

Electricity Authority  
7 Feb 2024

by email to: compliance@ea.govt.nz

Electricity Authority

Re: Application for dispensation from Part 6A of the Electricity Industry  
Participation Code – Anne Urlwin

#### 1) Competition

The Electricity Act in Sec 15 and The Code Part 6A make a clear declaration that the intention of the Code is to promote competition in the Electricity Industry. Competition is a precious thing that must be real and must be seen to be real.

*6A.1(1) The purpose of this Part is to promote competition in the electricity industry by restricting relationships between a distributor and a generator or a retailer, where those relationships may not otherwise be at arm's length.*

A competitive electricity market is very important for consumers, Electricity is a vital part of staying warm, safe, secure and fed and is for the most part not discretionary spending. In a small country such as New Zealand the electricity industry contains natural monopolies and we rely on the Electricity Authority to enforce competition to ensure reliable supply at a reasonable price.

I am aware of the effects of reduced competition in the retail electricity market, I live in a community where the retail electricity market suffers from reduced competition due to the actions of a community trust, the harmful consequence of this is my community pay the highest electricity energy component prices in New Zealand (MBIE QSDEP) , this has the most severe impact on the young, the old, the sick, the disabled and the poor.

While this application for dispensation has nothing to do with the problem in my community, any application should be scrutinised very carefully and the natural default condition should be to deny dispensation. I appreciate the opportunity to comment on this application.

#### 2) Granting dispensation

The Code section 6A.9 allows the granting of exemptions when it is necessary for or is likely to better achieve the Authority's objectives which primarily is competition (Sec 15 of the Act). The bar for granting an exemption would seem to be high, it would seem that the fact that there is not likely to be a problem is not reason enough.

#### 3) Previous published dispensations

I note the exemption granted to Mark Binns relating to directorships of Mercury and Auckland Airport. The exemption for Mark Binns would seem to make sense given the restricted scope of the Auckland Airport electricity network.

#### 4) Comment on this application.

I do not know Ms. Urlwin and have no knowledge of any specific concerns, my comments are made as a matter of principle.

Ms. Urlwin is a director of Vector and Infratil but not of Manawa Energy. Infratil is not just an investor in Manawa Energy, they hold a majority shareholding and have been widely reported to be directing the recent history of Trustpower including spin off of TILT, sale of the retail business to Mercury and rebranding of Trustpower as Manawa Energy. It seems obvious that Ms Urlwin as a Director of Infratil must be involved with decisions involving Manawa Energy beyond the original decision to invest in Manawa Energy. Infratil is not operating at arms length. It is also clear that Infratil is a substantial owner of various offshore renewable energy producers which may in the future impact with other NZ electricity industry participants here or overseas, this will need to be monitored.

I also note that Ms Urlwin is a Director of Ventia. According to the website, Ventia is a significant provider of services to Transpower. Ms Urlwin has also been a Director of Meridian. Ms Urlwin clearly has recent knowledge from governance in all sectors of the Electricity Industry.

I suggest that this application for exemption should be denied, it will not enhance competition nor does it enhance the Authorities ability to enhance competition. It should always have been obvious that there is a potential problem here which should have been addressed twelve months ago. The Electricity Industry should be aware that the Electricity Authority has a prime responsibility to consumers and small businesses and needs to show it will act accordingly in line with the act and Code.

David Riley