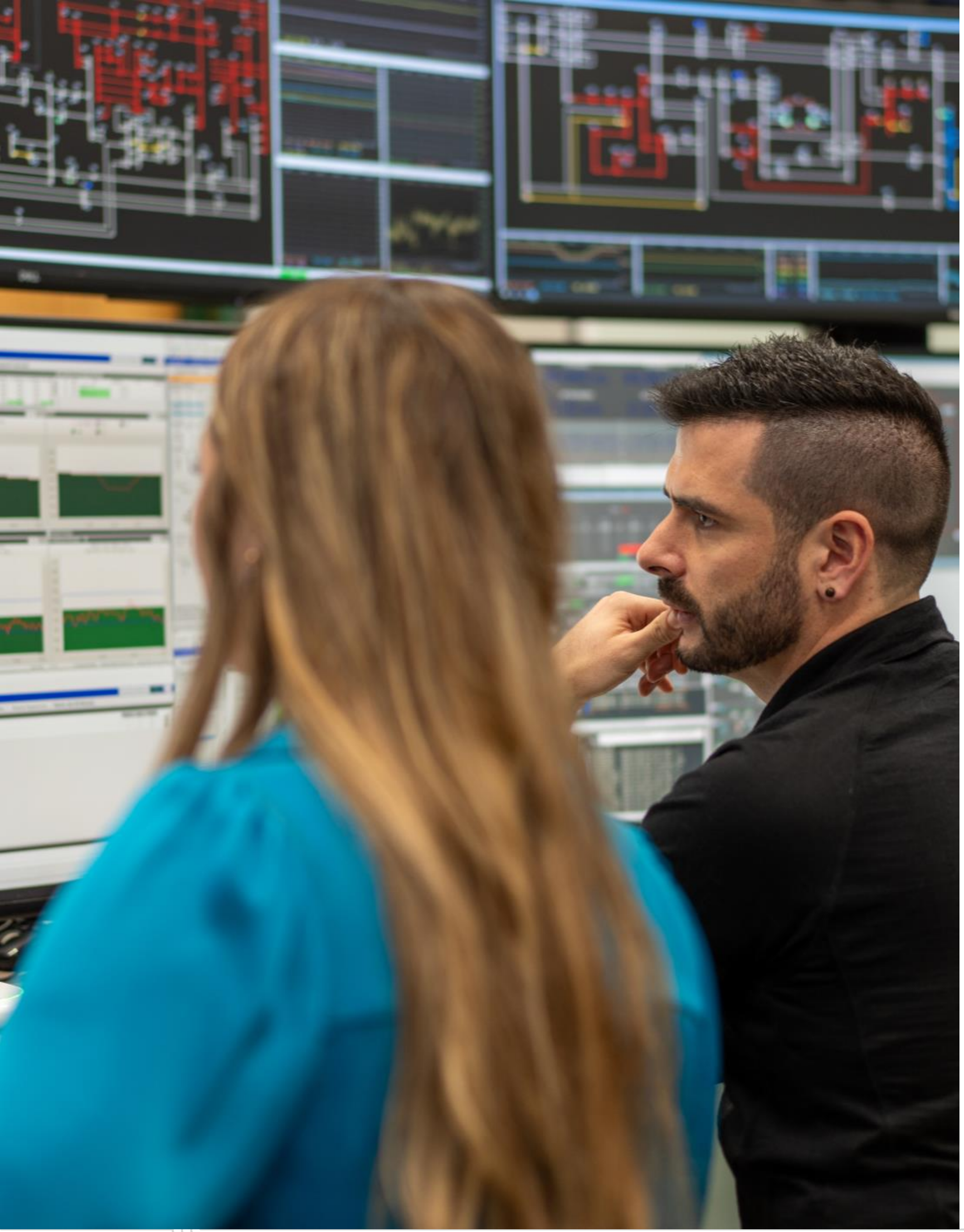
TRANSPOWER

System Operator Industry Forum

13 January 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 has just dropped below nominal full levels.
- We are still seeing low levels of thermal generation and high levels of renewables.
- Annual HVDC pole outages coming up in February and March.

Market update

Energy: National hydro storage

National storage now sits below the nominal full levels and still very healthy. December Energy Security Outlook published

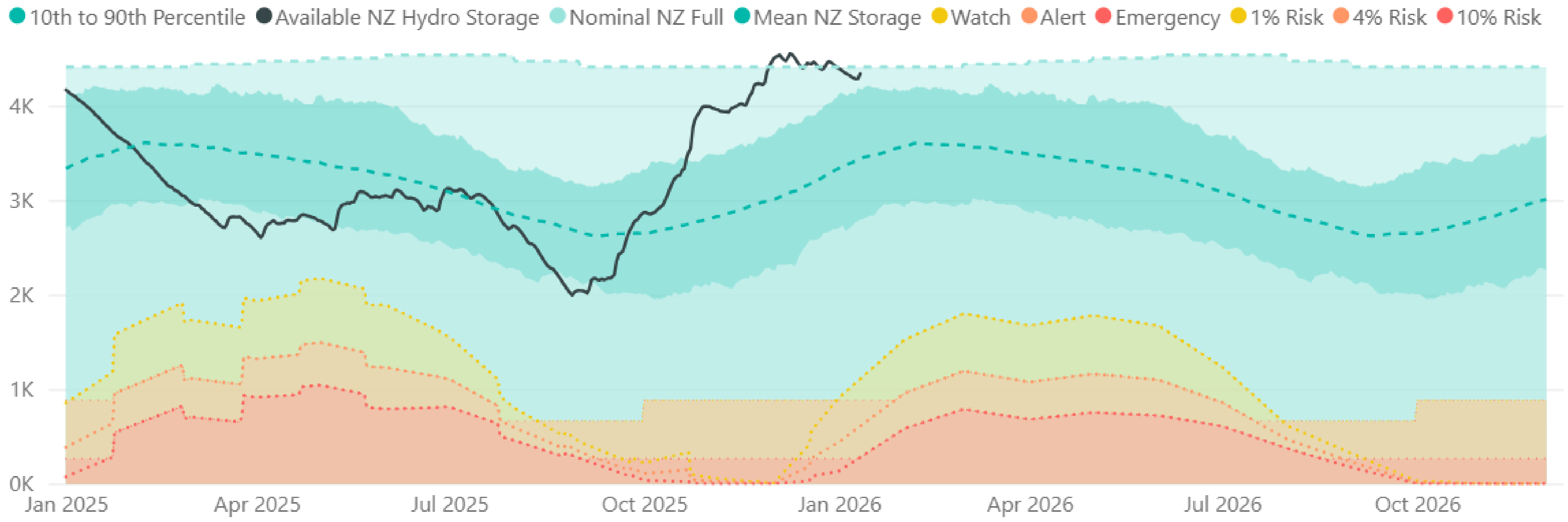
	Hydro storage level (% of mean ▲/▼)		
	New Zealand	South Island	North Island
Last forum	146%	147%	141%
Now	129% ▼	128% ▼	144% ▲

