

E/6/3/3

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2013 review
Electricity Group
Energy and Communications Branch
Ministry of Economic Development
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**Review of Section 62 of the Electricity Act 1992 'Continuance of Supply'
(2013 review)**

Unison Networks Limited (Unison) welcomes the 2013 review by the Ministry of Economic Development (MED), and supports the submission from the Electricity Networks Association (ENA).

Unison is a powerlines company, whose network encompasses the areas of Hawke's Bay, Taupo, and Rotorua. Unison is the fourth largest electricity powerlines company in New Zealand with over 104,000 consumer connections.

In particular, Unison supports the following points advocated by ENA:

- The MED's Discussion Paper (Paper) does not adequately consider the implications of extending the supply obligation in section 62. To the extent it does not provide sufficient justification for the extension of that obligation.
- Further review and consideration of resulting implications needs to be undertaken before a decision can be made. The formation of a working group by MED for this purpose would provide an appropriate forum.
- The current reviews of the Electricity Industry Reform Act and Part 4A of the Commerce Act need to take account of both the current obligation and any intended extension of the obligation to supply. Certainty is required from proposed legislative and regulatory changes so an informed decision can be made.
- Clarity is required on the definitions and terms used within the paper, so the impact on the business can be properly assessed.
- Before a decision can be made on alternative supply obligations, further research of new technologies needs to be undertaken. Investors in energy services need to be encouraged to further innovate and adopt new technologies, which stems from the ability to generate commercial returns. By

addressing problems of alternative supply solutions, reliance on the extension of section 62 could be mitigated.

- Clearer identification of costs for the lines companies if the supply obligation is continued in a particular form.

In summary we strongly support ENA's preferred approach, that firstly a working group of key stakeholders needs to be established, to conduct a full review of section 62 and how to proceed.

Unison wish to have the opportunity to be heard on the submission. Should you require further information on this matter, please contact Amanda Reid directly on 06 873 9732.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'A Reid', is positioned above the typed name.

Amanda Reid

Regulatory Affairs Analyst