

12 August 2025

Electricity Authority L7, 1 Willis Street WELLINGTON

fsr@ea.govt.nz

Submission – Code amendment proposal on common quality-related information

1. Introduction

- **1.1.** Orion welcomes this opportunity to provide feedback on the Electricity Authority's (Authority) consultation paper, 'Promoting reliable electricity supply a Code amendment proposal on common quality-related information'.
- 1.2. No part of this submission is confidential.
- 1.3. Orion owns and operates the electricity distribution infrastructure in Central Canterbury, including Ōtautahi Christchurch city and Selwyn district. Our network is both rural and urban and extends over 8,000 square kilometres from the Waimakariri River in the north, to the Rakaia River in the south; from the Canterbury coast to Arthur's Pass. We deliver electricity to more than 228,000 homes and businesses and are New Zealand's third largest Electricity Distribution Business (EDB).

2. General Comments

2.1. Orion supports the Authority's proposal to implement the third short-listed option described in its October 2024 consultation:

"Option 3: Update and clarify common quality-related information requirements in the Code, enable the system operator and distribution network operators to share common quality-related information, and enable the system operator to share common quality-related information with Transpower as a transmission network owner." 1.

- 2.2. We also support the Authority's proposed staged approach to implementation. We agree that implementing mechanisms for sharing common quality-related information is complex and warrants separation from the more straightforward task of updating and clarifying common quality-related information requirements.
- 2.3. Our specific responses to questions asked by the Authority are set out in Appendix 1.

¹ Electricity Authority. (2024). <u>Addressing common quality information requirements</u>. 1 October 2024, p3.

3. Connected Asset Commissioning, Testing and Information Standard (CACTIS)

- 3.1. Orion conditionally supports the proposal to have the System Operator (SO) develop a Connected Asset Commissioning, Testing and Information Standard (CACTIS) and incorporate that document into the Code by reference, as permitted by sections 63 to 66 and Schedule 2 of the Legislation Act 2019 and section 131B of the Electricity Industry Act 2010 (the Act).
- 3.2. We consider that having the CACTIS incorporated into the Code by reference is appropriate given its heavily technical nature. We agree with the Authority that the SO has the "requisite technical expertise and power system knowledge to author the CACTIS."².
- 3.3. Despite this, we consider that there is a risk that the CACTIS could overstate matters and become over-specified. In our view, such documents should be no more extensive than is required to be fit-for-purpose. They should not be a shopping list of 'nice-to-haves'. As an example, we have an initial concern that the CACTIS seeks to specify mandatory proprietary software³, rather than required outputs of dynamic power flow modelling.
- 3.4. We have elected not to provide substantive comment on the CACTIS in this submission. We will do so when the SO consults in September 2025⁴.

4. Concluding Remarks

4.1. If you have any questions about this submission, please contact the undersigned.

Yours sincerely

Alec Findlater

Regulatory Lead – Commerce Commission

² Electricity Authority. (2025). *Promoting reliable electricity supply – a Code amendment proposal on common quality-related information*. Paragraph 5.9, p22.

³ Ibid. Appendix C, p83.

⁴ Ibid. Paragraph 5.18, p24.

Appendix 1

Submitter

Orion New Zealand Limited

Questions		Comments
Q1.	Do you support the Authority's proposal to clarify the Code's common quality information requirements and describe the technical specifications in a document incorporated by reference in the Code?	Yes. As outlined in our earlier submission ⁵ on common quality-related information requirements, we prefer the versatility provided by such an approach and consider that it could be more widely used.
Q2.	Do you have any comments on the drafting of the proposed amendment?	We have not conducted a technical review of the proposed Code amendment.
Q3.	Do you see any unintended consequences in making such an amendment?	We consider that there is a risk that the CACTIS could become over-specified, which we think is evidenced by the mandating of specific, proprietary modelling software in the draft.
Q4.	Do you agree with the objective of the proposed amendment? If not, why not?	Yes.
Q5.	Do you agree the benefits of the proposed amendment outweigh its costs? Please provide evidence to support your view. This may include incremental benefits and costs associated with the draft CACTIS.	We have not examined the costs and benefits of the proposal in any detail.
Q6.	Do you agree the proposed amendment is preferable to the other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.	Yes.
Q7.	Do you agree the Authority's proposed amendment complies with section 32(1) of the Act?	We agree that the Code proposal complies with s32(1) of the Act, since the change supports reliable supply (s32(1)(b)).
Q8.	Do you have any comments on the drafting of the proposed amendment?	Please refer to our answer to question 2.
Q9.	Do you have any comments on the draft Connected Asset Commissioning, Testing and Information Standard?	We will conduct a detailed review and provide feedback when the SO consults on the CACTIS in September 2025.

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⁵ Orion. (2024). <u>Consultation Paper – Addressing common quality information requirements (submission)</u>. 12 November 2024, p4.