

Default agreement for distribution services - Further consultation on Question 3

Consultation paper

Submissions close: 1700 Tuesday 25 October 2016

11 October 2016



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1 Purpose of this paper

- 1.1 The purpose of this paper is to seek response on a single question from the consultation paper *Default agreement for distribution services* published earlier in 2016.
- 1.2 On 26 January 2016, the Authority published a consultation paper *Default agreement for distribution services* describing a proposal to amend the Electricity Industry Participation Code (Code) to introduce a default distributor agreement (DDA).
- 1.3 The period for making submissions on that consultation paper ended on 19 April 2016.
- 1.4 The consultation paper contained five questions, but the table of questions in Appendix A on page 56 of the consultation paper inadvertently showed question 2 twice (with a minor variation to the wording) and omitted question 3.
- 1.5 The majority of submitters appear to have realised this error, and responded to question 3 in the main body of the paper. However, some submitters may have missed question 3. Therefore the Authority has decided to allow a further period of two weeks for interested parties to respond to this question.

2 Question 3 asked for comment on likely future levels of demand for UoSAs

- 2.1 The Authority's proposal in January 2016 included a Code amendment. Before amending the Code, the Authority must, among other things, prepare, publicise and consult on a regulatory statement.¹
- 2.2 Section 4 of the consultation paper set out the Authority's regulatory statement for the proposed Code amendment. The regulatory statement included an evaluation of the costs and benefits of the proposed Code amendment. Included in the evaluation of costs and benefits was a section on anticipated demand for new and replacement UoSAs.
- 2.3 Question 4 of the consultation paper asked for views on the regulatory statement in general, and this would have included the evaluation of costs and benefits, and the section on anticipated demand for new and replacement UoSAs.
- 2.4 However, question 3 asked submitters for their views specifically on the Authority's assessment of the likely levels of demand for new and replacement UoSAs in coming years. This is the question that the Authority now seeks responses to.
- 2.5 The consultation paper can be viewed here (<http://www.ea.govt.nz/development/work-programme/consumer-choice-competition/default-distribution-agreement/consultation/#c15756>).

3 What you need to know to make a submission

How to make a submission

- 3.1 Your submission is likely to be made available to the general public on the Authority's website. If necessary, please indicate any documents attached in support of your submission and any information that is provided to the Authority on a confidential basis.

¹ Section 39(1)(b) and (1)(c) of the Electricity Industry Act 2010 (Act). Note that these requirements do not apply to Code amendments made under section 39(3) or section 40 of the Act.

However, you should be aware that all information provided to the Authority is subject to the Official Information Act 1982.

- 3.2 The Authority's preference is to receive submissions in electronic format (Microsoft Word) in the format shown in Format for submissions. Submissions in electronic form should be emailed to submissions@ea.govt.nz with "Consultation Paper—Question 3 Default agreement for distribution services" in the subject line.
- 3.3 If you cannot send your submission electronically, post one hard copy to either of the addresses below, or fax it to 04 460 8879.

Postal address

Submissions
Electricity Authority
PO Box 10041
Wellington 6143

Physical address

Submissions
Electricity Authority
Level 7, ASB Bank Tower
2 Hunter Street
Wellington

- 3.4 Please note the Authority wants to publish all submissions it receives. If you consider that we should not publish any part of your submission, please
- (a) indicate which part should not be published
 - (b) explain why you consider we should not publish that part
 - (c) provide a version of your submission that we can publish (if we agree not to publish your full submission).
- 3.5 If you indicate there is part of your submission that should not be published, we will discuss with you before deciding whether to not publish that part of your submission.
- 3.6 However, please note that all submissions we receive, including any parts that we do not publish, can be requested under the Official Information Act 1982. This means we would be required to release material that we did not publish unless good reason existed under the Official Information Act to withhold it. We would normally consult with you before releasing any material that you said should not be published.

When to make a submission

- 3.7 Please deliver your submissions by **5pm on 25 October 2016**.
- 3.8 The Authority will acknowledge receipt of all submissions electronically. Please contact the Submissions' Administrator if you do not receive electronic acknowledgement of your submission within two business days.

4 Format for submissions

4.1 Please provide your response to the following question:

| No | Question | Your response |
|----|--|---------------|
| 3 | What are your views of the Authority's assessment of the likely levels of demand for new and replacement UoSAs in coming years? Please support your response to this question with reasons and your alternative quantified assessment, if any. | |