

31 August 2023

Electricity Authority Te Mana Hiko distribution.pricing@ea.govt.nz

Tēnā koutou

## **CROSS SUBMISSION ON ISSUES PAPER: TARGETED REFORM ON DISTRIBUTION PRICING**

Unison Network Limited (**Unison**) is an electricity distribution business (**EDB**) operating in Hawke's Bay, Taupō and Rotorua. Centralines Limited (**Centralines**) is an EDB operating in Central Hawke's Bay. This follows Unison and Centralines short substantive submission on the Issues Paper.

The purpose of this cross submission is to confirm <u>support</u> to some of the positions of submitters, as described in their 15 August 2023 submissions. The detail is not repeated, but references provided to the relevant section of their submission. Unison and Centralines provide high-level comment on the topic.

| Submitter                 | We support  |
|---------------------------|---|
| Cost-reflective pricing   |   |
| Aurora                    | Paragraphs 5 and 6  |
| ENA                       | Paragraph 1   |
|                           | Executive Summary   |
| Northpower and Top Energy | Paragraph 11  |
| Unison and Centralines    | The level of change that has occurred in distribution pricing is positive   |
|                           | although we acknowledge that there is urgency to encourage an   |
|                           | increased emphasis.   |
| Peak period price signals |   |
| EA Networks               | Reply to Q3A  |
| ENA                       | Reply to Q3A  |
| Northpower & Top Energy   | Paragraph 34  |
| Powerco                   | Reply to Q3A  |
| Consumer Advocacy Council | Paragraphs 6.1 and 6.2  |
| Vector                    | Paragraph 66  |
| Unison                    | <ul> <li>The use of peak price signals should be considered in combination with other options and will deliver progressively reduced response as fixed charges increase.</li> <li>The potential for sharp differential between peak and off-peak rates could result in shifted peaks, and increased price risk for</li> </ul> |
|                           | households in energy hardship.  |
| Off-peak price signals    |   |
| Powerco                   | Reply to Q9   |
| Orion                     | Reply to Q10  |

| The Lines Company         | Reply to Q11  |
|---------------------------|---|
| Unison                    | Moving to zero or close to zero off-peak prices will be desirable and   |
|                           | achievable once the transition from LFC regulations is complete.  |
| Target Revenue Allocation |   |
| Aurora                    | Reply to Q14 and Q15  |
| WEL Networks              | Reply to Q14  |
| Unison                    | <ul> <li>Any change to revenue allocation methodology will result in potentially significant price shocks for consumers.</li> <li>Change will need to be gradual and relatively permanent.</li> <li>The underlying reasons for change will need to be robust and not politically motivated.</li> </ul>    |
| Connection pricing        |   |
| EA Network                | Reply to Q19  |
| Wellington Electricity    | Reply to Q19  |
| WEL Networks              | Reply to Q19 and Q20  |
| Unison                    | <ul> <li>Connection pricing needs to be considered in coordination with many contributing factors, some of which are specific to the relevant network.</li> <li>The contribution pricing policy requires a degree of consistency in order to maintain fairness for current and new connectors.</li> </ul> |

Ngā mihi

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