

# Flexible Hot Water Protocol

## Contents

1. Purpose	2
2. Use of this Protocol	2
3. Acceptance of the Flexible Hot Water Protocol	2
4. Operational requirements	3
5. Registration of individual ICPs	4
6. Glossary of Terms for this Flexible Hot Water Protocol	5
7. Document Control	6

# Flexible Hot Water Protocol

## 1. Purpose

Powerco offers Traders the opportunity to provide Customers more flexible services in conjunction with Powerco's existing ripple control signals.

This protocol (FHWP) is to be read in conjunction with the DDA and in all situations the DDA takes precedence if this FHWP is unclear.

## 2. Use of this Protocol

A Trader may request to share control of a Customer's hot water (and other Controllable Load) using smart meter technologies as an Entrant under clause 5.3 of the DDA (with Powerco being the Incumbent):

1. By confirming their acceptance of this FHWP
2. Registering individual ICPs to be controlled under this FHWP
3. Informing Powerco of the forecast half hourly load to be shifted by the Entrant control regimes.

In any situation where hot water control is shared, the Trader will ensure they take accountability for any hot water issues a Customer may experience.

Customer experience is very important to Powerco and, if issues persist, a Customer's ICP should be removed from the FHWP until all issues are resolved to the Customer's satisfaction.

To be eligible for FHWP a Trader must have a signed agreement with Powerco for the supply of Consumption Data.

## 3. Acceptance of the Flexible Hot Water Protocol

1. Email to:

fhwp@powerco.co.nz

2. Include the following wording:

*[Trader name]* accepts the terms of the Flexible Hot Water Protocol as published on the Powerco website.

We acknowledge the **FHWP** is an interim step towards a broader Load Management Protocol and only operates until the earlier of 31 March 2026 or the parties agree that the Flexible Hot Water Protocol is superseded by the terms of a separately agreed Load Management Protocol that more broadly incorporates Trader Controllable Load and Distributed Energy Resources.

# Flexible Hot Water Protocol

## 4. Operational requirements

- **Entrant** control must always be secondary to any **Priority Signal** that requires load to be off
- Once a **Priority Signal** allows load to return, **Entrant** control is permitted
- **Entrant** control will not override a **Priority Signal**
- Consumption Data must be supplied to Powerco for all ICPs on the **Registration List**

This protocol applies specifically to **Controlled Price Categories** intended for residential hot water.

- Powerco is the Incumbent per clause 5.1 of the **DDA**
- A **Trader** requesting control is deemed to be the **Entrant** under clause 5.3 of the **DDA**
- Powerco will classify **Entrant** control as separable if, and only if, Powerco control is the **Priority Signal**
- Failure to honour the **Priority Signal** will result in the ICP being removed from the **Registration List**
- A **Trader** may not control an ICP removed from the **Registration List** until all issues have been resolved to the satisfaction of Powerco, the **Trader** and the affected Customer
- The **Trader** agrees to stop Control at any time Powerco requires to ensure network performance (This circumstance may not occur but Powerco must be able to protect the network).

The **Trader** acknowledges the **Distributor** obligations to the **System Operator** when a **CAN** or **GEN** is in effect.

- Once the **System Operator** issues a **CAN** or **GEN** the event will remain in force until the notice is rescinded or has passed
- Powerco retains the right to issue a **Priority Signal** and is required to update the **System Operator** with a difference bid for controllable load
- Existing **Scheduled Controllable Load** regimes should continue according to their set schedule
- No further **Dynamic Controllable Load** should be exercised without immediately updating the **Forecast Load Shift**
- No dynamic control should be added within 2 hours of the trading period in which load is to be controlled (*this is to allow Powerco to submit required Difference Bids*).

# Flexible Hot Water Protocol

## 5. Registration of individual ICPs

The **Trader** must:

- Send a list of ICPs at which it may perform control (**Registration List**)
- Update the **Registration List** if changes of more than 200 ICPs are made to the existing **Registration List**
- Provide a **Forecast Load Shift** attributable to the list of ICPs
  - The format will evolve throughout 2025
  - At a minimum a forecast must include load shifts for the 48 trading periods on both a business day and a non-business day (expressed in kW)
  - Any GXPs with load shifts more than 500kW should be separately forecast
- Refresh the **Registration List** and its associated **Forecast Load Shift** on the 1<sup>st</sup> working day of each month
- Where the **Trader** intends to operate any **Dynamic Controllable Load**, send an updated **Forecast Load Shift**

Lists and forecasts shall be emailed to fhwp@powerco.co.nz in Excel format, or by other methods as agreed from time to time.

# Flexible Hot Water Protocol

## 6. Glossary of Terms for this Flexible Hot Water Protocol

*Where doubt exists or terms are unclear, the definition from the DDA and the Code will take precedence.*

- **CAN** is a Customer Advice Notice
- **Controllable Load** for the purpose of this FHWP is defined as the load subject to a Controlled Price Category as defined in Part D of the Powerco Electricity Pricing Policy FY26 (<https://www.powerco.co.nz/our-partners/for-retailers>)
- **Controlled Price Category** as defined in the **Powerco Pricing Policy FY26**
- **DDA** is the Default Distributor Agreement between **Powerco** and the **Trader**
- **DER** or **Distributed Energy Resource** means any device or equipment capable of managing load or generation that is connected to the **Network**.
- **Dynamic Controllable Load** means **Controllable Load** that can be adjusted in response to varying **Network** conditions and market conditions or customer requirements
- **Entrant** as defined in the DDA
- **Forecast Load Shift** shows the kW change in each trading period attributable to the load being controlled by the **Trader**
- **GEN** is a Grid Emergency Notice
- **Incumbent** as defined in the DDA
- **Priority Signal** means the issuing of a ripple control instruction by Powerco to turn off a receiver and stop the flow of electricity. The receiver must remain off until Powerco sends an instruction to return supply of electricity beyond the receiver.
- **Registration List** is the list of ICPs a Trader has rights to offer control under this FHWP
- **Scheduled Controllable Load** means **Controllable Load** that is operating on fixed patterns or pre-determined schedules
- **System Operator** has the meaning given to it in section 5 of the Electricity Industry Act 2010
- **Trader** means the party identified as such in the DDA

# Flexible Hot Water Protocol

## 7. Document Control

Version	Name	Date	Change
1	Adrian Lobb	11 <sup>th</sup> Mar 2025	Initial document for review