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

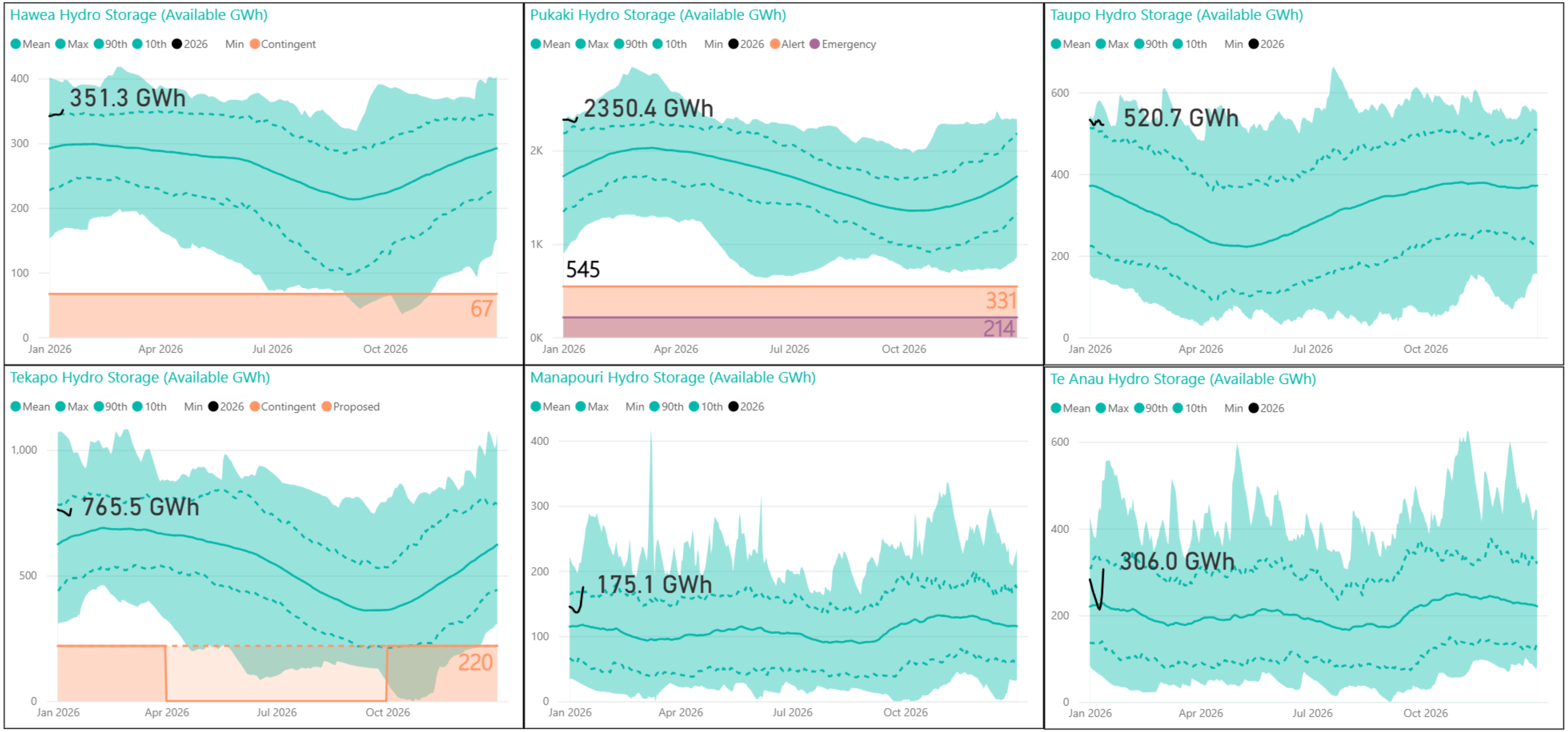
New Zealand Energy Risk

South Island Energy Risk

New Zealand Electricity Risk Status Curves (Available GWh)

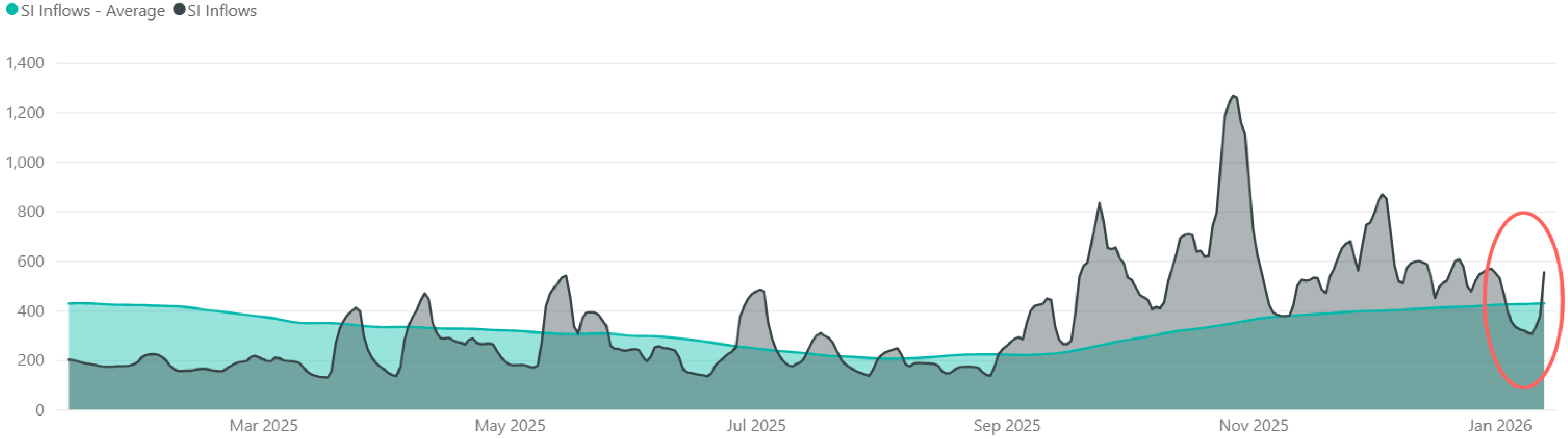


Hydro storage by catchment

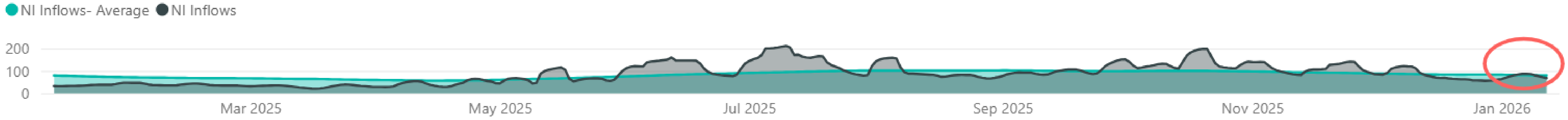


Hydro inflows

South Island Mean 7 Day Inflows (Available GWh)



North Island Mean 7 Day Inflows (Available GWh)



Hydro December Energy Security Outlook

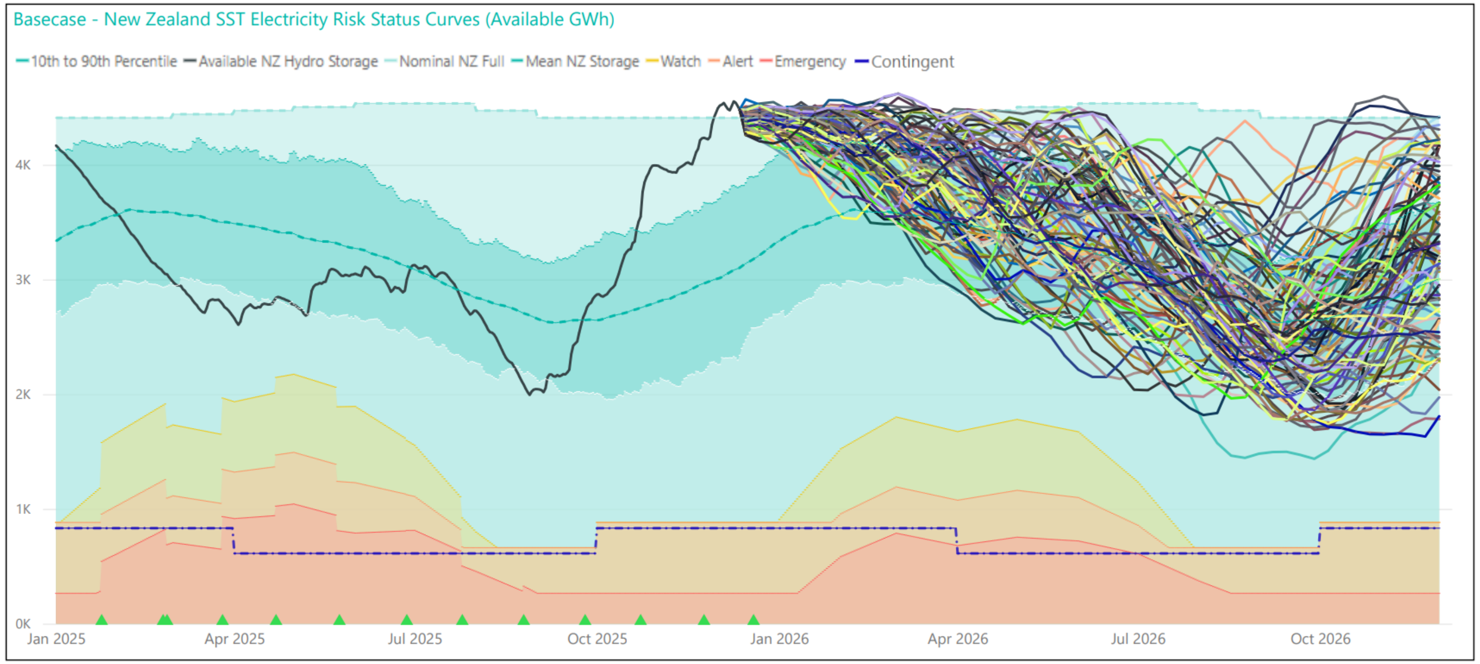
Changes this update:

