



4 November 2022

Sarah Gillies  
Chief Executive (Acting)  
Electricity Authority

By email to [appropriations@ea.govt.nz](mailto:appropriations@ea.govt.nz)

Dear Sarah

**Re: Consultation Paper - Electricity Authority consultation on 2022/23 and 2023/24 levy-funded appropriations**

Thank you for the opportunity to comment on this matter.

NZ Steel has been involved in the preparation of the submission by MEUG and fully supports the points made.

It is concerning the paper fails to justify the significant level of increase to various parts of the levy and provides no information as to the magnitude of increase for large users. It is only by extrapolating information provided to MEUG in answers to questions, that we calculate an increased cost to NZ Steel of around \$300k. This is on top of the 26% (\$250k) applying for the current year.

MEUG has rightly questioned the (lack of) value for consumers from the proposed new spend compared to alternative approaches. Inflationary pressures nor the level of engagement don't account for the magnitude of the increases to NZ Steel.

If the Authority is to pursue recovery of the total sought, then a re-examination of the allocation formula is required.

Yours sincerely



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