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Powerco Limited (Powerco) welcomes the opportunity to provide a submission on the Commerce Commission's draft decision on proposed amendments to the information disclosures (ID) for EDBs.

The Commission's commitment to an ongoing ID amendment program is a positive development. It aligns with our belief that stakeholders are interested in more information. Furthermore, we are fully supportive of further ID amendments as they can facilitate the establishment of new quality standards and contribute to a more comprehensive understanding of EDB performance.

Our high-level views on the draft decision are:

- **The additional network constraint data is a modest improvement but may not provide stakeholders with the depth of information they need**. The real value for customers and other stakeholders lies in up-to-date, comprehensive capacity and constraint maps for the entire HV network, not just substations.
- Instead of evaluating non-traditional solutions separately for each AMP major project, **an alternative approach is to encourage discussions about long-term programs and policies that promote demand-side flexibility within AMPs**.
- **We do not oppose the introduction of standardised price components in Schedule 8** but note it will significantly expand the schedule, potentially affecting its user-friendliness.
- While the concept of standardised connection types has merit in theory, **we have some reservations about its practicality due to the misalignment between EDB price categories and metering categories in the Electricity Industry Participation Code**.
- **We support the proposed vegetation management reporting**. Our only concern is the suggested timing of the initial disclosure. We recommend that this requirement commence at the start of DY26, on April 1, 2025.
- **We support disclosure of raw interruption data and worst-performing feeders, recognising the value of this information to stakeholders**. Our sole concern regarding this proposal relates to the potential scale of schedule 10a, especially for larger EDBs like us that have many interruptions each year.

- Dividing interruption records into separate interruptions when multiple feeders are affected could present a potential challenge. While we have access to the required information via our Outage Management System, a more in-depth examination is necessary to assess the intricacies and feasibility of this undertaking.
- We support the proposal to amend the definition of Gains/losses on asset disposals.

Our more detailed comments on these amendments are included in Attachment 1.

We look forward to engaging with the Commission over the coming months to support this review. If you have any questions about this submission, please contact Nathan Hill

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[REDACTED]

Andrew Kerr

Head of Policy, Regulation, and Market

Attachment 1: Powerco’s detailed comments on the proposed ID amendments

| Draft decision | Powerco response |
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| <p>D3 – Network Constraints</p> <ul style="list-style-type: none"> • Report additional network constraint information including geospatial data at the zone substation level. • Expand on the LV network narrative requirements to cover constraints | <p>Reporting more meaningful network constraint information in Schedule 12b(i)</p> <p>We do not oppose the proposed changes to network constraint reporting. The changes proposed in Schedule 12b represent a modest improvement compared to the current schedule, but they may still not provide stakeholders with the depth of information they require.</p> <p>Our plans for providing network constraint information to customers and other stakeholders</p> <p>We have a goal to enhance the value we deliver to customers and other stakeholders by providing up-to-date and meaningful capacity and constraint maps for the entire high-voltage (HV) network (not just substations).</p> <p>Our intent is to develop the future capability to:</p> <ul style="list-style-type: none"> • publish maps of our entire HV network showing available generation capacity and load hosting capacity at each network point. • Following this, we will introduce constraint maps, which will include forecasted constraints. <p>These maps are designed to deliver a significantly improved level of detail and timeliness, offering stakeholders valuable insights that surpass the scope of existing information and the proposed content within Information Disclosures. While these maps will initially present a static view of capacity, our goal is to progressively increase the update frequency, and to eventually provide true dynamic updates.</p> <p>Providing LV capacity and constraint data will take more time. We are currently engaged in a substantial data cleansing initiative to bring our LV modelling up to the required standards.</p> <p>Publishing geospatial data to support a national constraints map in the future</p> <p>We should be able to comply relatively easily; shape files can easily be produced from our GIS platform.</p> <p>This data may however not offer substantial benefits to stakeholders. We’ll presumably attribute capacity & constraint information to each substation supply area. Yet, these areas cover extensive territories, and</p> |

