



Corporate Office

Powerco Limited

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16 September 2019

Energy Equipment Efficiency (E3) Programme

By email: smartappliances2019@sa.gov.au

Copy to: regs@eeca.govt.nz

Powerco supports the proposal for new appliances to be demand response capable

E3 is seeking views on whether all new heat pumps, electric hot water cylinders and electric vehicle chargers sold in New Zealand should be demand response capable.

Just as Powerco supports technology-neutrality for New Zealand's approach to decarbonising the energy sector, we support the proposal that new smart appliances have a common platform for managing demand response.

For New Zealand, a key area of potential benefit is control of electric vehicle chargers (of all sizes) because this is likely to be a growing driver of decarbonisation. Powerco collaborated¹ with other distributors to highlight some of the issues that EV charger control might have for New Zealand. Managing the dynamics of EV charging will be valuable across the supply chain (not just networks) as EV penetration increases. The proposed common communications protocol will underpin the development of new services that optimize those dynamics from an all-of-system perspective. It should also improve the visibility of where these appliances are because the location is critical to coordinating and commercializing the value of flexibility.

We recommend E3 consult the Electricity Authority and the Electricity Networks Association in New Zealand. Both these entities are involved in improving the way new technologies are integrated in to the electricity market and distribution networks. These parties may also have some views on the cost benefit analysis – especially the robustness of the assumption that \$200/kVa/pa is applicable fully and equally to all appliances.

If you have any questions on this submission please contact Andrew Kerr (Andrew.Kerr@powerco.co.nz). More information about Powerco is attached.

Yours sincerely

A handwritten signature in black ink, appearing to be "AK".

Andrew Kerr
Regulatory and Pricing Strategy Manager

¹ *Driving change - A study on the issues and opportunities of mass-EV uptake in New Zealand*, March 2018.
http://www.concept.co.nz/uploads/2/5/5/4/25542442/ev_study_v1.0.pdf

About Powerco

Powerco is a dual energy distributor with electricity lines and gas pipelines. Powerco is New Zealand's largest electricity distributor in terms of network length (28,000km) and has the second largest number of electricity connections (337,000). The company also has the second largest gas distribution network (6,000km) and the largest number of gas connections (107,000).

- *Electricity distribution.* Powerco's electricity networks are in the Taranaki, Wanganui, Rangitikei, Manawatu, Wairarapa, Bay of Plenty, Coromandel and Waikato regions, including the urban centres of New Plymouth, Wanganui, Palmerston North, Masterton and Tauranga.
- *Gas distribution.* Powerco's gas networks are in the Taranaki, Manawatu, Hutt Valley, Porirua, Wellington City, Horowhenua and Hawke's Bay regions

