



**TRANSPOWER**

*Keeping the energy flowing*

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James Stevenson-Wallace  
Chief Executive  
Electricity Authority  
2 Hunter Street  
Wellington 6011

*By email: James.Stevenson-Wallace@ea.govt.nz*

Dear James

### **New TPM and initial prudent discount practice manual**

Thank you for your letter of 12 April confirming the Authority's decision to approve a new TPM and its commencement on 1 April 2023. We agree this is a significant milestone in what has been a very long process and we appreciate the collaborative manner in which it has been achieved.

As you acknowledge in your letter, 1 April 2023 is a challenging date. We look forward to continuing to work with the Authority to achieve it, including by providing any input the Authority may require on the enabling Code amendments.

Transpower intends using all reasonable endeavours to publish an initial prudent discount practice manual by 1 February 2023, containing the content outlined in your letter.

We are reluctant to give a best endeavours commitment as that may amount to a commitment to prioritise the manual above all other matters, including potentially more important TPM implementation work. As you say, between now and 1 April 2023 Transpower's resources will be heavily committed to essential TPM implementation tasks, and of course there will be non-TPM work that needs to be completed within the same timeframe.

I note that with the late addition of the back-dated prudent discount concept to the TPM, a delay in publishing the manual will not disadvantage potential applicants. Even if publication of the manual was delayed until after 1 April 2023 (which we do not anticipate will be the case) a customer who applies for a prudent discount within six months of publication will still have their discount back-dated to 1 April 2023 if their application is approved. With that in mind, we think there are likely to be other tasks in the coming months more worthy of "best endeavours" status than the initial prudent discount practice manual.

All of that said, at this stage we are confident we will achieve the 1 February 2023 target date for the manual. We will let the Authority know immediately if that changes.

Yours sincerely

Alison Andrew  
Chief Executive