

6 March 2023

Tony Baldwin  
Chairperson  
Market Development Advisory Group  
Electricity Authority  
By email to [MDAG@ea.govt.nz](mailto:MDAG@ea.govt.nz)

Dear Tony

## **PRICE DISCOVERY IN A RENEWABLES-BASED ELECTRICITY SYSTEM – OPTIONS PAPER**

NZ Steel appreciates the continuing work by MDAG on this important matter.

We have been involved in the preparation of the MEUG submission and commend this and the accompanying report of NZIER to the working group for detailed consideration.

A well-functioning competitive market is essential for the decarbonisation of New Zealand. This makes the work of the Authority in reviewing and improving the functioning of the Wholesale Market particularly important. In this regard we note para 6.12 of the MDAG paper "...the market needs significant strengthening, which is the main thrust of this paper."

Transiting to the new renewable energy world poses significant challenges and we suggest MDAG bring these to the fore in the next stage of work linking proposed courses of action with timing.

NZ Steel will be pleased to interact further with the working group and in particular bring demand side perspectives from that of a large user.

Yours sincerely



**Alan Eyes** | Energy Manager  
New Zealand Steel

**T** +64 9 375 8393 | **M** +64 21 870 629

**E** [Alan.Eyes@bluescopesteel.com](mailto:Alan.Eyes@bluescopesteel.com) | **W** [www.nzsteel.co.nz](http://www.nzsteel.co.nz)

**A** 131 Mission Bush Road, Glenbrook, Private Bag 92121, Auckland 1142