

23 May 2019

Electricity Authority

2 Hunter St, Wellington, 6011

Dear James Stevenson-Wallace

Thank you for your letter seeking my opinion on MDAG's composition, in particular whether MDAG is over represented by members who are employed by large generators/retailers; and if so, whether to appoint a person from smaller generator/retailer.

The process of reasoning and recommendations by MDAG should of course be well-rounded and take into account the perspective of all stakeholders, including smaller retailers/participants.

As outlined to the Board on 4 April 2019 and 7 May 2019, I have not discerned any lack of balance in MDAG's consideration of issues. On the contrary, various members of MDAG have quite strongly advanced the perspective of smaller generator/retailers and the group as a whole has been deliberate in seeking to fairly weigh the interests and arguments of those parties.

My preference is that we follow the normal appointment process for the four positions that expire on the 30th of September. As usual, we should seek to ensure that the group has a rounded composition and make clear that under 6.5(b) of the Terms of Reference for Advisory Groups members are appointed to act in a personal capacity, not as representatives of organisations.

Yours sincerely



Tony Baldwin

Chair – Market Development Advisory Group