

**From:** energymarkets@mbie.govt.nz  
**To:** [Energy Markets](#)  
**Subject:** Electricity Price Review submission  
**Date:** Friday, 22 March 2019 10:04:21 a.m.

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**Name (full)**

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**Company (if applicable)**

Network Waitaki Ltd

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9(2)(a)

**Contact number**

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**Region**

Otago

**Category**

Distribution Companies and Associations, Trusts, Transpower

**Do you accept these terms & conditions?**

Yes

**A1. Establish a consumer advisory council**

Support ENA view

**A2. Ensure regulators listen to consumers**

Support ENA view

**B1. Establish a cross-sector energy hardship group**

Support ENA view and especially the view that it is important to understand what is offered by government agencies and support groups, looking for gaps and improvements.

**B2. Define energy hardship**

This is crucial that the concept of energy hardship and vulnerable consumers are well defined. Assistance should exclude those that are not in hardship and that do not need support - which is currently the case with the LFC regulations.

**B3. Establish a network of community-level support services to help consumers in energy hardship**

ENA view supported.

**B4. Set up a fund to help households in energy hardship become more energy efficient**

Support a fund that would prevent cross-subsidies from other electricity users to support consumers in hardship. It would be our preference that such a fund is financed by the government.

**B5. Offer extra financial support for households in energy hardship**

Support the ENA position that financial support should be funded from general taxation.

**B6. Set mandatory minimum standards to protect vulnerable and medically**

**dependent consumers**

Support the ENA position.

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

In our view a discount is a positive reward against a negative penalty for the alternative but we are neutral.

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

**C1. Make it easier for consumers to shop around**

Support ENA view.

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

Support ENA view

**C3. Make it easier to access electricity usage data**

Strongly support.

**C4. Make distributors offer retailers standard terms for network access**

We do not support this option as there is a need for customisation as a result of unique circumstances.

**C5. Prohibit win-backs**

Support ENA view.

**C6. Help non-switching consumers find better deals**

Support ENA view.

**C7. Introduce retail price caps**

Do not agree with this option as it is not economically efficient and will lead to poorer outcomes for consumers. Support ENA view.

**D1. Toughen rules on disclosing wholesale market information**

Support ENA view.

**D2. Introduce mandatory market-making obligations**

Support ENA view.

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

Support ENA view.

**D4. Monitor contract prices and generation costs more closely**

Support ENA view.

**D5. Prohibit vertically integrated companies**

**E1. Issue a government policy statement on transmission pricing**

Support ENA view

**E2. Issue a government policy statement on distribution pricing**

Support ENA view.

**E3. Regulate distribution cost allocation principles**

Support MBIE view. Do not support regulation of distribution cost-allocation principles.

**E4. Limit price shocks from distribution price increases**

Support MBIE view. Price shocks should be managed during price restructuring but is inevitable in some cases for outlier consumers.

**E5. Phase out low fixed charge tariff regulations**

Strongly support MBIE view. It does not support efficient pricing and is not helping the target consumers in hardship.

**E6. Ensure access to smart meter data on reasonable terms**

Strong support ENA view that it is about more than data. It is about full switching functionality available to and required by EDBs to efficiently use smart meters for the benefit of consumers (e.g. sending of signals and load management).

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

This is not a priority as current regulation is more than sufficient in our view.

**E8. Require smaller distributors to amalgamate**

Support MBIE view. There is no evidence that amalgamation will reduce cost to the consumer.

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

Strongly support the MBIE view.

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

Support ENA view.

**F2. Transfer the Electricity Authority's transmission and distribution-related regulatory functions to the Commerce Commission**

Support ENA view

**F3. Give regulators environmental and fairness goals**

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

Support ENA view

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

Support ENA view

**F6. Establish an electricity and gas regulator**

**G1. Set up a fund to encourage more innovation**

**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**