

20 September 2019

Gretta Stephens Chief Executive New Zealand Steel Limited

By email: Gretta.Stephens@bluescopesteel.com

Dear Gretta

## Transmission Pricing Review 2019 Issues Paper – consultation timeframes

Thank you for your letter of 13 September 2019 to James Stevenson-Wallace. James has asked me to respond directly, as the executive responsible for the TPM consultation process.

You have raised a concern that "the Authority has not provided a reasonable opportunity for parties to consider and make submissions on the proposal", ie, the Transmission Pricing Review 2019 Issues Paper.

We strongly disagree with your view, and consider that the period currently allowed for consultation on the Issues Paper is both reasonable and appropriate. In particular, we note that:

- 1. The consultation period of 10 weeks is significantly longer than our standard consultation periods and is consistent with, if not longer than, other sector consultation periods on complex matters. Prior to releasing the Issues Paper, the Authority kept stakeholders up to date on its plans for releasing the Issues Paper, to assist with their planning for preparing submissions.
- 2. In addition to the 10 week consultation period, the Authority will provide a further four week opportunity for cross-submissions.
- 3. The Issues Paper released on 23 July 2019, which was supplemented by a technical paper on the CBA approach, methods, and assumptions released on the same date, contained all necessary information required for stakeholders to make a fully informed submission. However, to further assist stakeholders with developing their submissions, we have also:
  - (a) held six regional workshops from 19 August 2019 to 2 September 2019;
  - (b) held a technical workshop on 10 September 2019;
  - (c) published the cost benefit analysis technical files on 28 August 2019.

To be clear, the Authority does not consider it was necessary for stakeholders to attend a workshop or to consider the cost benefit technical files to be able to make an informed submission.

4. We have also provided stakeholders with an opportunity to ask questions on the Issues Paper by emailing or calling the Transmission Pricing project team. More specifically:

- 1. We note that the Auckland regional workshop on 22 August 2019, and the technical workshop, were both attended by New Zealand Steel. At those workshops, and all other workshops, Authority staff stayed beyond the conclusion of the workshop discussion to answer questions until the last attendees had left.
- 2. It was also open to New Zealand Steel to attend other regional workshops if it wanted to discuss the Issues Paper further.
- 3. The Authority has been open to holding further meetings with interested parties if requested.
- 4. We have received and responded to written questions from New Zealand Steel, and welcome any further questions that New Zealand Steel would like to ask to assist with preparing its submission.

For these reasons we remain of the view that the Authority has run a thorough consultation process, and do not consider that there are good reasons to extend the submission deadline.

Our project team members continue to be available to respond to any further questions New Zealand Steel may have. Similarly, please feel free to contact me direct (email rob.bernau@ea.govt.nz; phone 021 511 916) if you would like to further discuss our process.

Yours sincerely

Rob Bernau General Manager Market Design