6 August 2025

New Zealand Infrastructure Commission - Te Waihanga
Via document upload

Draft National Infrastructure Plan

Meridian welcomes the opportunity to comment on the New Zealand Infrastructure Commission - Te Waihanga draft National Infrastructure Plan.

There is broad alignment across both government and the electricity industry that to reach net zero by 2050 we need to significantly increase electricity consumption and build generation and networks to meet that demand growth. Demand forecasts are sensitive to input assumptions, but the 60 percent growth signalled by Te Waihanga falls within the range of what the industry expects may occur. The industry will need to invest in networks, generation and storage to reliably meet that demand growth.

New Zealand's wholesale electricity market has gone through several supply and demand cycles since its inception in 1996. At various times, regulatory and market uncertainty have also impacted incentives to invest. Despite this, investment in the sector has been considerable. Over $10 billion has been invested in new generation in the last 15 years with much of this occurring during low or flat demand growth periods. This investment is continuing. As set out in Table 1 and Table 2 below, 3.1 TWh of new generation production has been delivered in the last 24 months (7.2 percent of current demand) and a further 2.2 TWh is under construction (5.1 percent of current demand).[1]

[1] We note this does not include Meridian's Ruakākā Solar Farm (130 MW) that will commence construction this August 2025.

Meridian Energy Limited
Level 2, 55 Lady Elizabeth Lane
PO Box 10-840
Wellington 6143
New Zealand
Phone +64-4 381 1200
Fax +64-4 381 1272
www.meridianenergy.co.nz

Table 1: Energy projects delivered over the previous 24 months

Project	Fuel	Developer	Commissioning Year	Annual Production (GWh)	% of 2023 Elec. Demand
Kaiwera Downs Stage 1	Wind	Mercury	2023	147	0.3%
Turitea	Wind	Mercury	2023	370	0.9%
Kohirā	Solar	Lodestone	2023	56	0.1%
Harapaki	Wind	Meridian	2024	542	1.2%
Tauhara	Geothermal	Contact Energy	2024	1450	3.3%
Rangitaiki	Solar	Lodestone	2024	54	0.1%
Te Herenga o Te Rā	Solar	Lodestone	2024	69	0.2%
Te Huka 3	Geothermal	Contact Energy	2025	430	1.0%
				3118	7.2%

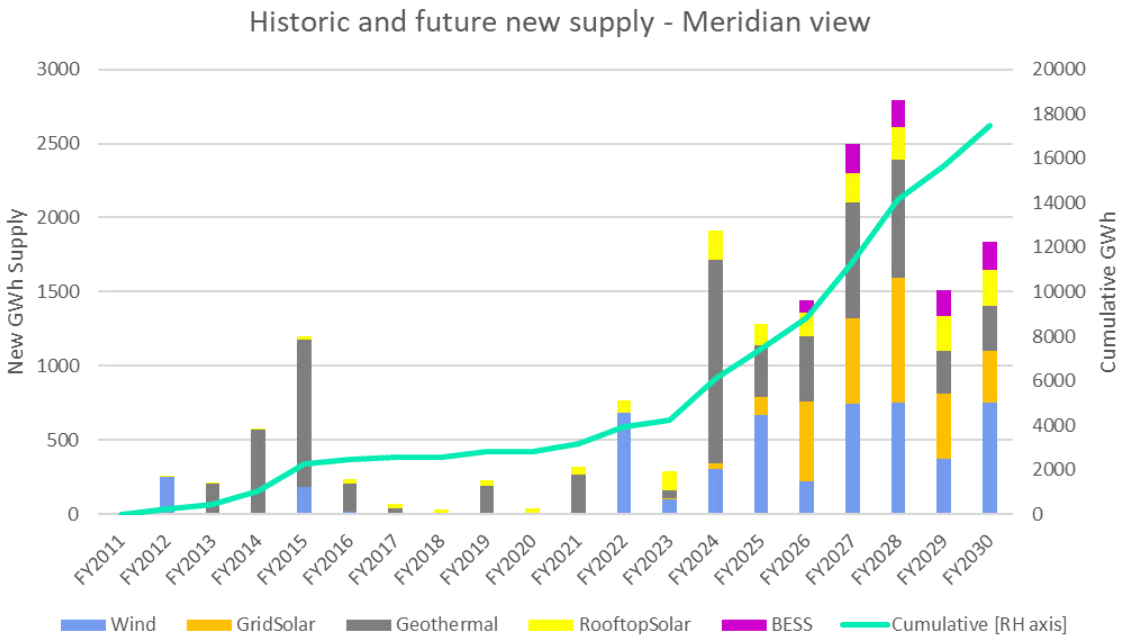
Table 2: Energy projects under construction

