



Electricity Authority

Wellington

By email: fsr@ea.govt.nz

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Common Quality Information Requirements (stage 1)

Transpower welcomes the opportunity to respond to the Electricity Authority's consultation release 1 July 2025. This submission is from Transpower in both its roles as system operator and grid owner.

Support information requirements as a system operator document

Transpower strongly supports the proposal that the system operator receives necessary common quality-related information from asset owners, through a new system operation document – the Connected Asset Commissioning, Testing and Information Standard (CACTIS) - that is incorporated by reference. The system operator can apply its subject matter expertise to manage and develop the common quality-related asset information requirements necessary for it to meet its principal performance obligations. This approach means technical specifications for the common quality-related information requirements can be appropriately detailed; it enables the system operator to manage a review process and provides opportunity for formal consultation with industry participants in identifying information requirements.

Importantly, information for common quality purposes will ensure network and generation assets will operate as intended to avoid cascade failure of the electricity system.

Stage 2 Framework for common quality information sharing with networks

Transpower looks forward to the next steps under Stage 2 to develop a “*broader framework for the sharing of common quality-related information between the system operator, Transpower as a transmission network owner, and distributors.*”¹ A timeline for this next stage would be welcome.

While participants are already obliged under the Connection Code² to provide the Asset Capability Statement information and models to the grid owner for planning purposes, a framework for sharing that information between the grid owner and the system operator will support more efficient industry operation and reduce transaction costs. In the meantime, the grid owner will continue to source information on asset capabilities and generator models in the same way as now, both directly from a newly connecting party and through obtaining authorisation from existing and new connected parties for access to the information held by the system operator.

¹ Page 3 [Consultation paper](#)

² Schedule 12.6 Clause 2.1 and 2.2

Transpower considers that information stored by the system operator in a secure server, could be made available to appropriate parties through access permissions and confidentiality rules. We support this consultation signalling a potential approach as used in Australia. Australia's approach is based on an independent study commissioned by the Australian Energy Market Commission that suggested equipment manufacturers generally were willing to share detailed EMT models with the Australian Energy Market Operator (AEMO) **and** network service providers (including distributors), but not with third parties such as the owners of other generating assets or loads.³ Where appropriate, Transpower would support sharing non-confidential asset information more widely with the industry.

Evaluation of costs and benefits

The Authority describes that the costs to the system operator under the proposal, both implementation and ongoing, are expected to be negligible. However, should there be a significant influx of requests that impose a material additional cost on Transpower (under the Part 7 processes)⁴ we welcome Authority recognition that the system operator service provider agreement has a mechanism to adjust the fee to recover additional costs.⁵

We propose Code drafting suggestions in Appendix A, and answer the questions at Appendix B.

Yours sincerely

Joel Cook
Head of Strategy and Regulation

³ Case study "Australian approach to modelling information and intellectual property" para. 4.14

⁴ Refer Code 7.14

⁵ Authority decision under [System operations documents](#) 4.2

Appendix A Proposed Code drafting

Improving the process for reviewing system operation documents under Part 7 clauses 7.13 – 7.15

To date the system operator has experienced two system operation document cyclic reviews (Procurement Plan and the Policy Statement) and has received a proposal to amend a system operation document (Security of Supply Forecasting and Information Policy (SOSFIP)) that is not on a review cycle. Through these processes we propose general usability improvements to the Part 7 clauses and address two specific issues.

Initiation and Completion steps (7.13, 7.15)

1. The proposed drafting is to provide clarity over what must be completed within the 2-year window for the three system operation documents covered by clause 7.15. We have proposed (refer clause 7.15(2A)) a review of a system operation document is complete when the System Operator either advises the Authority an update is not required, or requests permission from the Authority to consult with industry on proposed changes to a system operation document. These steps being the most advanced in the review/update process for system operation documents which are entirely within the control of the System Operator. We feel this is appropriate as no other party is captured by the obligation under the current clause 7.15 and removes the current ambiguity concerning what constitutes a review and consequently what must be completed within two years.

Participant proposals (7.14)

2. We consider revoking clause 7.14(1)(b) and inserting clause 7.14(1A) will result in better clarity around the options available to the System Operator when participants propose updates to system operation documents.

