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By email: OperationsConsult@ea.govt.nz

Omnibus Code amendments #6

Transpower welcomes the opportunity to submit on the Electricity Authority's (Authority's) consultation *Omnibus Code amendments #6*, published 13 January 2026.

This submission responds to the first of the three proposals ***Minimum offer price exclusions for tie-breaker solution***.

We also provide feedback on some of the Technical and Non-Controversial changes listed under Appendix D, and for completeness, raise further editing improvements for clauses under Schedule 12.4 the Transmission Pricing Methodology.

Yours sincerely

Joel Cook

Head of strategy and Regulation

Appendix

Submitter	Transpower NZ Ltd (as System Operator)
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Minimum offer price exclusions for tie-breaker solutions

Questions	Comments
Q2.1. Do you support the Authority's proposal to amend the Code to exclude intermittent generators from offering at \$0/MWh? Please explain your answer.	<p>Yes.</p> <p>The proposal complements the "tiebreaker" solution that the System Operator is currently working to implement in the Scheduling, Pricing and Dispatch (SPD) model of its Market System.¹ This modification will tie-break equally priced generation at a node constrained by a network limit. It will do this by dispatching the tied offer price tranche in proportion to offered quantities. The proposed Code change complements that solution by reducing the need to use manual interventions if the tied tranche is a mix of intermittent and firm, inflexible generation all offered at \$0.</p> <p>The System Operator submitted the proposal to exclude intermittent generators from offering at \$0/MWh to the Authority.² Current market rules treat all generation types equally, without accounting for their operational differences. With the ongoing growth in intermittent generation resources, the System Operator is increasingly needing to use manual interventions to ensure that dispatch instructions are operationally achievable for generators, particularly firm but inflexible geothermal. In our view the proposed Code change is a simple and effective modification to the market design that will materially reduce the need for the System Operator to use manual interventions to dispatch a secure power system. It will also do so without the need for the System Operator to modify and increase the complexity of the Market System.</p> <p>We believe the proposed change is a low cost and pragmatic mitigation of an existing problem, enabling more time for a broader consideration of how different generation technologies should be treated within the market design and operational processes. This subsequent work is a priority for the System Operator as, by the end of 2026, there is expected to be more than 2GW of intermittent generation connected to the power system.</p>

¹ Response to our consultation on the tiebreaker proposal, and decision [Evolving market resource co-ordination Tie-breaker provisions Responses Nov-25.pdf](#)

² We thank the Authority for attributing the source of this Code change proposal to the System Operator and consider it should always attribute the source of proposals it consults on (e.g. refer Q2 [TP Sub 26 27 Levy Funded Appropriations 16Dec 2025.pdf](#)). For this minimum offer proposal, the code amendment request by the System Operator is published on our Regulatory Submission page [TP_CAR180_Oct2025](#)

<p>Q2.2. Do you agree the proposed amendment is preferable to the alternative options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.</p>	<p>Yes. We agree the three alternative options considered will either increase implementation time or operational complexity, or both.</p> <p>We note the alternative option "Change the market design by introducing a tie-breaker solution prioritising different types of generation", or similar, may be needed in the future as the operation of the power system continues to evolve. We agree, due to timeliness it is not a viable solution for the immediate issue at hand.</p>
<p>Q2.3. Do you agree with the analysis presented in this Regulatory Statement? If not, why not?</p>	<p>Yes.</p>

Appendix: Technical and non-controversial amendments (Appendix D)

- We consider all the issues we provide feedback on, are technical and non-controversial
- We query why MWh / MW are defined terms. There are no alternative interpretations for it, it is already defined by science (refer # 85). Further we note kWh / kW and GWh / GW are used in the Code but are not defined terms
- We understand that in the creation of the online version of the Code, many instances of terms that were wrongly bolded (not a defined term) were identified. The Authority's proposed corrective action is to un-bold the incorrectly bolded words. However, in some instances we believe the Code can be improved by replacing the incorrectly bolded term with an actual defined term (refer #42, #122, #134 below)
- We have used the opportunity for improving clarity in the Code by proposing technical and non-controversial edits to TPM clauses under Schedule 12.4.

Appendix D row number	Feedback
42	Suggest replacing "excluded generator " with " excluded generating station " which is the defined term which itself cross-references to clause 8.21(1).
89	The drafting is inaccurate. Schedule 12.4 clause 3 definition of injection. The words " grid point of injection " should be amended to be " grid point of connection " as the defined term in the TPM.
90	Clause 8 of the TPM, which is the general interpretation clause, already deals with the significance of bolding in subclauses (a) and (b), so the change proposed by the Authority, is not necessary. Also on clause 8, the final words of subclause (e) have inadvertently been separated into the introductory words of the clause. Those words should be moved back to the end of subclause (e), where they belong
103	Losses is a defined term. ..." decrease in electrical losses that would result..."
107	Yes. The current TPM doesn't expressly require "regional demand" to be calculated. The term originally referred to regional demand calculated for the purposes of RCPD-based interconnection charges under the previous TPM. Propose deleting 37.2. If retained: remove the words that refer to the TPM and bolden the word "demand" as a defined term.
122	Replace "constrained on payment" with " constrained on amount " in the Total Constrained On Payment definition (acronym becomes TCONA)
134	Suggest "reserve prices" is replaced with either " instantaneous reserve prices " or " fast instantaneous reserve and sustained instantaneous reserve prices "

Transpower-identified Technical and Non-Controversial changes: TPM Schedule 12.4

TPM Clause	Typo	Comment
3 – General Definitions – reassignment confirmation date	expert the eligible person did not refer any aspect of Transpower's decision to an independent expert before time to do so expired under subclause 104(3) or paragraph 107(2)(c)	'expert' in the wrong place in subclause (b), the word should be after "independent".

TPM Clause	Typo	Comment
3 – General Definitions – tested investment	was individually approved by the Commission as a major capex project, <u>staging project</u> , or listed project under the Transpower Capex IM	'staging project' was added to the Capex IM.
7(b)	owned by the same person or related parties entities	Change parties to entities. related entity' is a defined term in the TPM, 'related party' is not
27 (2) (d)	for which a customer's individual NPB is calculated under the simple method , subject to the modifications in subclause (3) and even if the anticipatory BBI's deemed covered cost for the pricing year under paragraph (b) is more than the base capex threshold as defined in the Transpower Capex IM .	2 typos: extra 'c' in front of and' and missing space between b and is.
44 (2)(a)(iii)	reliability regional NPB under clause 54	Remove errant 'c'