

15 July 2025

Electricity Authority  
By email: [fsr@ea.govt.nz](mailto:fsr@ea.govt.nz)

### **Promoting reliable electricity supply: a voltage-related Code amendment proposal**

Meridian appreciates the opportunity to provide feedback on the Authority's consultation paper 'Promoting reliable electricity supply: a voltage-related Code amendment proposal'.

Our feedback is as follows:

- As we have stated previously, Meridian favours the use of market-based mechanisms to ensure that common quality outcomes are achieved at least cost and participants are compensated for costs incurred in providing system support. A market-based approach is generally preferable to imposing regulated requirements on generators or other service providers which may result in unavoidable and unrecoverable costs being incurred and/or an increase in applications for dispensation. We note, however, that the Authority's proposals are not based on a market approach. While we accept that some regulated obligations may need to be imposed in the interim, Meridian's view is the Authority should be seeking over the longer term to establish a market-based framework to incentivise the provision of voltage support.
- Where regulated solutions are imposed, Meridian generally supports the adoption of grandfathering provisions so as not to impose excessive costs on existing plant. We therefore support the proposed use of 'legacy clause' provisions with respect to extending the voltage support and fault ride through obligations.
- We note that the Authority is not progressing at this stage changes to the voltage-related obligations on battery energy storage systems (BESS). We raised concerns in our previous submission that imposing voltage control obligations on BESS (particularly when idle) would impose costs while providing no ability to recover these costs. It is unclear if this is part of the Authority's rationale for not progressing these aspects of the proposal at this stage. Nevertheless, we support careful consideration of the voltage and other ancillary service requirements on BESS to ensure any obligations are technology appropriate and will not discourage BESS investment given the increasingly important role this technology will play in New Zealand's electricity system.

Please contact me if you have any queries regarding this submission. This submission can be published in full.

Nāku noa, nā

Matt Hall

**Principal Advisor – Regulatory and Government Relations**