Other clarifications

- We recommend that the Authority clarify that the right to apply for approval of equivalence arrangement or grant of dispensation should also apply to requirements specified in CACTIS (refer clause 8.29(1))
- Any system operation document incorporated by reference is Code, and therefore any participant is still able to propose code amendment through the existing Authority process (refer 8.73)
- Amending the definition for the asset capability statement to recognise that is provided both to the System operator under Part 8 and the Grid owner under Part 12.

Code clause	Drafting proposal
7.13	7.13 Proposals to amend system operation documents (1) A proposal to amend a system operation document is made by the system operator to the Authority. (2) The process for the system operator to develop a proposal may be initiated by— (a) the Authority directing the system operator to consider a proposal to amend a system operation document; or (b) Revoked the system operator agreeing under clause 7.14 to progress and amendment to a system operation document; or

Code clause	Drafting proposal
	(c) the system operator deciding to <u>develop a proposal to amend a system operation document at any time</u>, progress an amendment, either (i) at the conclusion of a review carried out under clause 7.15 (ii) at any other time. (3) Before providing a proposal to the Authority to amend a system operation document, the system operator must consult on the proposal where required by clause 7.20, after obtaining <u>the Authority's consent</u> as required by clause 7.16. (4) For the purposes of clauses 7.13 to 7.22, a proposal to amend a system operation document includes a proposal to replace a system operation document.
7.14	7.14 Process where participants request amendments (1) If a participant requests <u>the system operator to consider an amendment to a system operation document</u> to the system operator, the system operator must decide to <u>either—</u> (a) consider the amendment, <u>which may be as part of the next review of the system operation document under subclause 7.15(1) if that subclause applies to the system operation document</u>; or (b) Revoked consider the amendment outside of a review; or (c) decline to consider the amendment. <u>(1A) If the system operator decides to consider an amendment to a system operation document under subclause (1), the system operator is not required to consider the amendment immediately or within any specific timeframe, unless the system operator decides to consider the amendment as part of the next review of the system operation document under subclause 7.15(1).</u> (2) The system operator must advise the Authority and the participant that requested the amendment of its decision, including its reasons, within 1 month of receiving the request.
7.15	7.15 Review of system operation documents policy statement and procurement plan (1) The system operator must review the <u>following system operation documents</u> policy statement and procurement plan at least once every 2 years to identify whether the document should be amended: (a) <u>the connected asset commissioning, testing and information standard</u> (b) <u>the policy statement</u> (c) <u>the procurement plan.</u> <u>(1A) The system operator may review a system operation document not referred to in subclause (1) at any time.</u>

Code clause	Drafting proposal
7.15 (continued)	(2) For the purposes of subclause (1), any 2-year period commences on either— (a) <u>if the system operator decided not to propose an amendment to the relevant system operation document following its previous review of the system operation document does not result in an amendment being made, the date the system operator advised the Authority of that decision under clause 7.15(3)(b); or</u> (b) <u>if the system operator decided to propose an amendment to the relevant system operation document following its previous review of the system operation document</u>, the date the system operator proposed the amendment to the Authority under clause 7.15 (3)(a). <u>(2A) For the purposes of subclause (1) —</u> <u>(a) the system operator’s review of the system operation document must be complete within the relevant 2-year period; and</u> <u>(b) the review is complete at the earlier of—</u> <u>(i) the date the system requests the Authority’s consent to consult on a proposed amendment to the system operation document under clause 7.16 (provided the request includes all the information required under subclause 7.16(3)); and</u> <u>(ii) the date the system operator advises the Authority of its decision not to propose an amendment to the system operation document under clause 7.15(3)(b).</u>
7.15 (continued)	(3) After the conclusion of a review of a system operation document the system operator must either— (a) propose an amendment <u>to the system operation document</u> to the Authority, following consultation where required by clause 7.20, after obtaining consent as required by clause 7.16; or (b) advise the Authority that the system operator <u>has decided not to propose</u> does not consider that an amendment to the <u>system operation document</u> and provide the Authority with a written report describing the process carried out for the review, the system operator’s decision, and the reasons for the decision.
8.29 (1)	8.29 Right to apply for approval of equivalence arrangement or grant of dispensation (1) Subject to subclause (2), if an asset owner cannot comply with an AOPD, or a technical code obligation, <u>or a CACTIS obligation</u> in respect of a particular asset or configuration of assets, being an existing, new or proposed asset, the asset owner may apply for an equivalence arrangement to be approved or dispensation to be granted in accordance with Schedule 8.1.

