

18 September 2024

The Electricity Authority (EA)
Level 7, AON Centre,
1 Willis Street
Wellington, 6011

To whom it may concern,

The BusinessNZ Energy Council (BEC) welcomes the opportunity to provide feedback on the Electricity Authority's consultation document on improving the visibility of investment in the pipeline of new generation projects. We acknowledge that the current methods for collecting and sharing information, including MBIE's Generation Stack, the Authority's ad hoc Generation Investment Surveys, and Transpower's Connection Queue Dashboard, offer valuable insight into the pipeline of new generation investment. However, as noted by the Authority, information about new projects in the pipeline is dispersed and not subject to regular updates. Publicly available data is limited in its effectiveness in supporting decision-making and mitigating investor uncertainty concerning the pipeline's potential impact on a final investment decision and the return on such investment.

We judge that a more comprehensive and regularly updated collection, provided it is streamlined and minimally burdensome for participants, would in principle be a low-cost way to help enhance transparency about the pipeline of new investment. This approach could aid decision-making, as reiterated by the Market Development Advisory Group (MDAG). Therefore, we support the Authority's clause 2.16 notice to require Transpower to collect and release updated information on project type, location, size and status more frequently. This will not only support the Authority's market monitoring and assessments to whether settings are appropriate but also provide an inexpensive means of informing the public and sector stakeholders about new generation projects.

We agree with the Authority's assessment that developers should be responsible for updating Transpower when significant changes occur. This will ensure more flexibility and limit administrative burden for Transpower to collect and share this information. Given the extended time required for these projects to advance, it is important for the Authority to identify the appropriate time to seek data from relevant parties. Collecting data prematurely may provide little insight, at the cost to developers through compliance.

Given the commercial sensitivity of certain information, such as details about consents and land acquisitions for example, we support the proposal to aggregate data into overall stage indicators while ensuring the protection of confidential details. As part of the overall stage indicator, the Authority could consider collecting information to demonstrate whether projects are progressing as initially planned. This could include the project's initial date of commercial operation (COD), classified as a certain date, month or quarter, compared to the current COD. This could assist the Authority in its market monitoring activities and assessments to whether the potential causes of project delays could be addressed by the Authority.

We also support the Authority's clause 2.16 notice on gathering cost information for new developments. Collecting this information at the time of COD is appropriate. This data should be used strictly as intended by the Authority for monitoring competition through assessing the levelised cost of energy (LCOE) in comparison to forward prices. Aggregating sensitive cost information and maintaining high standards of

confidentiality are essential. Providing transparency about how the LCOE will be calculated without disclosing confidential information will also be important.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Tina Schirr', is positioned above the typed name.

Tina Schirr
Executive Director
BusinessNZ Energy Council