



TRANSPOWER

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Electricity Authority

by email appropriations@ea.govt.nz

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[2021/22 Levy-funded Appropriations Consultation Paper](#)

We appreciate the opportunity to respond to the Electricity Authority's (the Authority's) consultation on its 2021/22 levy-funded appropriations.

We support the Authority's:

- focus on completing current initiatives relating to the Electricity Pricing Review recommendations and Real Time Pricing; and
- recent strategy reset, including the identification of enabling and supporting New Zealand's transition to a low-emissions economy as a strategic theme.

We agree that the Authority needs to position itself to respond to "*technological advancements, changing consumer expectations and increasing uncertainty.*" The responses required are not limited to headline projects such as the EPR and RTP. Technical changes to the Electricity Industry Participation Code (the Code) that remove barriers to the energy sector's transition are also critical elements of the Authority's strategy. In our view the Authority's appropriations should be set at a level that ensures these are progressed at a pace that keeps up with change. Delays in making these changes could result in consumers bearing unnecessary costs or receiving lower levels of service than they otherwise could receive.

We note the Authority did not progress an omnibus of Code amendments this year as it has done in previous years. We consider regular omnibus amendment processes to be an important part of maintaining the currency of the Code and would encourage the Authority to undertake such a process during 2021/22. A regular and clearly understood omnibus amendment process would allow stakeholders to put forward well-evidenced change proposals and so better support regulation to enable the industry of the future.

The Authority may wish to consider whether the industry and other stakeholders can play a greater role in assisting the Authority in assessing proposed Code amendments. This would not affect the Authority's responsibilities but may allow it to directly draw on stakeholders' resourcing and experience to efficiently assess code change proposals. We note that such arrangements exist in other countries, for example, in Great Britain industry panels are used to help assess amendments to Codes.

Joel Cook

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