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| | <p>the capacity and constraint details pertain solely to the respective substations. While we are required to name all Feeders, the data wouldn't reveal the routing of these feeders or provide capacity and constraint metrics at individual points along the feeders.</p> <p>Reporting additional information in AMPs related to network constraints (LV only)</p> <p>We support this proposal. Our AMP already includes comments on this.</p> |
| <p>D5— Work and investment on flexibility resources (non-traditional solutions) Additional reporting by EDBs on their investigation of non-traditional solutions</p> | <p>Replacing the term “non-network solutions” with “non-traditional solutions”</p> <p>The replacement of the term “non-network solutions” with “non-traditional solutions” represents a welcome shift, signalling that flexibility resources can be owned by either the EDB or customers/traders. However, the precise boundaries of what constitutes “non-traditional solutions” are unclear, necessitating further clarification regarding its scope.</p> <p>Additional reporting by EDBs on their investigation of non-traditional solutions</p> <p>An alternative approach, rather than the isolated assessment of non-traditional solutions for each major project within AMPs, could involve fostering discussions within AMP’s and the formulation of long-term programs and policies that encourage uptake of distributed flexibility. These initiatives would aim to stimulate the adoption of distributed flexibility and its integration into forecasting, investment planning, and pricing processes.</p> <p>Evaluating non-traditional solutions during the options analysis stage for major projects often proves too late, as the necessary flexibility is not readily available off the shelf. Instead, cultivating flexibility should be a sustained, network-wide effort driven by a comprehensive value proposition (price signal) that addresses all future constraints, not solely those tied to the current AMP project.</p> <p>Considering flexibility as an integral part of integrated planning and pricing, rather than a project-specific task, allows it to naturally accumulate over time. Proper price signals can expedite its adoption when constraints are anticipated, providing sufficient lead time for implementation. This approach enables the utilisation of available flexibility resources (with appropriate rewards) at any point of the network, reducing demand, delaying projected constraints, and</p> |

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| | <p>postponing investments long before financial commitments or detailed option analyses become necessary.</p> <p>If flexibility uptake proves inadequate due to an insufficient network value proposition, investment becomes unavoidable, leading to detailed options analysis. Importantly, this analysis need not consider non-traditional solutions because the assessment of all feasible flexibility options is already embedded in the demand-constraint-planning-pricing feedback loop.</p> <p>The current approach favours aggregated flexibility, which can manifest as a single large point or aggregated small-scale distributed flexibility. However, large single-point flexibility may not benefit lower voltage levels or deeper network constraints, while aggregated mass-market flexibility often binds providers to bilateral contracts, limiting access to network value for others. Although distributed flexibility can address various network constraints, the continued emphasis on non-traditional solutions for major projects obstructs the deployment of flexibility for other network purposes and the recognition of customers contributing to flexibility.</p> |
| <p>D6 – Standardised pricing components including transmission costs</p> <p>EDBs must disclose their prices within standardised disclosure options, including transmission costs</p> | <p>Standardised Price Components</p> <p>We do not oppose the introduction of standardised price components into Schedule 8, as we find this feasible. However, it's worth noting that this would significantly widen the schedule (increase the number of columns) compared to the existing one, potentially affecting its user-friendliness.</p> <p>Standardised Connection Types</p> <p>While the concept of standardised connection types has merit in theory, we have some reservations about its practicality. Our reservations stem from the misalignment between EDB price categories, and the metering categories detailed in the Electricity Industry Participation Code. If EDB price categories aren't aligned to the metering categories, our assessment suggests that while this approach is feasible, it will necessitate significant additional effort. EDBs may also find it necessary to make certain assumptions when assembling the data, potentially resulting in variance between EDBs in their approaches.</p> <p>Alternative approaches</p> <p>In our perspective, the central goal of this proposal is to streamline the Electricity Authority's analysis of EDB pricing. If indeed this is the primary objective, we recommend the most efficient means of</p> |

