

12 August 2025

Future Security and Resilience Team
Electricity Authority
Via email: fsr@ea.govt.nz

Tēnā koutou,

The common quality related information Code amendment

Powerco shares the Electricity Authority's (**Authority**) objective that the Code's common quality requirements must permit evolving technologies as enablers of both consumer choice and the electrification of New Zealand's economy. The Code's treatment of common quality issues is relevant for New Zealand's future system operation, and we provide the following observations on this consultation and the wider implications relevant for the Authority's objectives:

Phase 2 should be progressed promptly

- We acknowledge that the Authority has prioritised progressing phase 1 (SO collection of common quality information) and we support the Code changes to enable this. We endorse phase 2 (sharing of information with distributors) to be progressed promptly so the full objectives of this proposal can be realised. Powerco would welcome the opportunity to work with the Authority on phase 2
- Phase 1, and the development of the SO technical specification must anticipate Phase 2 and architecture/responsibilities suited to a future system operation.

Common quality information has implications for New Zealand's future electricity system

- The purpose of sharing common quality information needs to align with the changing nature of how controllable load is managed and by who. For example, this load is managed by the customer, and the load may be largely invisible to the EDB. The Code needs review to ensure it provides appropriate regulatory guidance for the complex shift in responsibilities across the industry
- SO seeking clarity in available demand side flex is understandable. However, market response can resolve many supply side shortfalls, including a constrained GXP. System Operator, or Connected Asset Owner, intervention should not be deployed until after market response has proved insufficient, especially to ensure market price signals incentivise purchasing traders to develop demand side portfolios
- We encourage the Authority to align this common quality information workstream with future system operation and digitalisation work. Ideally, traders will develop full flex portfolios and these flex resources are usable across generation (market spikes), transmission constraints (nodal price spikes) and network constraints. Retail offerings should start to stimulate CER/DER investment as traders looked to build portfolios.

The CACTIS detail is important and needs further consideration

- Powerco will engage with the SO in the separate consultation pending on the proposed technical specification on common quality information (CACTIS), particularly the proposed requirement under clause 8.33 for connected asset owners to provide real time SCADA measurements of controllable load. It is important to get the detail right in this specification but ahead of that, we encourage the Authority to consider the larger system implications associated with the CACTIS detail (such as noted above) for a future system with more DER and flexibility (much which may not be controlled by, or visible to, the EDB).
- Defining what is “controllable load” to be managed by CACTIS will be a key determinant of the workability and outcome of the CACTIS. It needs to be fit for future practice, roles and visibility in load control eg hot water control, BESS or other.
- There are a number of elements in the draft CACTIS that require further consideration. For example, real time measurement of controllable load to +/- 5% would not be achievable; and SCADA can estimate residual distributed flex (such as controllable hot water load not already deployed by traders), but a direct measurement is not possible.

Powerco supports the proposed Code amendment for common quality related information for phase 1, as set out in the consultation paper dated 1 July 2025. We encourage the Authority to engage with the SO development of the technical specification (CACTIS) and phase 2 with a wide view of the implications and relevance for Authority work programmes and objectives for the future electricity system.

This submission does not contain any confidential information and may be published in full. If you have any questions regarding this submission or would like to talk further on the points we have raised, please contact Irene Clarke (Irene.Clarke@powerco.co.nz).

Nāku noa, nā,



Emma Wilson

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POWERCO