Project	Fuel	Developer	Commissioning Year	Annual Production (GWh)	% of 2023 Elec. Demand
Lauriston	Solar	Genesis / FRV Aus.	2025	100	0.2%
Ngā Tamariki OEC5	Geothermal	Mercury	2025	395	0.9%
Topp2	Geothermal	Eastland Generation	2025	407	0.9%
Pāmu Rā ki Whitianga	Solar	Lodestone	2025	50	0.1%
Tauhei	Solar	Harmony Energy	2026	258	0.6%
Kaiwaikawe	Wind	Mercury	2026	221	0.5%
Kaiwera Downs Stage 2	Wind	Mercury	2026	525	1.2%
Kōwhai Park	Solar	Contact / Lightsource bp	2026	275	0.6%
				2231	5.1%

Te Waihanga refers to the 2023 generation investment survey to gauge the extent of the future investment pipeline. The Electricity Authority has now published more recent monitoring of the pipeline noting in July 2025 that there is 45 GW of potential generation capacity in the industry pipeline.[2] For context, total existing generation capacity is ~11 GW. Already committed and actively pursued generation developments alone will add 25 percent more capacity to the system. The final National Infrastructure Plan should be informed by this more up-to-date information.

As shown in the chart below, recent and upcoming investments also significantly exceed historic build rates. The chart shows Meridian's view of future generation developments that will be delivered alongside historic generation developments.

[2] https://www.ea.govt.nz/industry/monitoring/generation-investment-pipeline/



The pipeline of generation investment will be delivered through private investment with no risk or capital requirement for taxpayers. Meridian also expects the long-term trend for wholesale electricity prices will be convergence on the levelized cost of energy for renewable generation plus firming.

Meridian agrees with Te Waihanga that government policy will affect how rapidly new generation can be supplied and at what cost. Gas production collapsed in 2024, due at least in part to government policies, and correlated with low hydro inflows. Wholesale electricity prices lifted following that loss of fuel for electricity generation (consistent with the market design). The market successfully managed the 2024 supply shortage by deploying alternative fuels and resources, namely demand response options with the New Zealand Aluminium Smelter, diesel generation, and ultimately expensive gas from Methanex. The Government Review of Electricity Market Performance and the joint Commerce Commission and Electricity Authority Energy Competition Task Force were both initiated in response to the 2024 fuel supply shock and rather than addressing the underlying causes of gas scarcity, could result in further policy uncertainty that could risk undermining industry efforts to deploy alternative fuels (in the short term) and invest in new generation (in the long term).

Meridian therefore supports the Te Waihanga recommendations to clear a path for infrastructure with:

- **Policy stability:** Energy investors have predictable policy and consenting settings that support affordability, security of supply, and the decarbonisation of the economy.

- **An enabling environment:** The resource management system enables infrastructure with national and regional benefits, while managing interactions with surrounding land uses and negative impacts on the natural environment.

In Meridian's opinion, these recommendations by Te Waihanga are righty pitched at a high-level and need not go into further detail given the work already underway across government. More specific recommendations could risk role duplication and uncertainty. As they are, these are sensible recommendations that should be broadly supported by the sector and stakeholders and considered by all decision-makers.

Please contact me if you have any queries regarding this submission.

Nāku noa, nā

[redacted]

[redacted]
Manager Regulatory and Government Relations