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| | <p>supporting this analysis is for EDBs to provide this data directly to the Authority in a database format. This approach offers several advantages. Notably, compared to ID amendments, the Authority can readily adjust their data requests, enabling them to rectify any issues that may arise. The initiation of this data request from EDBs could be facilitated through a document akin to EIEP12.</p> <p>The proposed information bears a close resemblance to the PxQ pricing schedules already disclosed by non-exempt EDBs in their DPP Price Setting and Annual Compliance Statements. Therefore, an alternative approach could involve mandating that exempt EDBs also disclose this data.</p> |
| <p>AM6 – Vegetation management reporting Additional Vegetation Management reporting</p> | <p>We support the proposed vegetation management reporting.</p> <p>Our only concern regarding this proposal pertains to the suggested timeline for the first disclosure. The relatively brief period between the Commission's final ID decision (anticipated in the 1st quarter of 2024) and the commencement of the 2025 disclosure year (on April 1, 2024) may not afford some EDBs sufficient time to establish the necessary systems and processes for data collection and reporting. Therefore, we propose that this new requirement should come into effect from the beginning of DY26 (on April 1, 2025).</p> |
| <p>Q14— Raw interruption data and worst-performing feeders EDBs must report raw interruption data and data on worst-performing feeders.</p> | <p>Raw interruption data</p> <p>The Commission is proposing the addition of a new report to the ID determination (Schedule 10a). This schedule requires that EDBs disclose detailed information about each interruption on their network. We support this initiative, recognising the value of this information to stakeholders.</p> <p>For non-exempt EDBs, like Powerco, who already prepare this information as part of DPP compliance, adhering to this new requirement poses no difficulties.</p> <p>A positive benefit to non-exempt EDBs is that annual reporting of raw data eliminates the need for EDBs to provide multiple years' worth of interruption data and undergo separate audits in preparation for a Price-quality path reset.</p> <p>Our sole concern regarding this proposal relates to the potential scale of the schedule, especially for larger EDBs like us. For example, in the disclosure year 2023, we experienced over 6000 interruptions. This suggests that the schedule may be extremely large, potentially affecting its user-friendliness. To address this concern, we recommend excluding it from the disclosed ID schedules and, instead, have EDBs</p> |

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| | <p>fulfil this requirement by providing the data in Excel format on their respective websites.</p> <p>One interruption record per feeder</p> <p>Dividing interruption records into separate interruptions when multiple feeders are affected could present a potential challenge. While we have access to the required information via our Outage Management System, a more in-depth examination is necessary to assess the intricacies and feasibility of this undertaking.</p> <p>Worst performing feeders</p> <p>We support the draft decision requiring information on worst-performing feeders. This is an effective way of providing more granular reliability information that is meaningful for consumers.</p> <p>This data will serve several important purposes:</p> <ul style="list-style-type: none"> • It will enhance transparency regarding the actual performance experienced by the worst-served customers on the network. This heightened visibility will benefit both customers and EDBs, as it will pinpoint areas of the network requiring improvement or alternative measures. • The improved visibility will serve as a foundation for discussions with customers regarding appropriate service quality and price trade-offs. <p>To improve this proposal, we suggest:</p> <ul style="list-style-type: none"> • Excluding planned outages from this data. This will offer a clearer picture of the feeder's underlying performance. • Include a requirement for EDBs to report additional contextual information, including the type of feeder, its geographical location, topography, length, customer density, and the number of customers it serves. This supplementary data will provide valuable context for interpreting the results. <p>Removing normalised SAIDI and SAIFI values</p> <p>We support removing the requirement to report normalised SAIDI and SAIFI values in Schedule 10(i).</p> |
| <p>A3— Amend the definition of Gains/losses on asset disposals</p> | <p>We support this proposal.</p> |