

16 March 2009

Electricity Group  
Energy and Communications Branch  
Ministry of Economic Development  
Wellington  
Via email: [electricity@med.govt.nz](mailto:electricity@med.govt.nz)

Dear Sirs,

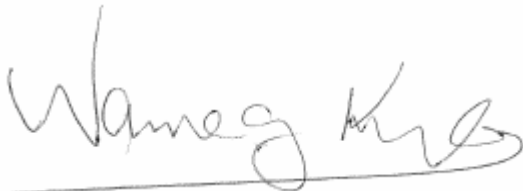
The Auckland Energy Consumer Trust, which owns 75.1% of Vector Limited, is appreciative of the opportunity to comment on the proposed amendments to the Government's Policy on Electricity Governance. We understand that Vector itself is making its own submission to the Electricity Commission and the Trust is very supportive of that submission. We do however wish to highlight two important issues.

Firstly there is the question of security of supply to the Auckland region. This region is the economic powerhouse of the country and it is critical that power outages are kept to the minimum. Security of supply is not only security of supply in generation and transmission but also in functioning distribution networks. Vector must not be restricted by overburdening regulation and must be given the ability to appropriately invest in its distribution network to maintain a high level of service to its users.

Secondly the Trust recognizes there is a clear need to increase the country's generation capacity and is very supportive of the Government's plans to do so. In this respect the Trust also believes there should be a reconsideration of the vertical integration of generation and retail energy providers.

We would welcome the opportunity to discuss our comments further should you wish to do so. We believe the decision to review the existing structure on Electricity Governance is very timely.

Yours sincerely



Warren Kyd  
Chairman