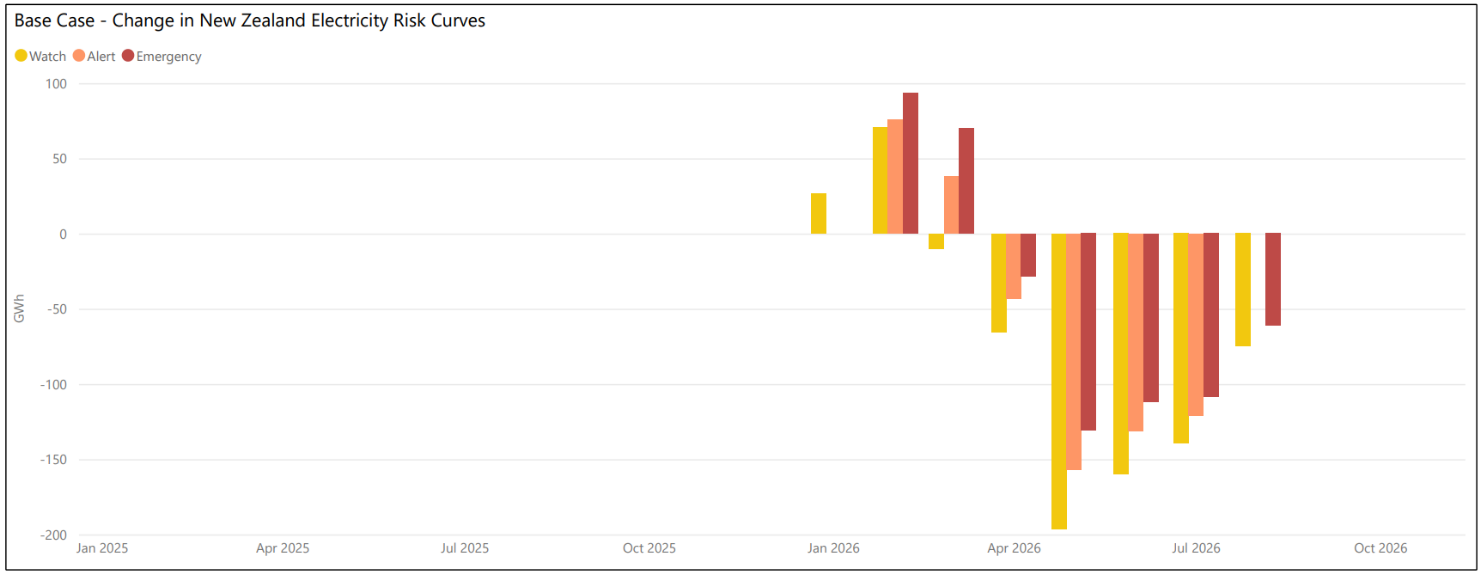
- An increase in Ahuroa gas storage
- An increase in the gas production forecast
- Commissioning and scheduled outages (including HLY2 until April 2026)

Minor changes in curves from November update:

- -196 GWh Watch (May 2026)
- -131 GWh Emergency (May 2026)
- +70 GWh Watch (Feb 2026)

No SSTs cross any risk curves.

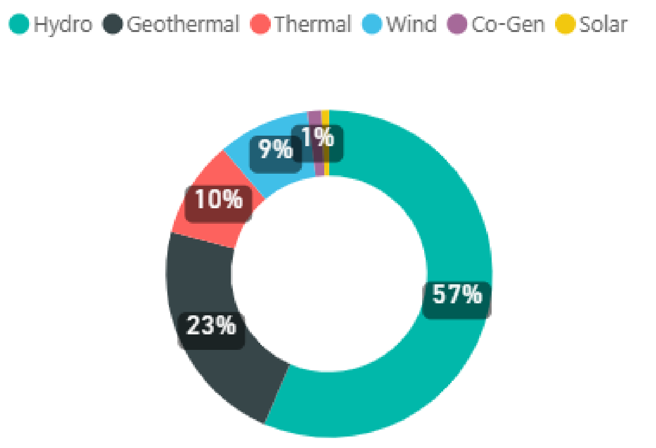




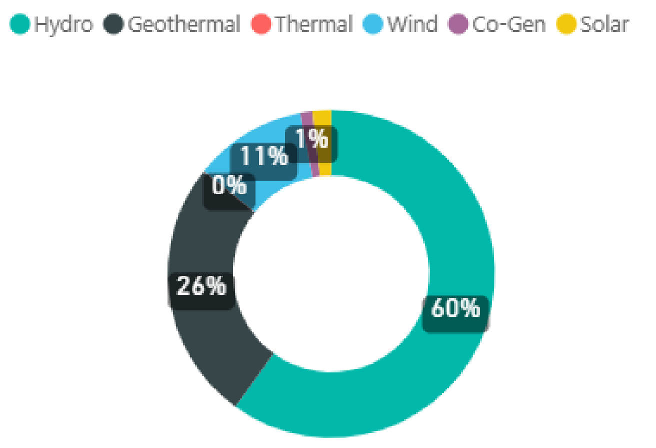
Generation mix

- Hydro generation share high at 60% last week
- Wind generation above average at 11%
- Thermal generation very low at almost 0%
- Geothermal generation high at 26%
- Renewable share >97% for the thirteenth week in a row
- Solar generation exceeded 200 MW during multiple trading periods last week. Peaked at 214 MW

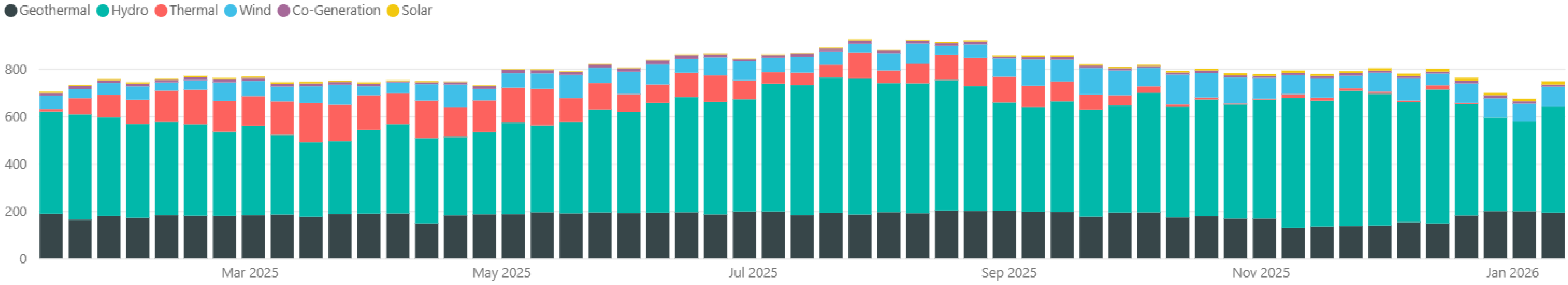
Last 52 Weeks Generation Mix - Weekly GWh



