



Press Release

For immediate release

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CUSTOMERS' BEST INTERESTS AT THE HEART OF COMMERCE COMMISSION'S OPEN LETTER ON HOW NEW TECHNOLOGY WILL BE CHARGED FOR

The Electricity Retailers' Association of New Zealand (ERANZ) welcomes the open letter and the gathering of information from the Commerce Commission, which will focus on ensuring that the distribution costs that consumers must pay for through their power bills are kept to only those necessary to deliver the regulated monopoly services, which is transporting electricity by line. There is a particular focus on investment in electric vehicle chargers, which the Commission has made clear should not be included in regulated asset bases, but they also note the importance of transparency for the use of all evolving technologies.

“This is a really important issue, says Jenny Cameron, CE, ERANZ. We wholly support competition, but it must be on a level playing field so that customers benefit.

“We have been talking about the need for regulation to keep pace with emerging technologies with the Commerce Commission for the past three years, so this announcement is welcomed and timely, says Ms Cameron.

“Electricity distribution companies have an incredibly important role to play in ensuring networks are fit for current and future needs, and recent events have shown how important it is to have a resilient network.

“We strongly support lines companies being a platform that uses technology to make their businesses more efficient and resilient, as this can lower costs for consumers. These technologies and services must be openly procured from the competitive market to support the functions of the lines network. But we agree with the Commission that we don’t want to see a situation where regulated monopolies have an unfair advantage or distort the competitive market. This is especially true some of these developing areas such as EV charging, solar, battery storage and home automation systems, which are becoming increasingly competitive as technology improves and manufacturing costs fall, she says.

“How New Zealanders use electricity in the future is a very exciting space to be working in. Competition is developing in all of those areas, from a range of businesses.”

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About ERANZ

The Electricity Retailers Association of New Zealand was established in August 2015 to represent the electricity retail industry on important sector-wide issues such as delivering value to stakeholders and consumers, and supporting the continued development of an open, competitive, sustainable and effective electricity market for the benefit of customers.

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