



28 February 2019

Commerce Commission  
By email: [regulation.branch@comcom.govt.nz](mailto:regulation.branch@comcom.govt.nz)

Genesis Energy Limited  
The Genesis Energy Building  
660 Great South Road  
PO Box 17-188  
Greenlane  
Auckland 1051  
New Zealand  
T. 09 580 2094

## Consultation on key issues for Transpower's IPP reset for RCP3

---

Genesis Energy Limited (**Genesis**) welcomes the opportunity to provide a submission to the Commerce Commission (the **Commission**) on the consultation paper *Consultation on key issues for Transpower's IPP reset for RCP3 (consultation paper)* dated February 2019.

We appreciate the engagement on Transpower's third regulatory control period (**RCP3**) to date and note that as a customer, we have already provided feedback to both Transpower and the Commission. This submission is consistent with previous comments we have made, and reiterates our key points.

Genesis, and others, have already highlighted the importance of a robust asset health and criticality framework, including appropriate key service performance and grid output measures. To this end, we recommend that major generation nodes should be prioritised in quality measures; for example, a node that has 1000 megawatts (**MW**) injecting into it should be prioritised compared to a node with 50 MW injecting. In our view, this could be addressed in 'Table 7' by providing priority for major generation - the loss of which would have a greater impact on wider system security - similar to the priority afforded to HVDC service performance.

We also consider, as previously stated, the need to anticipate the considerable investment and resourcing that will be required to meet forecast demand has not been fully accounted for in the current proposal; and this is even more compelling an argument given the current forward pricing curve. Our view is that facilitating necessary transmission and generation investment should be better addressed in the planning for RCP3 as well as future regulatory periods.

If you would like to discuss any of these matters further, please contact me by email: [margie.mccrone@genesiseenergy.co.nz](mailto:margie.mccrone@genesiseenergy.co.nz) or by phone: 09 951 9272.

Yours sincerely

A handwritten signature in black ink, appearing to read "McCrone".

Margie McCrone  
Senior Advisor, Government Relations and Regulation