Last 7 Days Generation Mix - Weekly GWh



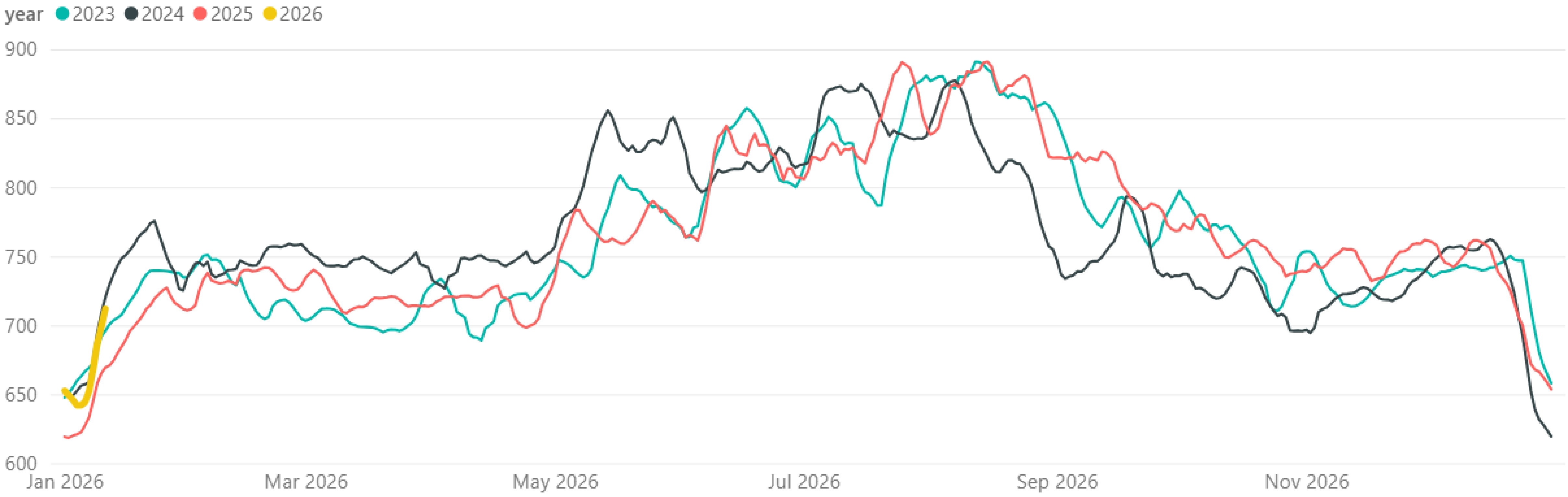
Weekly Generation Mix - GWh



Demand

- Demand has been low and similar to previous years over the summer holiday.
- Higher industrial demand has caused greater demand levels than last year (2024/2025 holiday period)

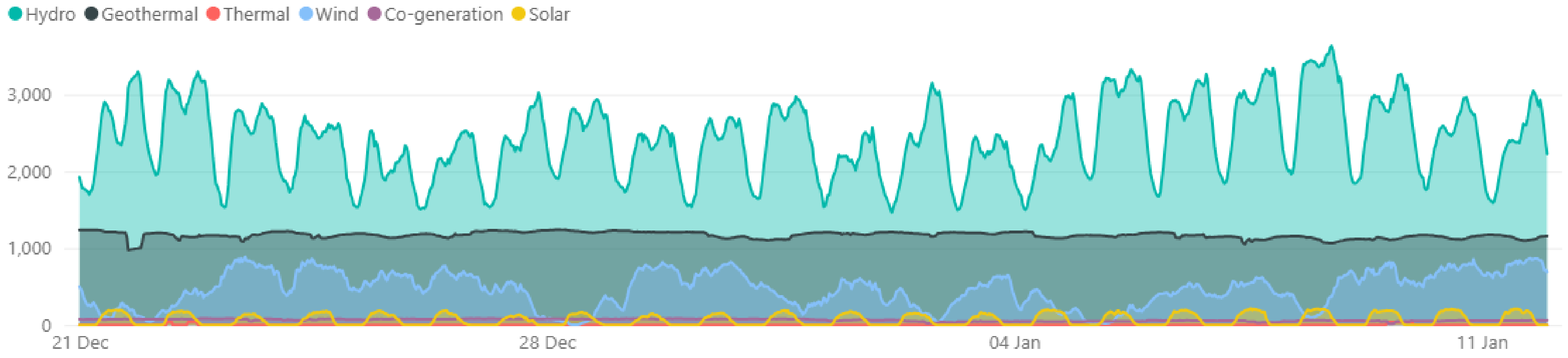
National Weekly Demand - GWh - 7 Day Rolling



Pricing

- Low wholesale price in line with low demand and high hydro storage
- Average Ōtāhuhu price was $3/MWh last week, and $1/MWh the week prior
- Peak of $22/MWh at Ōtāhuhu, 6:30pm on 22 December.

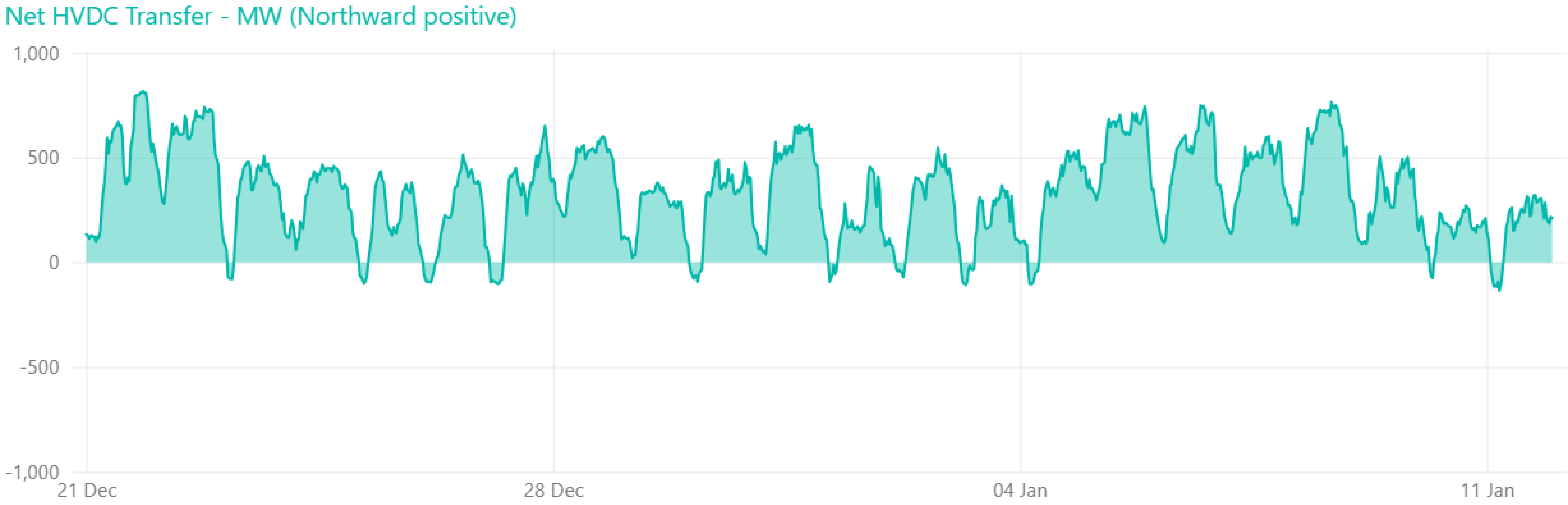
Generation - MW



Prices - $/MWh

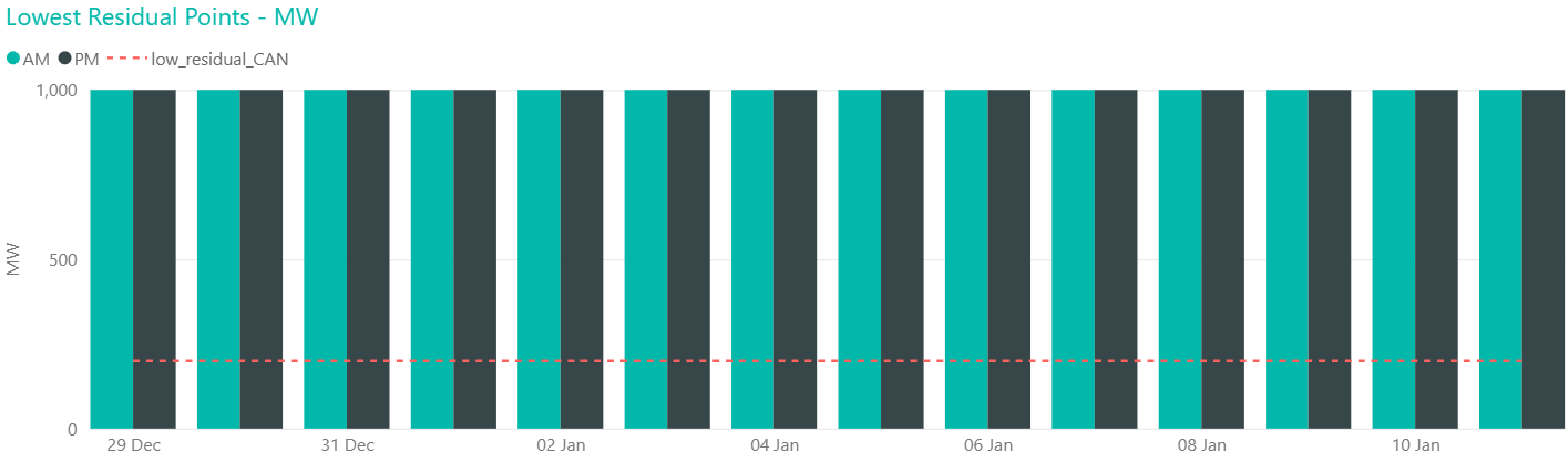
HVDC transfer

- HVDC transfer has been majority northward. Some southward transfer overnight during periods of moderate wind generation
- Past fortnight 108 GWh sent north, 2 GWh sent south