Code clause	Drafting proposal
8.73	8.73 Incorporation of connected asset commissioning, testing and information standard by reference (1) The connected asset commissioning, testing and information standard is incorporated by reference in this Code. (2) Clauses 7.13 to 7.22 apply to any amendment or replacement of the connected asset commissioning, testing and information standard <u>requested by a participant to the system operator and the system operator to the Authority</u>. (3) <u>To avoid doubt, any participant can make a Code amendment request about a system operator document to the EA at any time.</u>
Part 1 definition for asset capability statement	asset capability statement means a statement of capability and operational limitations that applies to specific assets during the normal and abnormal conditions that may arise on the grid, provided to the system operator in accordance with clause 2(25) of Technical Code A of Schedule 8.3 <u>and the grid owner</u> under Clause 2.1 of the Connection Code.

Appendix B – Responses to Questions

Submitter	Transpower NZ Ltd.
Questions	Comments
Q1. Do you support the Authority's proposal to clarify the Code's common quality information requirements and describe the technical specifications in a document incorporated by reference in the Code?	Yes. Transpower strongly supports the Authority's proposal to clarify the Code's common quality information requirements as a system operation document. The proposal will improve clarity on the expectations of participants to provide common quality information to the system operator. The current requirements were originally designed for synchronous generation technologies. This approach offers a more effective means of updating requirements to reflect evolving system needs and provides opportunity for formal consultation with industry participants in identifying information requirements.
Q2. Do you have any comments on the drafting of the proposed amendment?	Yes. See Appendix A of this submission.
Q3. Do you see any unintended consequences in making such an amendment?	Yes. Under the Connection Code clause, the GO receives the ACS at the same time and in the same format as that provided to the SO. The recent (May 1st) clause under Technical Code A, clause 2 5(A) indicates that the ACS must include modelling information. This is at odds with the Authority's proposed drafting for Technical Code A clause 3 subclause 2(A).
Q4. Do you agree with the objective of the proposed amendment? If not, why not?	The system operator agrees with the objective of the proposed amendment. The changes are expected to provide greater clarity for asset owners when supplying asset information to the system operator. This improved transparency should enhance the system operator's ability to plan effectively and meet its principal performance obligations (PPOs). The grid owner agrees that the CACTIS would be effective for the system operator to define what participants' asset capability statements should contain The CACTIS will help the grid owner understand what information it should receive at the same time and in the same format as is given to the SO (Schedule 12.6 Connection Code clause 2).
Q5. Do you agree the benefits of the proposed amendment outweigh its costs? Please provide evidence to support your view.	We agree with the Authority on the benefits outlined in the consultation paper. While the CACTIS details additional information, we consider this information is critical for the secure and effective operation of New Zealand's power system. The value of ensuring system reliability and performance outweighs the cost of providing this information.

Questions	Comments
This may include incremental benefits and costs associated with the draft CACTIS.	We understand there will be costs to the asset owners. However, the security consequences that inadequate and unenforceable commissioning, testing and information standards outweigh these. The consequences include severe events such as partial or island black out, or increased costs for New Zealand through constraining generators or managing load. The Authority describes that the costs to the system operator under the proposal, both implementation and ongoing, are expected to be negligible. However, should there be a significant influx of requests that impose a material additional cost on Transpower (under the Part 7 processes)⁶ we welcome Authority recognition that the system operator service provider agreement has a mechanism to adjust the fee to recover additional costs.⁷
Q6. Do you agree the proposed amendment is preferable to the other 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.	Yes.
Q7. Do you agree the Authority's proposed amendment complies with section 32(1) of the Act?	Yes.
Q8. Do you have any comments on the drafting of the proposed amendment?	Please see Appendix A.
Q9. Do you have any comments on the draft Connected Asset Commissioning, Testing and Information Standard?	No.

⁶ Refer Code 7.14

⁷ Authority decision under [System operations documents](#) 4.2