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Sent: Thursday, 26 September 2019 11:33 AM
To: Submissions Mailbox
Subject: Transmission pricing methodology: 2019 Issues Paper

Dear Madam / Sir, I wish to comment on what is being proposed in the "Transmission Pricing Methodology" paper.

Firstly, I support the reform, but not what is being proposed. It is grossly unfair & exploitive. If you are going to reform transmission charges, do it properly.

I work at New Zealand Aluminium Smelters Ltd, and have done for 40 years. I have been part of continually improving, cost cutting, & retrenchments over the years, to just remain viable. When the LME is low, which seems to be more frequent, we struggle to make money.

Why is this?

It's because we are being exploited to pay for infrastructure in the North Island, mainly Auckland. We pay proportionately hugely more than we should.

NZAS pays the book value of the Manapouri transmission line every year.

The South Island pays 61% of the High Voltage infrastructure upgrading for the top half of the North Island . The transmission charges have increased since 2008, by 22 million. The South Island pays most of the HDVC link (Cook straight cable) cost, when most of the power flows north. Auckland pays nothing. How is that fair.

With the earlier proposal for transmission reform, NZAS was to pay 40 million less than currently. This has been watered down to \$11 million. I believe this is to appease the Auckland constituents. Also this reduction will not happen until 2024, which is not soon enough. It is blatantly obvious that NZAS is being hugely over charged and this needs to happen much sooner. Currently NZAS is the goose who keeps laying the golden egg. This threatens the viability of Smelter.

As a power consumer, not far from Manapouri, Clyde and other Hydro generation, our power should be much cheaper.

It's time for the Government and it's Companies to stop exploiting the South Island to prop up Auckland. The top of the North Island needs to start paying for what it uses, and the people need to get real and stop grizzling. They've been wrapped in cotton wool for too long. It's cold down South, our coal is being priced out of use, power is expensive for a resource just up the road, our roads are in terrible condition because of under-funding and money siphoned into North Island projects.

Stop exploiting NZAS, Southland, & the South Island for the far norths gain. Productivity of the South Island is huge and we deserve our fair share of the pie.

Regards

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