Capacity residual margins

- Healthy residuals with lower demand
- Lowest residual 1039 MW (Thursday 8 January)

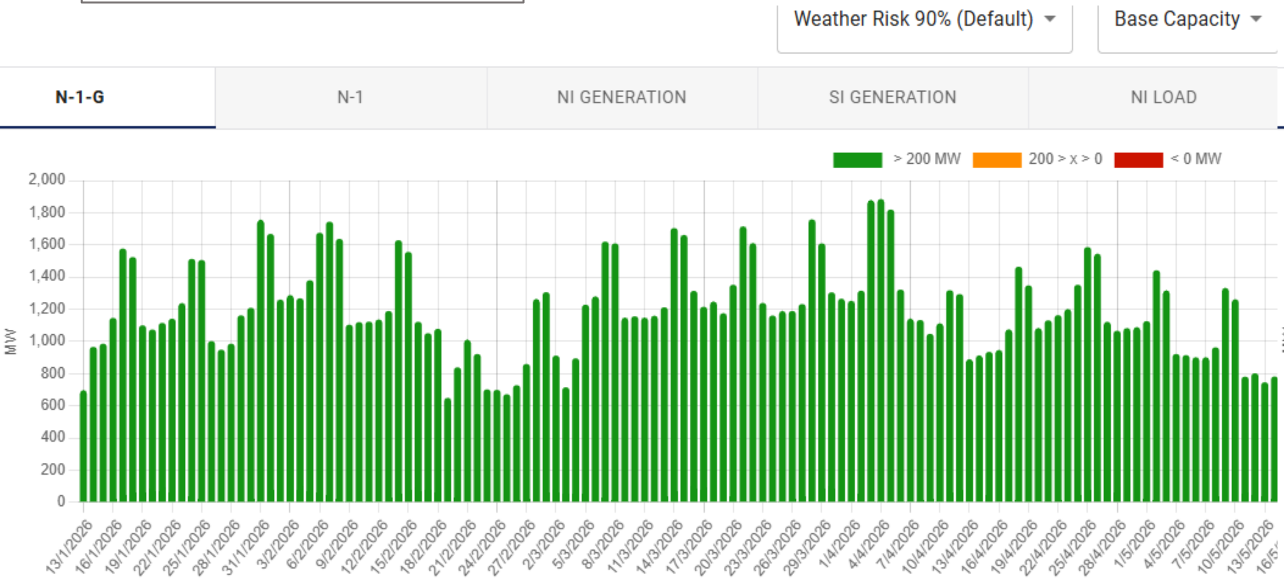


NZGB update

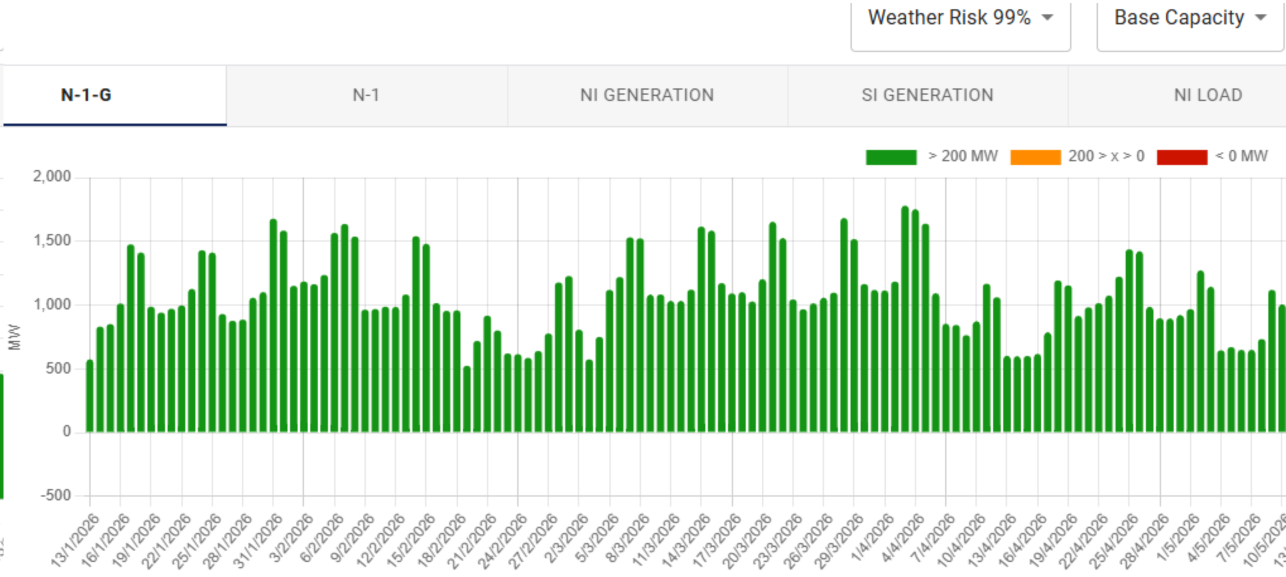
NZGB update: base capacity N-1-G

- N-1-G margins are currently showing healthy values
- Under the 99th percentile load, which we would expect under a cold snap, the margins drop but are still healthy

