Energy Competition Task Force Q&A Forum Level playing field measures

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Our host for the session



Rob Bernau

Energy Competition Task Force Programme Lead Electricity Authority Te Mana Hiko



He Karakia Tīmatanga me te Whakakapi Kaupapa

Kia tau ngā manaakitanga a te mea ngaro ki runga ki tēnā, ki tēnā o tātou Kia mahea te hua mākihikihi kia toi te kupu, toi te mana, toi te aroha, toi te Reo Māori kia tūturu, ka whakamaua kia tīna! Tīna! Hui e, Tāiki e! Let the strength and life force of our ancestors Be with each and every one of us Freeing our path from obstruction So that our words, spiritual power, love, and language are upheld Permanently fixed, established and understood! Forward together!



For today's session

- This session will be recorded and the slides published on our website
- Please feel free to ask questions after the brief overview click on the 'raise hand' symbol or type your question into the Q&A function in Teams
- Any questions that can't be covered in the session will be answered after the session and made available in our Q&A guide on the level playing field measures consultation webpage.



Energy Competition Task Force

Eight initiatives to strengthen the electricity market's performance by

- enabling new generators and independent retailers to enter, and better compete in the market
- providing more options for consumers.



Preferred level playing field measure

Non-discrimination obligations are currently the preferred way to level the playing field between the four large gentailers – Genesis, Contact, Meridian and Mercury – and independent participants in the electricity market

- We are proposing a progressive approach to nondiscrimination obligations, supported by increased monitoring of gentailers' responses and consumer outcomes
- If implemented, and if the first step proves insufficient, we could then escalate to more prescriptive ways of levelling the playing field.



Level playing field proposed approach

Our proposed progressive approach to giving all participants equal access to electricity hedge contracts

Step 1: Principles-based non-discrimination requirements

Step 2: Non-discrimination requirements set out in detail (if needed)

Step 3: All gentailer-supplied hedge contracts must be traded through a regulated market, on equal terms for all buyers (if needed).

The options paper also reconsiders the potential role of another Task Force initiative – virtual disaggregation.



Rationale for progressive approach

Our current view is that the proposed progressive approach – if implemented – would

- create the most value for consumers of the options we considered
- balance the significant long-term benefits of promoting competition with the nearer-term risks of direct market intervention
- be the fastest and most effective way to level the playing field to increase competition and ultimately give consumers more choices and lower power prices.



Have your say

We've presented our current view – now we want to hear from you!

How to provide your feedback

- Email us at <u>levelplayingfield@ea.govt.nz</u>, with the subject line 'Feedback on Level Playing Field measures'
- Provide a verbal submission contact us at <u>levelplayingfield@ea.govt.nz</u> or call 04 460 8860
- Use the <u>simplified feedback form</u> available on the level playing field measures consultation webpage.



He Karakia Whakakapi

Kia whakairia te tapu Kia wātea ai te ara Kia turuki whakataha ai Kia turuki whakataha ai Haumi e. Hui e. Tāiki e! Restrictions are moved aside So, the pathways is clear To return to everyday activities



Contact us: levelplayingfield@ea.govt.nz

