

# Annual levy-funded appropriation consultation

User: Sam Fleming

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## Summary of information submitted

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***First name***

Sam

***Last name***

Fleming

***Email***

[REDACTED]

***Organisation***

Meridian Energy Limited

***Position***

Manager - Regulatory and Government Relations

***1. Do you support the Authority's proposal for a permanent baseline increase to its Electricity Industry Governance and Market Operations appropriation of \$14.2 million for 2024/25, bringing the total appropriation to \$115.0 million?***

Yes

**2. Do you support the Authority's proposal for maintaining the contingent appropriation for Managing the Security of New Zealand's Electricity Supply at its current level of \$6.0 million over five years?**

Yes

**3. Do you support the Authority's proposal for maintaining the contingent appropriation for the Electricity Litigation Fund for 2024/25 and outyears at \$1.5 million?**

Yes

**4. If you have any comments on the Authority's proposed funding (questions 1-3), please add those here**

It is difficult for external stakeholders like Meridian to assess the extent to which the Authority is adequately resourced to carry out its statutory objectives effectively.

Meridian acknowledges that the electricity system is undergoing rapid transformation, that electricity demand is expected to grow, new technologies are being adopted, and new challenges are arising. The Authority's funding has been suitable for historically flat demand and incremental changes, whereas the evolution of the market that is underway requires an expansion of the Authority's work and therefore funding.

The independent baseline review by the Ministry of Business, Innovation and Employment and the subsequent work to assess potential funding options provides assurance that the proposed increase had been well scrutinized.

Meridian agrees that funding Option 2: Relieving pressure will adequately support the Authority's high priority work programme and enable it to make timely and evidence-based decisions on the things that matter most, while minimizing the cost burden on levy payers.

Awareness of the financial pressures on households and businesses should be central to all levy funding decisions and should drive efficiency improvements by the Authority wherever possible. We are encouraged that demonstrating efficient use of existing resources has been a key focus over the past 12 months following the baseline review and that this included identification of room for improving efficiency by focusing more on core functions as a regulator and minimizing spending on boundary issues. We would like to see the Authority consider how each of its projects contributes to levy costs and, where appropriate, deprioritize lower value projects.

***5. If you have any comments on the Authority's vision and intended outcomes, please add those here***

***6. If you have any comments on the Authority's indicative work programme for 2024/25, please add those here***

***Written submission and/or supporting documentation***

***The Authority intends to publish all submissions. Are you happy for the Authority to publish your submission?***

Yes

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