

## Overview

1. On 17 October 2016, the Chief Executive of the Electricity Authority sent a letter to the Electricity Networks Association regarding a review of distribution price structures. The review is aimed primarily at making pricing structures more efficient, service-based and cost-reflective. The letter requested that all distributors publish a plan for introducing efficient pricing before 1 April 2017, and set out the Authority's expectations as to the content of the plans. Those expectations were that each plan should include:
  - (a) a clear outline of the processes each distributor will adopt, including the nature of the consultation that will be undertaken with retailers and other stakeholders
  - (b) a timeline with key milestones and
  - (c) a discussion of distributor resourcing implications, including how resources will be allocated.
2. The Authority's letter also stated that distributors should report their progress against their plans every six months. In October 2017, the first six-monthly update was due.
3. The attached summary of the information provided by distributors is in table form. It takes the approach of grouping the information provided by distributors according to each of the expectations set out in the Authority's letter. An additional "other comments" category is also included to cover information that does not fall under any of the other categories. Information provided by distributors about time frames (expectation (b) above) has been summarised in table 2 in Appendix A, and is also available in Appendix B in the form of a graph. The graph is based on the initial information provided, with updates to take account of the progress made since then.
4. Where responses are substantively similar, they have been merged into one entry in the tables. The entries in tables A, B, and C are organised alphabetically, while table D is organised by topic.
5. The following companies have not released a roadmap for pricing reform in either their first or second submission:
  - (a) Alpine Energy
  - (b) Buller Electricity
  - (c) Electricity Ashburton and
  - (d) Marlborough Lines.
6. The roadmaps provided by the following companies have not changed substantively from the initial information provided, but the timelines for some tasks have been pushed further back:
  - (a) Eastland Network
  - (b) Network Tasman
  - (c) TOP Energy and
  - (d) Mainpower.
7. The roadmap from Horizon Energy now gives more specific timing targets for the completion of tasks.

8. Only Aurora Energy has updated its resourcing implications in its most recent information provided (previously it had not provided any information about this). Aurora indicated that it will primarily use internal resources but will complement this with external consultants if and when required.
9. Nine distributors have not (as yet) provided an update to their initial information:
  - (a) Counties Power
  - (b) Electra
  - (c) Nelson Electric
  - (d) PowerCo
  - (e) ScanPower
  - (f) The Lines Company
  - (g) Waipa Networks
  - (h) Wellington Electricity and
  - (i) Westpower.