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
- TCC (-360MW) removed



90th percentile load



99th percentile load

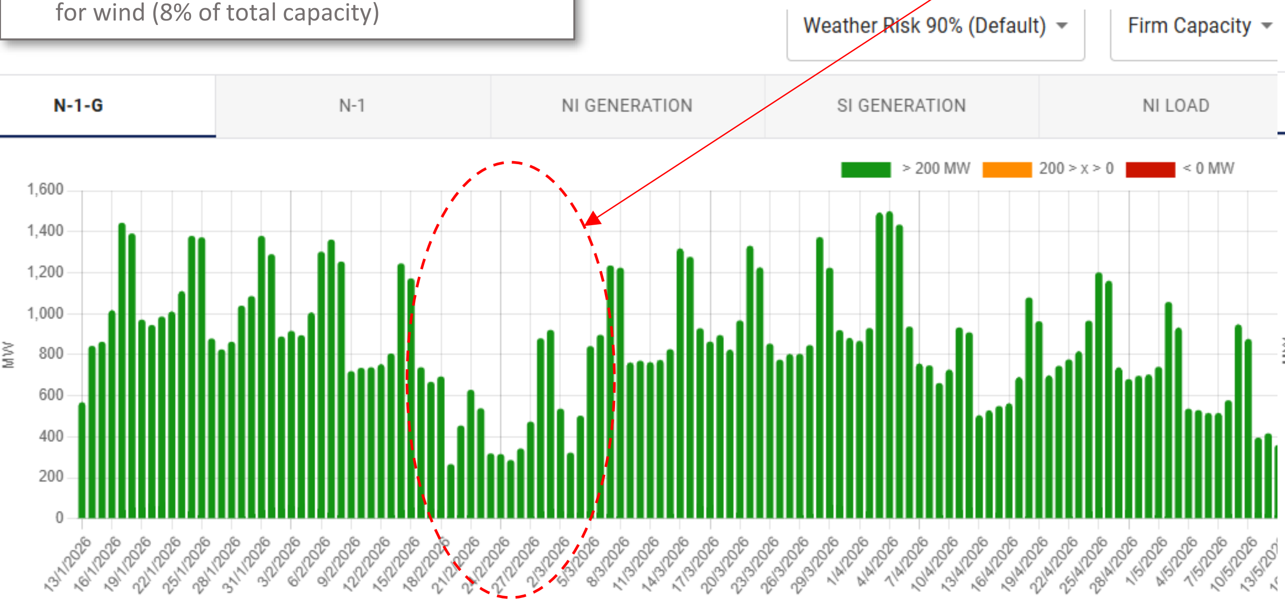
NZGB update: firm capacity only N-1-G

- 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

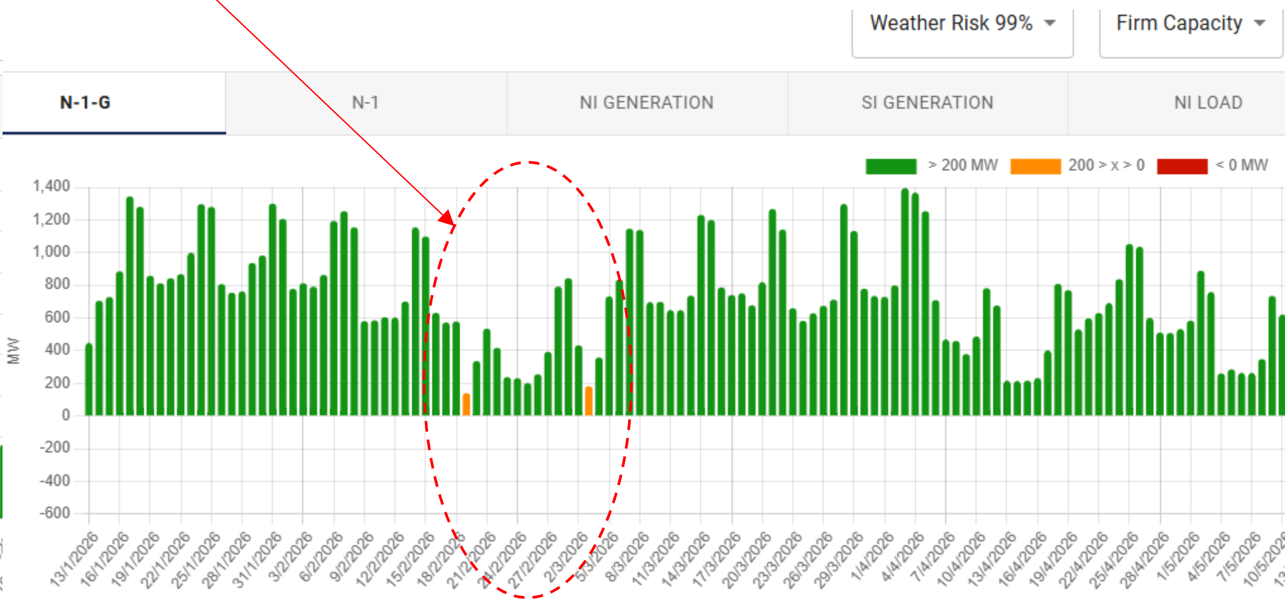
Firm capacity removes

- TCC (-360MW) all months
- 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

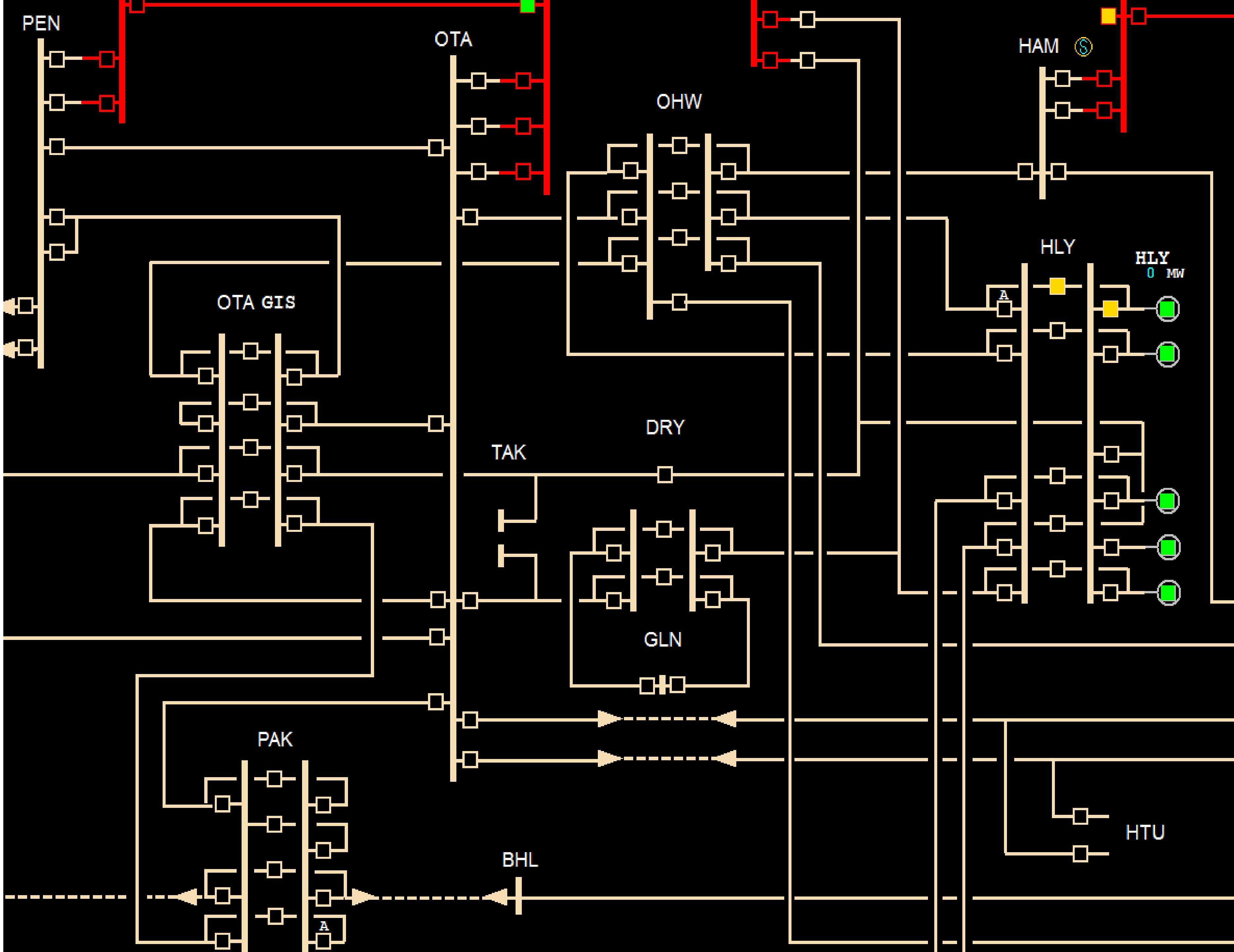
- NNI outages
- SNI outages
- SI outages

