



8 November 2024

Electricity Authority  
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Submitted via email to [OperationsConsult@ea.govt.nz](mailto:OperationsConsult@ea.govt.nz)

## Consultation Paper – First steps in improving outage coordination

### Introduction

1. Orion welcomes the opportunity to submit on the consultation paper ‘First steps in improving outage coordination.’<sup>1</sup> This submission is not confidential and can be publicly disclosed.
2. 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).

### Key submission point

3. While we support the broader objectives of improving outage coordination, it is unclear how, or whether, these amendments apply to EDBs. The consultation paper does not explicitly address EDBs' role, creating potential confusion about potential new obligations, the treatment and reporting requirements of distribution network outages, and the reporting responsibilities for embedded generators.

### Code definition issues

#### *Notified planned outage*

4. The updated definition for **Notified planned outage**, reads ‘**notified planned outage**, for the purposes of Technical Code D of Schedule 8.3, means any **planned** — for which the **asset owner** has given written notice to the **system operator** in accordance with Technical Code D of Schedule 8.3.’
5. This definition appears to apply to, and capture, EDBs as ‘**asset owners**’, and would increase our reporting obligations to the system operator for all unplanned and planned outages on our network, including LV outages. It is not clear that this is the intent of these changes.

#### *Outage*

6. The updated definition for **outage** states ‘where an **asset** that forms part of, or is connected to, the **grid** or a **local network** – is temporarily not available for the ...conveyance... of **electricity**.’

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<sup>1</sup> [https://www.ea.govt.nz/documents/5924/Consultation\\_paper\\_-\\_First\\_steps\\_in\\_improving\\_outage\\_coordination.pdf](https://www.ea.govt.nz/documents/5924/Consultation_paper_-_First_steps_in_improving_outage_coordination.pdf)

7. This definition appears to apply to, and capture, EDBs as '**local network**' owners, and would increase our reporting obligations to the system operator for all unplanned and planned outages on our network, potentially inadvertently including LV outages. Such an interpretation would create an impractical and unnecessary reporting burden on both EDBs and the system operator. It is not clear that there are significant benefits to the system operator from the inclusion of EDBs in this definition which would outweigh the compliance costs that it would introduce.

### Asset

8. Asset, as defined in the Code, means: '*equipment or plant that is connected to or forms part of the **grid** and, in the case of Part 8, includes equipment or plant that is intended to become connected to the **grid** and equipment or plant of an **embedded generator**.*'
9. This definition appears to explicitly exclude EDBs, except for locations where our equipment or assets connect to, or form part of, the grid. For an EDB, this would likely include both grid exit points (GXPs) and grid injection point (GIP). This aligns with standard industry operating practices.<sup>2</sup>
10. In our emailed communications with the system operator regarding this consultation, we note that similar concerns were raised by the system operator that the proposed drafting of the Code amendments may inadvertently capture LV outages. However, the system operator believes that the use of the defined term **asset** in the definition of **outage** means that the obligation to notify outages relates only to equipment that forms part of the grid (and embedded generators).
11. While we agree with the system operator's interpretation, clarification is needed from the Authority as to whether this is the desired intent. If it is the Authority's intent that LV outages are reported to the system operator, or if there is a desire for further outage reporting obligations from local networks, we consider that additional consultation is required to appropriately consider the implications of this change.

### Proposed amendments to Code definitions

12. If EDBs are explicitly excluded from these new obligations, other than at points of connection to the grid, we propose that the Authority update definitions as below:
  - a. **Outage:** for the purposes of Technical Code D of Schedule 8.3, means any situation where an **asset** ~~that forms part of, or is connected to, the grid or a local network...~~
  - b. **Planned outage:** for the purposes of Technical Code D of Schedule 8.3, means any outage **of an asset** that is planned by the relevant **asset owner**; and...
  - c. **Unplanned outage:** for the purposes of Technical Code D of Schedule 8.3, means any outage **of an asset** that is not a planned outage **by the relevant asset owner**; and...
13. We note that the updated definition of **notified planned outage** inadvertently removed the word 'outage', and we recommend that the Authority update the definition as below:
  - a. **Notified planned outage:** for the purposes of Technical Code D of Schedule 8.3, means any **planned outage** for which the **asset owner** of an **asset** has given written notice to the **system operator** in accordance with Technical Code D of Schedule 8.3.

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<sup>2</sup> Orion notes that any planned outages at GXPs are initiated by Transpower. As a result, Orion does not submit planned outages at GXPs to the Planned Outage Coordination Process (POCPs).

## Implementation considerations

14. Orion has interpreted the below clauses of Schedule 8.3, Technical Code B, as meaning that the **asset owner of an embedded generator** (connected to our local network) would have the obligation to notify the system operator of any planned and unplanned outages – including those that may arise due to a fault on our local network. However, the amended Code is unclear on this point. Orion requests that the Authority provides clarity on how outages caused by faults on a local network affecting embedded generators should be reported, as well as the respective responsibilities of embedded generators and local network owners in such situations?

### Clause 2(1), Schedule 8.3, Technical Code 8

**Notice of outages** requires that ‘...each **asset owner** must give notice to, and in a manner and form reasonably specified by, the **system operator** of each **outage** of each of its **assets** immediately after –

- a. the **asset owner** has scheduled a **planned outage**, even if that outage is subject to change or otherwise unconfirmed; or
- b. the **asset owner** becomes aware of an **unplanned outage** or becomes aware that an **unplanned outage** may occur, whichever occurs first.

### Clause 2(1A), Schedule 8.3, Technical Code 8

**Notice of outages** requires that ‘In the case of an **unplanned outage** resulting from immediate action taken by the **asset owner** to mitigate a risk to safety of personnel or plant, the **asset owner** must, as soon as practicable after becoming aware of the **unplanned outage**, give notice of the **outage** to the **system operator**.’

## Concluding remarks

15. Thank you for the opportunity to provide feedback on this consultation. Orion requests that the Authority clarifies the above points in its decision paper and confirm responsibilities of embedded generators, and whether distribution network outages, that do not affect grid-connected assets, are explicitly excluded from this proposed reporting requirement.
16. If you have any questions or queries on aspects of this submission which you would like to discuss, please contact us on 03 363 9898.

Yours sincerely,



Connor Reich

**Regulatory Lead – Electricity Authority**