

14 May 2026

James Kilty
Chief Executive
Transpower
PO Box 1021
WELLINGTON 6011

Sent via email: system.operator@transpower.co.nz

Dear James

Draft Security of Supply Assessment 2026

1. The Major Electricity Users' Group (MEUG) welcomes the opportunity to provide feedback to Transpower on its consultation paper "*Draft Security of Supply Assessment 2026*"¹ and supporting appendices published on 23 April 2026.
2. This submission does not contain any confidential information and can be published on the Transpower's website unaltered. Members may lodge separate responses.

Updated SoSA highlights key issues facing the sector in medium to long term

3. MEUG welcomes the updated draft Security of Supply Assessment (SoSA) for 2026. Transpower has provided a well laid-out report that highlights the key results for each of the three margins for the short, medium and long term in the "*At a glance*" introduction to the report. We support:
 - The addition of the *Expected Future* case and the monitoring of progress against this case each quarter. We believe this will provide stakeholders and government with helpful and timely insight into how the electricity sector is tracking.
 - The revisions that have been made to the 2026 SoSA to reflect the changes in the market since 2025, recent policy developments and a greater level of accuracy or probability for several inputs, for example including known step changes in demand from large industrial sites, including generation projects that have a likelihood of at least 75% of proceeding, and the inclusion of a LNG gas supply sensitivity.
4. The draft 2026 SoSA demonstrates that the electricity sector will meet all energy and capacity margins (fall within the accepted range) in the short term out to 2028, but then the sector risks becoming vulnerable across one or more margins in the medium to long term, due to several factors and sensitivities. Transpower has helpfully discussed the factors that could drive these changes and the type of areas the sector needs to focus on.

¹ <https://static.transpower.co.nz/public/bulk-upload/documents/2026%20SOSA%20-%20Draft%20Report.pdf?VersionId=6B3u7WHL68taxBVinzvR7t3I50Nun9uC>

5. MEUG encourages both the Electricity Authority and the Ministry of Business, Innovation and Employment (MBIE) to closely monitor the actual delivery of the forecast generation pipeline, and particularly the level of firming generation entering the market, alongside any decisions taken around an LNG terminal and dry year risk framework. Progress in these areas should inform the government if any market interventions are required to ensure secure supply in the longer-term, alongside the current market setting.

Next steps

6. If you have any questions regarding our submission, please contact MEUG on 027 472 7798 or via email at karen@meug.co.nz.

Yours sincerely



Karen Boyes
Major Electricity Users' Group