

31 March 2023

Dr Keith Turner
Chair
Transpower New Zealand
Wellington

By email: keith.turner99@gmail.com
CC: Alison.Andrew@transpower.co.nz
Rebecca.Osborne@transpower.co.nz
Sarah.Gillies@ea.govt.nz

Dear Keith,

Commencement of the new Transmission Pricing Methodology (TPM)

With the new TPM commencing on the 1st of April, I would like to take this opportunity to acknowledge Transpower's diligent efforts in successfully reaching this significant milestone, especially amidst an unusually demanding year.

In particular, I would like to recognise Rebecca Osborne and her team, who have shown commitment and perseverance in their work, which has been critical to ensuring the TPM can commence now. Their tireless efforts have been instrumental in paving the way for a transformative change in transmission pricing.

The Authority expects that the new TPM will bring substantial benefits to consumers in the years ahead, through stable, robust, and efficient transmission pricing. The new benefit-based approach will lay solid foundations for the substantial investment that will be required to meet our decarbonisation goals, by promoting the right investments being made at the right place, at the right time. Over time, the new methodology is expected to contribute to lower electricity prices for consumers and support New Zealand's efficient transition to a low-emissions economy.

Once again, the Authority acknowledges Transpower and the grid pricing team for their sustained efforts over the past year. Authority staff will continue to work constructively with the Transpower team throughout the ongoing implementation of the TPM.

Ngā mihi,

A handwritten signature in black ink, appearing to read 'Nicola Crauford', written in a cursive style.

Dr. Nicola Crauford
Chair, Electricity Authority Board