

From: Andrew Kerr [<mailto:Andrew.Kerr@powerco.co.nz>]
Sent: Monday, 29 October 2018 1:04 PM
To: John Rampton; 'John Hancock'; Craig Evans
Subject: inform: Powerco seeking RFI for non-network alternatives

Hi Craig/John/John

Powerco has released an RFI for non-network alternatives to improve reliability of supply to Matamata, Putaruru and Tirau.

I thought that the EA and IPAG may be interested in this initiative by Powerco.

So what's the project about? Short summary below:

- An outage on the single Transpower circuit feeding the area interrupts supply to the entire area. Temporary reconfiguration of the network is not sufficient to restore supply to all customers. Most customers in the area have no electricity until supply is restored.
- The projects to improve the reliability of supply were included and approved in Powerco's Customised Price Path (the Putaruru project). This included consideration of non-network alternatives.
- Several submissions on the CPP application commented on the need to consider alternatives to transmission solutions. Powerco has taken these comments on board and for this project is formally testing the market in relation to potential non-network alternatives for this project.
- The scale of the non-network solution required, in term of capacity, the value, and the length of contract is quite unique in the New Zealand market. The transmission alternative is not a short-term deferment of a transmission investment – it is for a full substitution of an existing and firm electricity supply. The forecast capacity requirement is 36 MVA in 2021 rising to 40 MVA in 2036 (reflecting forecast load growth).
- Timing: RFI responses due late November.

The RFI is available here <https://www.powerco.co.nz/about-us/your-view/current-consultations/> and provides an overview of the situation.

If you would like to have someone from the project team talk to the EA/IPAG about the project, please get in touch.

If there are aspects of the process you'd be interested in hearing about, please let me know so we can keep an eye on them through the process.

Regards
Andrew

Andrew Kerr | Regulatory and Pricing Strategy Manager
POWERCO

Level 4, 1 Grey Street, Wellington 6011 | PO Box 62, Wellington 6140
Ext 5522 | DDI +64 4 978 0522 | Mobile +64 21 443 059 | Web www.powerco.co.nz



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