

11 December 2025

Electricity Authority

By email: appropriations@ea.govt.nz

Tēnā koe,

Levy-funding and work plan 2026/27 – quality processes to achieve meaningful outcomes

We welcome the opportunity to respond to the Electricity Authority (**Authority**)’s issues paper on the proposed work programme and levy appropriations for the 2026/27 year. Powerco agrees with the proposed levy appropriations for the 2026/27 year. This aligns with the indication given a year ago that the Authority would be in a steady state following the 2025/26 uplift. There are no reasons to change this approach.

We make the following observations on the proposed work programme:

The quality of regulatory proposals is more important than quantity

- We strongly support prioritising initiatives by impact on the long-term benefit to consumers over quantity of items in the Authority’s work programme. Regulatory proposals must be underpinned by robust cost–benefit analysis and demonstrate alignment with the principles of the Authority’s Consultation Charter (2024) before significant industry consultation is initiated.
- A focus on quantified consumer benefit will ensure resources are directed to initiatives that deliver clear value and outcomes, maintain pace in delivery, avoid unnecessary consultation churn or rework and avoid any unintended consequences.
- It is critical that this is applied in a manner that ensures work programmes are prioritised in proportion to the consumer benefits they deliver or the consumer harm they mitigate. This approach would ensure that proportionate effort and funding is directed to areas with the greatest impact, supporting efficient and effective outcomes for consumers.

A work programme with transparency and clarity

- We recommend the Authority provide clearer visibility of priorities and actions within the work programme. The ‘plan on a page’ (page 11) outlines work programme categories linked to delivering affordable electricity for consumers. However, this page provides little indication to stakeholders about actual workstream activities.
- Transparency on specific initiatives priorities, sequencing, resourcing, and their link to strategic objectives will help stakeholders better understand trade-offs, engage with the Authority and monitor progress.
- We also recommend a more structured approach to reporting, including rationale for changes over time, to strengthen confidence in the programme and support effective engagement.

**Progressing key
priorities for FY27**

- In our view, the key initiatives for the Authority to prioritise in 2026/27 are:
 - Workstreams on distribution connection access (processes) and pricing. Completing these workstreams based on robust assessment will deliver the greatest benefit to customers. It is important that the Authority undertakes this thoroughly and avoids shortcuts.
 - These connection workstreams should be combined into a single project with the review of Part 6, including updating the distribution pricing principles to cover both load and distributed generation and repealing the Distributed Generation Pricing Principles, is essential to avoid unintended consequences that may occur if these are considered separately

This submission does not contain any confidential information. We are always keen to meet with the Authority to discuss and develop the ideas in our submissions. In the meantime, if you have any questions or would like to talk further on the points we have raised, please contact Irene Clarke [REDACTED].

Nāku noa, nā,



Emma Wilson

Head of Policy, Regulation and Markets

POWERCO