consumers of the day, rather than future consumers who may benefit from the work. The current TPM does not enable costs to be shared between current and future parties (from my current understanding). Nor does the current regulatory model enable part of the project to be excluded from Transpower's RAB until future demand eventuates.

Happy to meet with Transpower staff to discuss,

Regards,

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