Asset owners

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

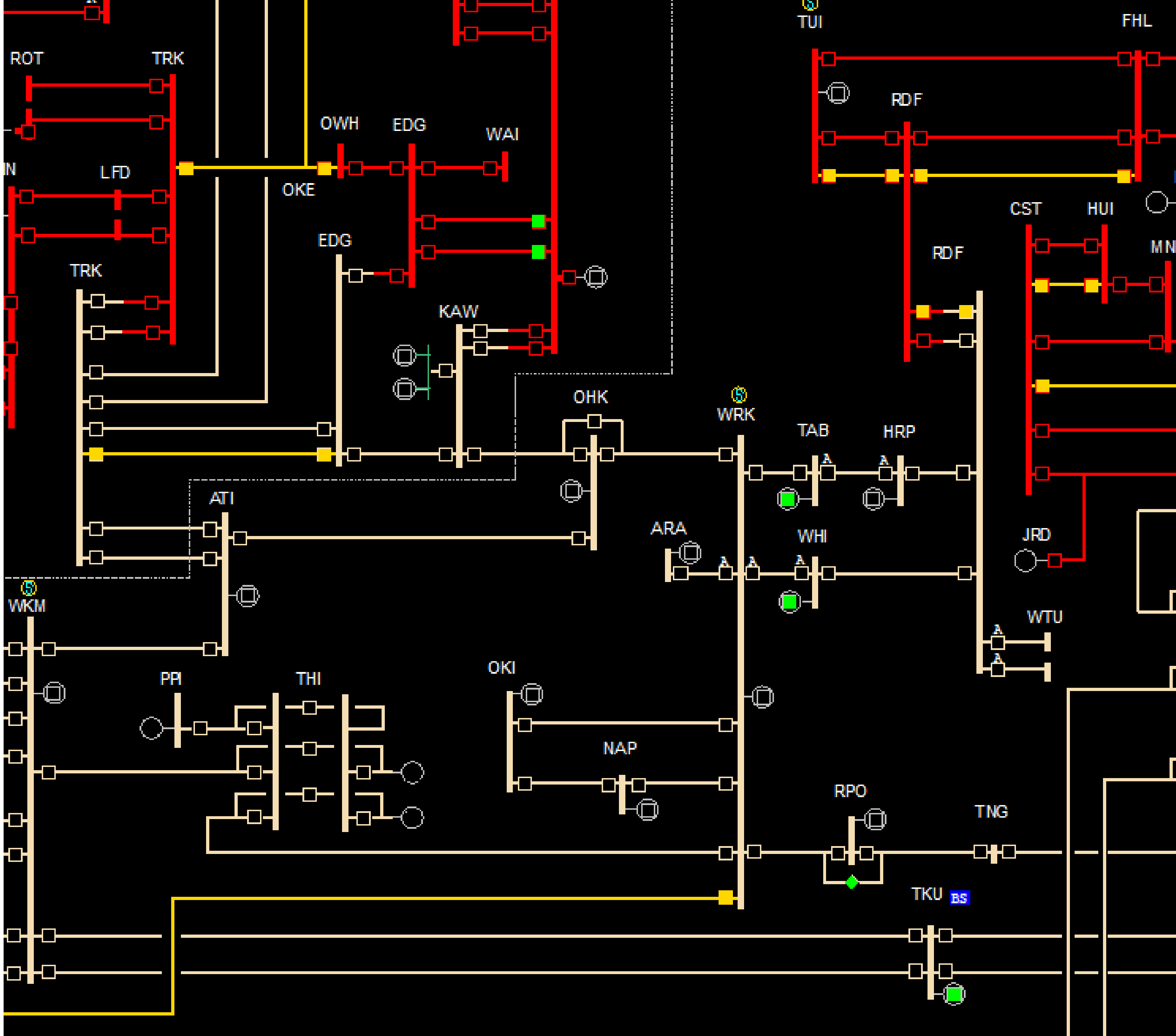
NNI Outages

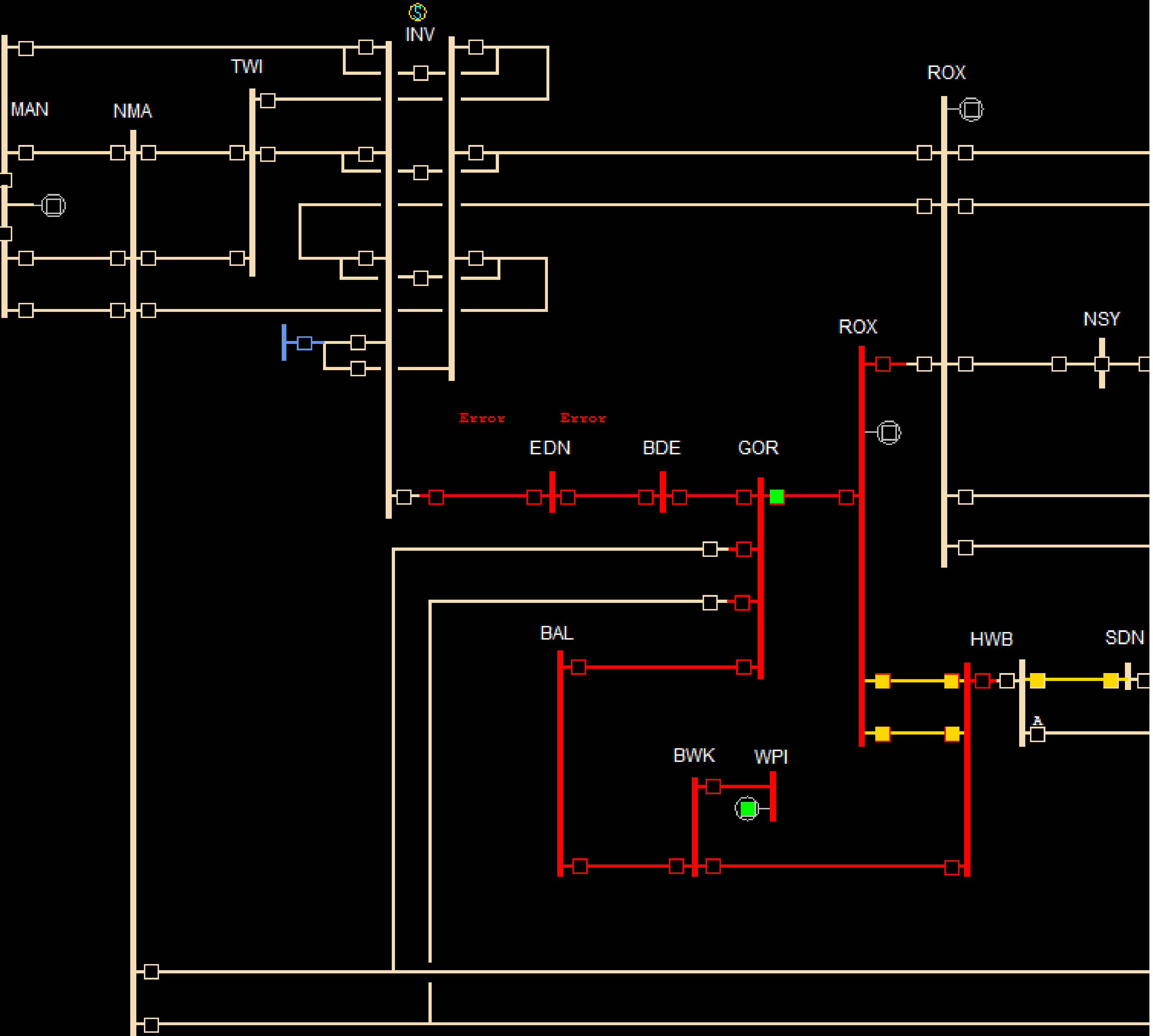
- Week of 19 Jan
  - OHW_WKM_1
  - OTA_PEN_6
- Week of 26 Jan
  - ALB_HPI_1
  - HPI_MDN_1
  - EDG_TRK_2
- Week of 2 Feb
  - MDN_T5
  - OHW_WKM_1
  - KMO_TGA_1
  - EDG_TRK_2
- Week of 9 Feb
  - BRB_HPI_1
  - HEN_HPI_1



SNI Outages

- TKU_WKM_2 (12 Jan – 15 May)
- Week of 19 Jan
  - RDF_TUI_1
  - FHL_RDF_1
  - HAY_WIL_LTN_1
  - BPE_BRK_2
- Week of 26 Jan
  - RDF_TUI_2
  - FHL_RDF_2
  - BPE_BRK_2
- Week of 2 Feb
  - BPE_BRK_1
- Week of 9 Feb
  - RDF_TUI_2
  - FHL_RDF_2
  - BRK_SFD_1





SI Outages

- Week of 19 Jan
  - BRY_ISL_1
  - NMA_TWI_1
  - NMA_GOR_TMH_1
- Week of 26 Jan
  - INV_TWI_2
  - BEN_OHC_2
- Week of 2 Feb
  - NMA_TWI_2
  - OHA_TWZ_2
- Week of 9 Feb
  - MAN_NMA_3
  - GOR_ROX_1
  - KIK_T2

HVDC North transfer limit

- HVDC Pole outages are starting in middle of February
  - Pole 3 – 19-20 February
  - Bi-pole – 21-22 February
  - Pole 2 – 23 February to 2 March

