

Power Station: McArthur Rd Inchbonnie West Coast, 7875

Office: 48 Swann Beach Rd Whangaparaoa Auckland, 0932

9 October 2018

Submissions Electricity Authority P O Box 10041 Wellington 6143

By email: submissions@ea.govt.nz

Dear Electricity Authority Board Members,

Inchbonnie Hydro is a run of the river power station that generates enough energy for 1,200 homes, provides support for the Westpower network and makes a substantial contribution to local infrastructure.

Inchbonnie is a member of the Independent Electricity Generators Association Incorporated and supports that submission. We also support and reiterate the comments made in the submission made by Kawatiri Energy.

Inchbonnie shares the IEGA and Kawatiri's concerns about the impact on West Coast and Upper South Island consumers of any change to the operation of West Coast DG following this decision on USI DG. We submit the Authority does not have sufficient information to make a decision at this time. It should seek further information to assure itself that the impact on voltage stability issues and grid reliability will not be a detriment to Upper South Island consumers.

Inchbonnie is connected via the Westpower network to the Dobson GXP. We are particularly concerned that DG connected to the Dobson GXP is essential for Transpower to meet n-1 reliability in winter 2021. This is a matter of months after the end of the assessment period determined arbitrarily by the Authority (to 31 March 2020). This is insufficient time for Transpower to plan or invest in sufficient grid infrastructure if its reliability standards are going to be breached.

In order to assure itself that the USI eligible list is the best possible outcome for consumers the Authority should request a sensitivity analysis – how much would regional demand have to change to require DG behind the Dobson GXP to meet n-1 before 31 March 2020. Two tropical cyclones devastated power supply to West Coast consumers in February this year. This region is also a focus of the government's regional development plans. Inchbonnie wonders if the Authority's theoretical approach to regional electricity supply is out of step with the environment in which we all operate.

We would welcome the opportunity to meet and discuss the above with board members.

Yours sincerely

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David MacKay