

9 May 2012

**Submissions** 

**Electricity Authority** 

By email <u>submissions@ea.govt.nz</u>

Consultation Paper on Voluntary Consultation Guidelines for Proposed Changes to Distributors' Tariff Structures

Meridian welcomes the opportunity to submit on the above paper in this submission made on behalf of Meridian and its subsidiary Powershop.

While Meridian broadly supports the proposed consultation guidelines, consistent with comments raised in our recent submission on model-use-of-system agreements<sup>1</sup>, Meridian considers effective monitoring will be crucial in driving timely and widespread adoption of principles and best practices incorporated into the guidelines. We welcome the indication from the Authority that it intends to monitor uptake as part of the MUoSA monitoring regime and facilitate further improvements where needed. We would, however, like to see a "traffic light" system of monitoring similar to that suggested by Meridian in its recent MuOSA submission also incorporated into the approach for monitoring adoption of the guidelines.

Specific responses to the individual consultation questions are set out at Appendix 1.

If you have any queries regarding this submission please contact me.

Yours sincerely

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Refer: http://www.ea.govt.nz/document/16390/download/our-work/consultations/retail/model-use-system-agreements/submissions/

Appendix 1: Responses to consultation questions

Question		Response
1.	Do you agree with the proposed consultation principles and good practices? If not, what changes do you suggest, and why?	Mostly agree. While Meridian recognises the guidelines are intended to complement rather than substitute for provisions set out in the Code and proposed interposed model use-of-system agreement, in the interests of promoting stated objectives of facilitating meaningful and effective engagement, Meridian would like to see the guidelines referencing more clearly MUoSA requirements on distributors to:  • provide retailers with a summary of all submissions and its responses; and  • consider in good faith all matters relevant and available to it in developing its views, including any information on a retailers' ability to recover increased costs.
2.	Do you agree with the proposed scope for the consultation process by distributors? If not, what changes do you suggest, and why?	Meridian agrees with the proposed scope for the consultation process that we consider to be consistent with relevant Code provisions.
3.	Do you agree that the Authority has taken appropriate factors into account in developing the consultation guidelines?	Meridian agrees the factors for consideration identified by the Authority are appropriate and that the proposed guidelines reflect consideration of these factors. As per our response to question 1, Meridian would, however, like to see clearer references in the guidelines to aspects of the consultation process set out in the proposed interposed model use-of-system agreement.

Question		Response
4.	Are there any other factors the Authority should also take into account? If so, please provide further details.	No additional comments.