



21 March 2023

Electricity Authority
Level 7, AON Centre
1 Willis Street
Wellington 6011

To whom it may concern,

Re: Review of consultation and feedback processes

Thank you for the opportunity to provide a submission on the Electricity Authority's (Authority) review of the consultation and feedback processes.

We are grateful that the Authority has taken the time to review these processes. It is a sign of a mature regulator to reflect on how it engages with its stakeholders and occasionally make refinements. Broadly we are supportive of the proposed changes, with one major exception discussed below.

There are three matters we wish to raise in response to this consultation.

1. The Authority should include in this review improvements to how it notifies the sector of upcoming consultations and decisions. A better view of the likely forward consultation dates would allow stakeholders to better manage their workload and resourcing.

Currently we often have no forewarning of a major consultation paper dropping. That means none of our relevant staff have been able to plan to have capacity available to support our submissions. In the end this often drives us to ask for extensions, or provide less fulsome responses.

We appreciate that the timing of decisions and announcements have a degree of uncertainty. However, other agencies and regulators such as the Commerce Commission have been able to give an indication of forward work plans, while reserving the right for them to change.

In planning its engagement with stakeholders the Authority should also consider what other workload the sector is facing at the same time. For example, coordinating with consultations with the Commerce Commission, MBIE, and major legislative change.

2. We support the establishment of the Electricity Authority Advisory Group (EAAG), and recommend that the option 1 model is adopted.

The EAAG will help complement the Authority's regulatory expertise with up-to-date information from stakeholders on where the main pain points are, practical limitations, and other insights from those at the front line.

We also support changing the charter to remove references to advisory groups as being the primary means of developing Code amendment options. This is rightfully the role of the Authority, and it should take ownership of this responsibility, while taking advice and input from stakeholders where appropriate.

The option 1 operating model is likely the most practical. Under this option there is a small core group that co-opts others expertise as needed. We are concerned that option 3 where there is a large pool of members could lead to a cottage industry,

creating more work for stakeholders than is needed to meet the purpose of the EAAG.

To ensure a wide range of views are provided to the Authority the EAAG could have a time-limited membership, requiring rotation every 2-3 years or so.

3. We broadly support the update to the Code amendment process and removal of the Code amendment requests (CARs), but we strongly oppose the special treatment of Transpower.

While the Authority should be carefully considering issues raised by stakeholders with the Code, requiring a formal assessment of every request is not a good use of limited resource. Where a stakeholder is able to demonstrate a material problem that the Code could resolve we'd expect the Authority to consider the issue and consult on potential options to resolve it. Removing the CAR process should not change this.

However, we strongly oppose giving a quasi-regulatory role to a monopoly utility provider. While Transpower may have exposure to issues with the Code, they will often have a particular perspective that may not be aligned with public interests. A Transpower run consultation process will also never carry the same value as one run by the Authority.

There is also no reason why Transpower cannot raise issues it sees with the Code in the same way as any other stakeholder. These should go into the same wider prioritisation process by the Authority to pick out those issues worth progressing.

Kind Regards



Brett Woods, Head of Regulatory and Government Relations