

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

Waikato

**Category**

Distribution Companies and Associations, Trusts, Transpower

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

Yes

**A1. Establish a consumer advisory council**

Waipa Networks supports the Panel's position on this.

**A2. Ensure regulators listen to consumers**

Waipa Networks does not have a view on this.

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

Waipa Networks supports the Panel's position on this.

**B2. Define energy hardship**

Waipa Networks supports the Panel's position on this.

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

Waipa Networks supports the Panel's position on this.

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

Waipa Networks supports the Panel's position on this.

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

Waipa Networks supports the Panel's position on this.

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

Waipa Networks supports the Panel's position on this.

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

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

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

Waipa Networks supports the Panel's position on this.

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

Waipa Networks does not support the Panel's position on this.

Waipa Networks' terms for network access are based on the Electricity Authority's model. Our turnaround for negotiations has been as little as 24 hours from initial approach to signing. We have not encountered the issues suggested in the paper when arranging agreements with smaller Retailers, nor have we had any interest from the larger Retailers with legacy agreements wanting to shift to the newer EA model. We can therefore not support a recommendation to solve a problem that has not been proven to exist. We therefore believe the development and implementation of enforced terms will only add costs without providing any tangible benefit.

**C5. Prohibit win-backs**

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

**C7. Introduce retail price caps**

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

**D5. Prohibit vertically integrated companies**

Waipa Networks does not have a view on this.

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

Waipa Networks supports the Panel's position on this.

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

Waipa Networks supports the Panel's position on this.

**E3. Regulate distribution cost allocation principles**

Waipa Networks does not support this.

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

Waipa Networks does not support this.

We consider that Distributors are sufficiently able to manage the risk of price shocks without regulatory intervention and note there has been considerable work by the Electricity Networks Association to assist Distributors in this area. Waipa Networks has demonstrated our awareness of the potential for price shocks and addressed this in our pricing strategy. Our Pricing Reform Roadmap and timetable have been cognisant of any potential for price shock. With assistance from Retailers, we have carried out significant analysis of the likely price impact of our shift to more cost-reflective pricing. This included consideration of the Deprivation index. Our price changes were found to have minimal impact whilst still allowing consumers the opportunity to make savings if they were able to shift some load (assuming Retailers passed through the pricing signals).

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

Waipa Networks supports the Panel's position on this.

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

Waipa Networks supports the Panel's position on this.

Waipa Networks supports this proposal as access to data drives better decision-making by industry participants and equalises the playing field.

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

Waipa Networks does not support the Panel's position on this.

The Commerce Commission already has wide-ranging powers and Waipa Networks does not believe there is an established, evidence-based need for additional powers. There is no evidence of widespread problematic behaviours that are unable to be regulated or managed at the moment.

#### **E8. Require smaller distributors to amalgamate**

Waipa Networks supports the Panel's position on this.

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

Waipa Networks supports the Panel's position on this.

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

Waipa Networks conditionally supports the Panel's position on this.

Waipa Networks has no intention, or desire, to cross-subsidise innovative potentially competitive services through loading its monopoly lines charges.

However we believe there are opportunities to reduce connection costs for customers through use of new technologies and that it is important to ensure Distributors are not excluded from offering these services and prevented from reducing costs to end consumers.

We also note that in the case of Distributors supplying smaller or more remote customer areas, such customers would unlikely attract the interest of independent providers of DES. Distributors, through their local presence, might wish to offer such services for the benefit of the local community and we believe this should not

be discouraged.

We support the view that flexibility for the Electricity Authority to deal with unforeseen developments in the future is important. This would allow the EA to remove potential barriers where a Distributor can demonstrate a benefit to consumers or to progress the uptake of new technologies in general.

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

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

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

Waipa Networks does not have a view on this.

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

Waipa Networks supports the Panel's position on this.

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

Waipa Networks supports the Panel's position on this.

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

Waipa Networks supports the Panel's position on this.