

From: energymarkets@mbie.govt.nz
To: [Energy Markets](#)
Subject: Electricity Price Review submission
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Region

Canterbury

Category

Consumers, Consumer Groups and Advocates

Do you accept these terms & conditions?

Yes

A1. Establish a consumer advisory council

Yes, If established it must have real power to force change.

A2. Ensure regulators listen to consumers

Regulators need more than listen, they must be empowered to act.

B1. Establish a cross-sector energy hardship group

B2. Define energy hardship

B3. Establish a network of community-level support services to help consumers in energy 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. Set mandatory minimum standards to protect vulnerable and medically dependent consumers

B7. Prohibit prompt payment discounts but allow reasonable late payment fees

B8. Seek bulk deals for social housing and/or Work and Income clients

C1. Make it easier for consumers to shop around

there are two power comparison operators now to use to compare tariffs

C2. Include information on power bills to help consumers switch retailer or resolve billing disputes

C3. Make it easier to access electricity usage data

yes, only a few retailers have this.

C4. Make distributors offer retailers standard terms for network access

The biggest elephant in the room is the artificial value of assets created by inflating the component values, then this value is used to justify a certain return on this asset , which then is used to calculate power tariff!

Combine that same methodology with the lines companies assets and there is a double whammy hit for the household consumers.

C5. Prohibit win-backs

C6. Help non-switching consumers find better deals

C7. Introduce retail price caps

D1. Toughen rules on disclosing wholesale market information

stop generators from artificially ramping up the spot power price by reducing generating capacity, thereby making huge windfall profits!

D2. Introduce mandatory market-making obligations

What does this mean?

D3. Make generator-retailers release information about the profitability of their retailing activities

D4. Monitor contract prices and generation costs more closely

Yes, stop generators from artificially ramping up the spot power price by reducing generating capacity, and utilizing a dry year situation

D5. Prohibit vertically integrated companies

Yes gen/retailers, this is a must happen to split them off, to get any sort of fairness to the retail consumer on power pricing.

This would stop inter transfer pricing.

E1. Issue a government policy statement on transmission pricing

yes definite step . this is a natural monopoly,

line costs should reflect the transmission cost of generator location to load!

Why should auckland power be cheaper than south island power when the bulk is generated at south island power stations

E2. Issue a government policy statement on distribution pricing

yes, line costs should reflect the transmission cost of generator location to load!

E3. Regulate distribution cost allocation principles

yes , allow local generation to be distributed to local load.

This would allow new generation capacity to form and link to local transmission and hence to localised load in local communities.

E4. Limit price shocks from distribution price increases

Create a better model to deal with a natural monopoly for pricing

E5. Phase out low fixed charge tariff regulations

E6. Ensure access to smart meter data on reasonable terms

E7. Strengthen the Commerce Commission's powers to regulate distributors' performance

Yes, break up the cosy arrangements between, retail and associated lines companies, and the generation from new power generators

E8. Require smaller distributors to amalgamate

no

E9. Lower Transpower and distributors' asset values and rates of return

Absolutely, include " reasonable pricing test" of assets, to achieve this.

F1. Give the Electricity Authority clearer, more flexible powers to regulate network access for distributed energy services

yes

F2. Transfer the Electricity Authority's transmission and distribution-related

regulatory functions to the Commerce Commission

no, but give the ComCom greater powers to investigate and enforcement to fix issues.

F3. Give regulators environmental and fairness goals

F4. Allow Electricity Authority decisions to be appealed on their merits

F5. Update the Electricity Authority's compliance framework and strengthen its information-gathering powers

F6. Establish an electricity and gas regulator

maybe

G1. Set up a fund to encourage more innovation

G2. Examine security and resilience of electricity supply

Yes, very little forward new generation is being planned.

The major Maui gas field has 7 years left??

Some of which is used to generate power, then what?

The whole system is designed as a big incentive not to add capacity to the national grid, as this deflates unit pricing, thereby reducing profits.

The market has not worked but allowed much higher electricity costs to be passed on to households, and reduced electricity costs to businesses, who have the advantage of offsetting this as an operating expense.

G3. Encourage more co-ordination among agencies

G4. Improve the energy efficiency of new and existing buildings

yes