

Dear Colleagues,

I write to you on behalf of my large Auckland based family.

I am excited by these proposals. I would like to submit though that despite the great vision, some key changes are needed to support building out the cheapest and most resilient energy system.

I fully agree that it is important to provide consumers with more options, and that flexible distribution generation can reduce costs for everyone into the future.

I also **agree with the high-level problems** identified by the review:

- There is no distribution price signal for injection
- Current injection plans tend to offer fixed rates only
- Low awareness of benefits of time-varying price plans.

I strongly support the proposal to **require large retailers to offer Time of Use plans** as this empowers consumers to take better control of their impact on the electricity system and their own bills (2B).

However, I **do not agree** that the Task Force's proposed solutions for 2A and 2C will address the problems and achieve what is required.

I agree with the addition of a new rule to "make sure power companies pay people who sell power to the network" (2C) and but that to do this the rule needs to be **explicitly extended beyond just "peak times"** and include:

1. Dry years and other extended periods of extra constrained supply
2. For all times, reflect the contribution of this power contribution to general supply and the role the energy is playing to reduce need for new generation assets, rather than just on the market value at peak times.

I agree that retailers should **be required to pass through benefits to consumers** from distributors paying a rebate for supply at peak times.

I support the addition of a requirement in the Code for distributors to pay a rebate when consumers supply electricity at peak times (2A). While I strongly support the objective

of the proposed amendment, **I do not support the proposed solution of principles-based rebates.**

Principles-based rebates would likely provide too much flexibility, be difficult to monitor and enforce, and not achieve the desired result. The benefits of this proposed solution are unlikely to outweigh the costs.

Instead, I **support a much simpler alternative option: consumption-linked injection tariffs** (with adequate safety valves to ensure too much power does not flow back in). This would fairly apply similar pricing to both consumption and injection during peak times. I support this being a perfectly symmetrical export tariff, and not differential as suggested. This would also strongly encourage distributors to improve their consumption tariffs. As a consumer, a symmetrical tariff is far easier to understand, and a more fair way to price electricity, where my electricity is treated just as valuable as an energy company's energy export or reduction.

These rebates should be apply to larger consumers and generators as well as mass-market consumers, as ensuring all are appropriately incentivised will lead to the lowest-cost possible distribution system for all consumers in the long-term.

For us, we have a 6 kw solar system and an electric car. We considered investing in a battery. Although it would improve resiliency, at the time, there was no possible way that it would pay for itself over time since what was stored during day would just offset electricity consumption at the same price in the evening and night. Indeed charging the car during the day would use most of what little gain there might be.

We would reconsider and add a battery (or even 2) if there was a strong, symmetrical export tariff that provided the prospect of savings over time to offset the considerable upfront cost.

Hoping that these comments are helpful

Yours Sincerely

Alistair Jan Gunn