



**22 March 2019**

Miriam Dean  
Chair  
Electricity Price Review  
c/- Energy markets policy  
Ministry of Business, Innovation and Employment  
PO Box 1473  
Wellington 6140  
New Zealand

**RE: Electricity Price Review**

**Dear Miriam**

This joint letter from the two peak industry associations for electricity retailers and network companies highlights areas of agreement on the 41 recommendations in your constructive Electricity Price Review Options Paper (for discussion). We believe highlighting the areas of agreement between our two parts of the sector will help the Panel identify those initiatives that have broad industry support.

One thing we've both welcomed from the panel is the commitment of all parties – government agencies, NGOs, regulators, lines companies and retailers – to use the review to drive the greatest long-term benefit for New Zealand consumers. There won't always be perfect agreement about how we achieve that outcome, but it has been clear that everyone has the same ultimate aim.

Options on which we align are listed on the next page and, as you will see, ERANZ and ENA agree on 17 of your options. This does not mean that we disagree on all the remaining options – many of these focus on areas on which either ENA or ERANZ members don't have strong views or have no view.

Removing the areas of agreement or no strong views by one or both parties, there are only four options on which ENA and ERANZ actually disagree – which is interesting given the perception that

we are often at loggerheads on most issues. ERANZ and ENA cooperate and coordinate at frequent meetings and in specific working groups. For example, both associations are represented in a working group on the low-fixed charge regulations, and more recently in working groups looking at resolving technical issues for distribution pricing reform.








Looking ahead, there will be further collaboration on pricing reform, the low-fixed charge, access to metering data, and our mutual support for a consumer council.

If we had to rank the one or two areas on which ENA and ERANZ are most strongly aligned, it would be the recommendation to remove or transition out of the low-fixed charge regulations. We are also strongly supportive of defining energy hardship before progressing some of the pressing issues identified in section B.





#### A STRENGTHENING THE CONSUMER VOICE

- A1  Establish a consumer advisory council.



#### B REDUCING ENERGY HARDSHIP

- B1  Establish a cross-sector energy hardship group
- B2  Define energy hardship
- B3  Establish network of community-level support services to help consumers in hardship
- B4  Set up a fund to help households in energy hardship become more energy efficient
- B5  Offer extra financial support for households in energy hardship
- B6  Mandatory minimum standards to protect vulnerable, medically dependent consumers
- B8  Explore bulk deals for social housing and/or Work and Income clients.




#### C INCREASING RETAIL COMPETITION

- C1  Make it easier for consumers to shop around
- C2  Include information on bills to help consumers switch retailer or resolve billing disputes
- C3  Make it easier to access electricity usage data
- C7  Introduce retail price caps (*like the Panel, we don't support this option*).

#### E IMPROVING TRANSMISSION AND DISTRIBUTION

- E5  Phase out low fixed charge tariff regulations
- E6  Ensure access to smart meter data on reasonable terms.

#### G PREPARING FOR A LOW-CARBON FUTURE

- G2  Examine security and resilience of electricity supply
- G3  Encourage more co-ordination among agencies
- G4  Improve the energy efficiency of new and existing buildings.

ERANZ Chair Jennie Langley and ENA Chair Ken Sutherland, in addition to Cameron and Graeme, are available to discuss these areas of alignment if you require more information or clarification.

**Yours faithfully**

A handwritten signature in black ink, appearing to be 'GP', written in a cursive style.

**Graeme Peters**  
**Chief Executive**  
**Electricity Networks Association**

A handwritten signature in black ink, appearing to be 'Cameron Burrows', written in a cursive style.

**Cameron Burrows**  
**Chief Executive**  
**Electricity Retailers' Association**

Cc: Jennie Langley, Ken Sutherland