

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

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**Company (if applicable)**

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9(2)(a)

**Contact number**

9(2)(a)

**Region**

Wellington

**Category**

Consumers, Consumer Groups and Advocates

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

Yes

**A1. Establish a consumer advisory council**

Yes

**A2. Ensure regulators listen to consumers**

Yes - maybe by the Consumer Advisory Council. They are not required to follow what they hear.

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

Yes

**B2. Define energy hardship**

Yes

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

Yes

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

Yes

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

Yes

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

Yes

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

No - this is a friendlier name for a late payment penalty. But you need a limit on the level and energy companies need to do a much better job of saying what price they are quoting (and always quote the with GST version for consumers).

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

Yes. General comment about pricing: our electricity prices are in some ways artificially high being sort-of marginal pricing and perhaps incorporating a hidden tax represented by the dividend paid to Government and shareholders. This is good for well-off people as it encourages efficient use of electricity but unfair to less well-off people. Assistance to them should not be regarded as welfare, but as compensation for the artificial pricing.

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

Yes - in some form. Need something for people who can't use the internet.

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

Yes.

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

Yes

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

Yes

**C5. Prohibit win-backs**

Yes

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

Yes

**C7. Introduce retail price caps**

No - but have some way of investigating unreasonable pricing

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

Yes

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

I think this is too technical for me to comment on.

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

Yes

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

Yes

**D5. Prohibit vertically integrated companies**

No. But something needs to be done to give independent companies like Flick and ability to compete. Don't think Flick and other companies buying on the spot market are going to survive.

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

Yes - but perhaps Government needs a bit more guidance here. E.g. cost of transmission to various parts of the country should be factored into the pricing - so maybe solar and storage would become more viable in the North.

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

Yes

**E3. Regulate distribution cost allocation principles**

Don't know

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

Don't know - lines companies charges and performance need to be monitored - I know this is done now but I am not sure how effectively.

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

No, no, no. Some tuning may be required. Lines companies favour high fixed cost, low variable cost, because it is relatively easy for consumers to reduce consumption but hard to go completely off-grid. You need legislation to get a good balance. Possibly we shouldn't have the two rates that we have at present but a single rate somewhere between the two current one. This is a "green" plus efficient use of resources issue rather than a hardship one.

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

Yes - but also needs to be timely. Flick shows me my half hourly consumption but it takes several days to arrive. When I was with Genesis I got the hourly consumption but again it took several days to arrive. I should be able to access my smart meter electronically.

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

Yes

**E8. Require smaller distributors to amalgamate**

No

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

No

**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**

Don't know

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

Yes

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

Don't know

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

Don't know

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

Don't know

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

Don't know the best approach here. We need to move to zero-carbon. This means more conservation and more alternative energy sources. We want to encourage some people to try solar and storage and maybe local low voltage DC grids, just to get experience, even if it is not quite economic at the moment. Certainly need better systems for recovering surplus solar power from home-owners.

**G2. Examine security and resilience of electricity supply**

Yes. In particular, how to absorb wind and solar energy. But also the electricity system looks a little fragile at the moment. And it may get worse with climate change. I need assurance that Government authorities are properly monitoring the system and not just relying on "market forces"

**G3. Encourage more co-ordination among agencies**

Yes

**G4. Improve the energy efficiency of new and existing buildings**

Yes