- The CAN will be sent out 2 weeks prior to the outage start date

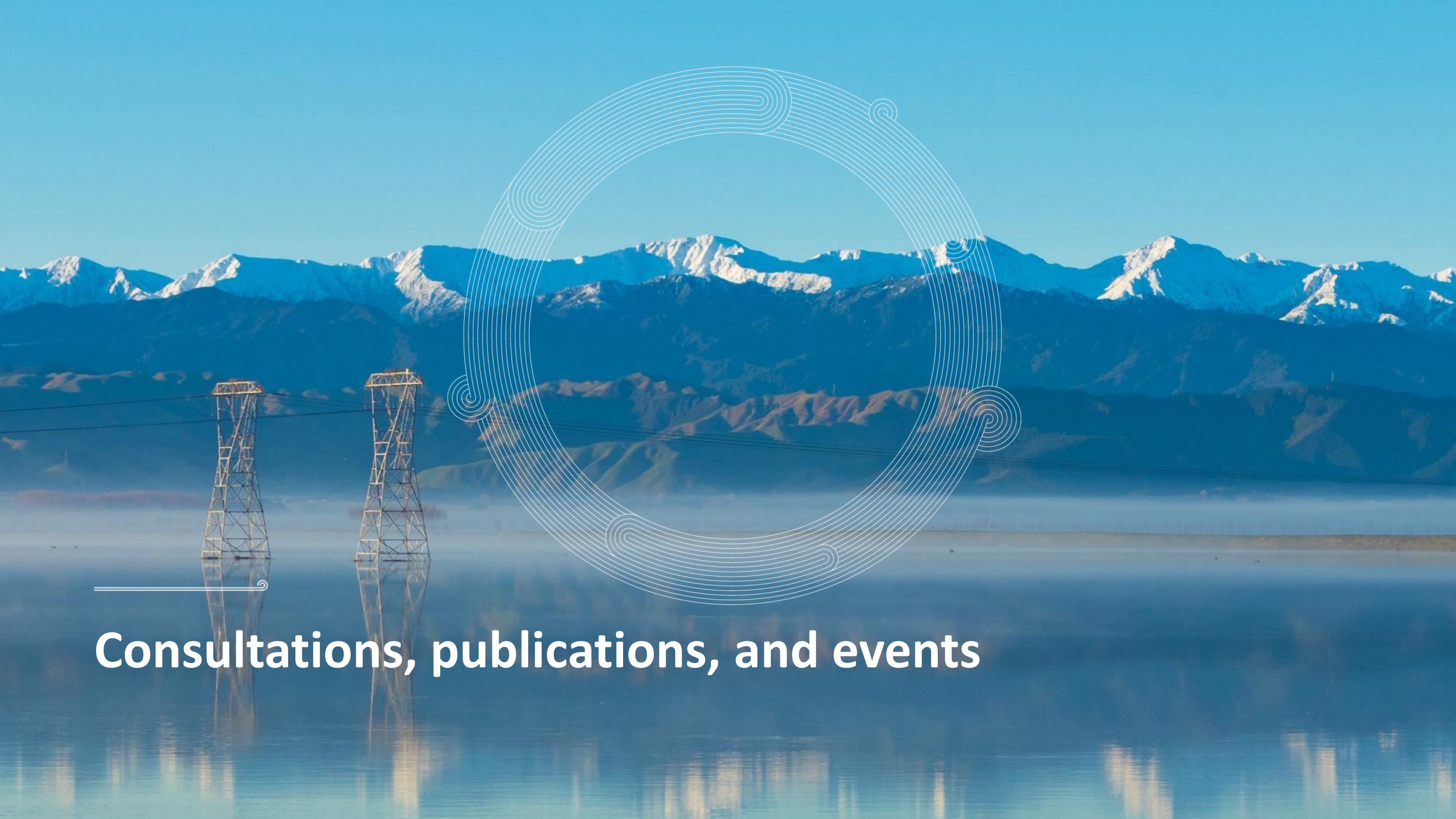
Operational update

North Island ACCE risk during low prices

- During low prices SPD can optimise energy and reserve to reduce reserve costs
- Zero priced Geothermal Generation can be scheduled and dispatched below minimum safe operation
- Risk of under procuring reserve
- Previously a daily manual process to manage

- Change in Process (6 week trial only at this stage)
- Set default NI Min ACCE risk to 169MW (NZ's largest single shaft geothermal generator)
- Also protects the smaller geothermal generators
- Manage the exception's not the normal

- South Island no change (already has a default Min ACCE risk)



Consultations, publications, and events

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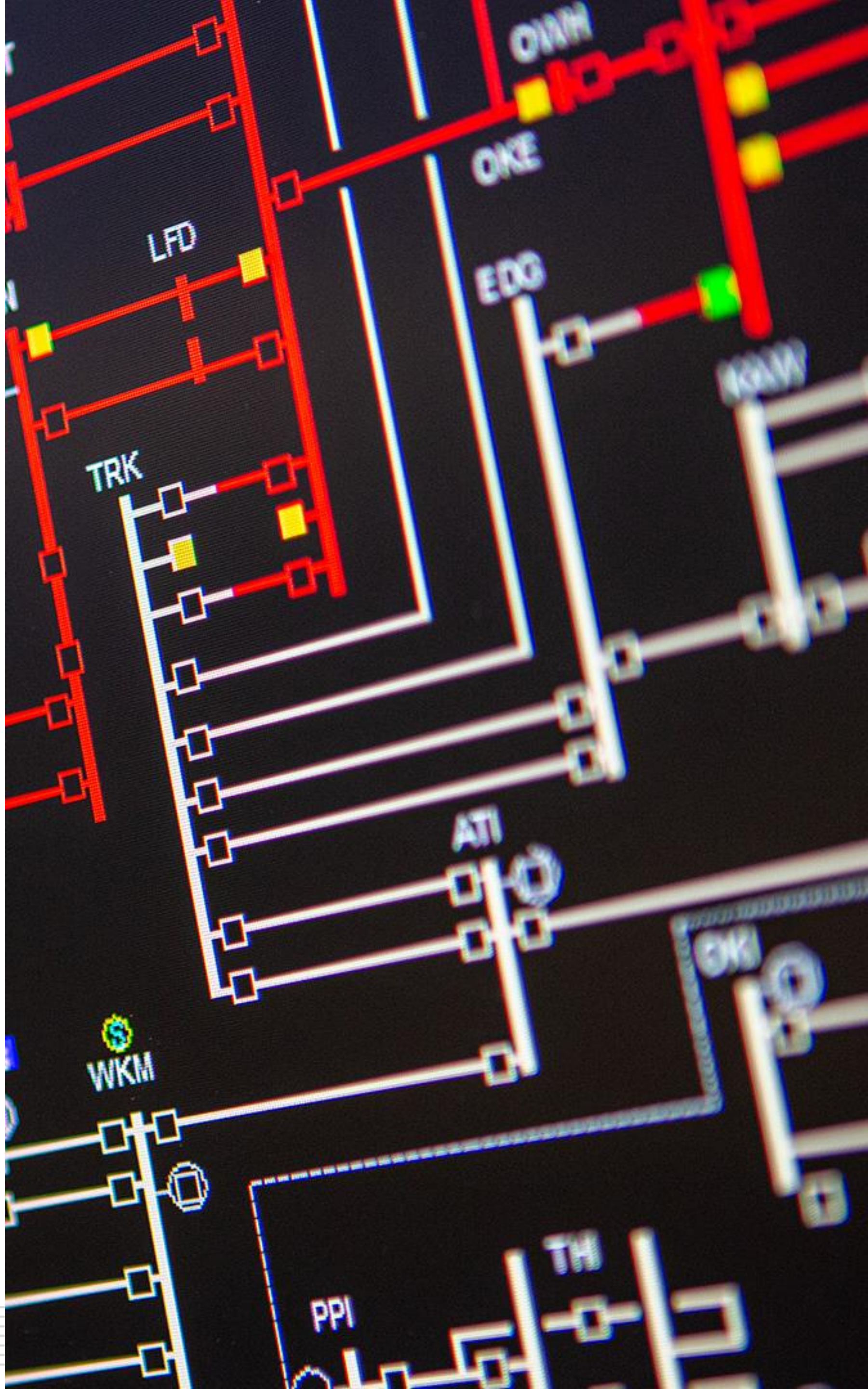
In December we published our paper on **Key Trends and Issues** in the industry and invite feed back by 27 February to help inform the refresh of our **System Operator Strategy**.

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

We will publish our summary and response to the **2026 SOSA reference case assumptions and sensitivities** consultation this month.

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.



Questions / Patai

Please raise your hand

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

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