

Electricity Authority

17 November 2010

Brent Layton

Chair



Board members



David Bull



Susan Paterson



Hon. Roger Sowry



Elena Trout



Statutory Objective

Promote competition in, reliable supply by, and the efficient operation of, the electricity industry for the long-term benefit of consumers

Key Changes

No reference in the objective to:

- Fairness or environmental sustainability
- Promoting or facilitating efficient use of electricity
- Specific objectives

The objective:

- Focuses on long-term benefit to consumers
- Focuses on competition as well as reliable supply
- Focuses on efficient operation of the electricity industry

New Functions & Activities

- Consumer switching fund (3 years only)
- Pro-active market monitoring
- Security & Reliability Council (SRC) and Advisory Group(s)
- Expanded compliance role
 - Now covers Act and regulations
 - Prosecution of Code breaches through the courts
 - Authority's market administrator role now subject to Code breaches
- Undertake inquiries, including when requested by Minister

Removed Functions

Promotion of electricity efficiency	EECA
Emergency management, security of supply, medium term forecasting	System Operator
Approval of grid upgrades and setting of the grid investment test or input methodology	Commerce Commission
Development of the Statement of Opportunities (SOO) (excludes power system analysis)	MED



Independence & Stakeholder Involvement

- The Authority is an Independent Crown Entity
 - The Authority makes the Code (not Minister)
 - No requirement to “give effect” to any Government Policy Statement (GPS); if there is a GPS then required to “have regard to” it
 - Stakeholder involvement in Security and Reliability Council and Advisory Groups