



MAJOR ELECTRICITY USERS' GROUP

17 April 2009

Bronwyn Christie
Electricity Commission
By email to submissions@electricitycommission.govt.nz

Dear Bronwyn

Submission in support of approving a joint Electricity and Gas complaints resolution scheme

1. This is a submission by the Major Electricity User's Group (MEUG) on the consultation paper released by the Electricity Commission (EC) and Gas Industry Company (GIC) "Proposal to Approve a Joint Electricity and Gas Complaints Resolution Scheme" March 2009¹. The paper proposes the Electricity and Gas Complaints Commission (EGCC), subject to the EGCC making certain amendments, be approved as the single nationwide complaints resolution scheme.
2. MEUG seeks a robust process for resolving complaints by small users of power because we support robust governance at all levels of the industry. I am also a Consumer NZ nominated representative on the EGCC Scheme Amendment Committee.
3. Considerable work has been undertaken over several years by the EC, GIC, Ministry of Consumer Affairs, EGCC, Transpower, distributors, suppliers and consumer groups to reach the point at which a joint nationwide scheme is to be approved. The options and cost-benefit-analysis in the consultation paper reflect this accumulated work and experience with the EGCC scheme since it was established in 2002. MEUG agrees with the options and cost-benefit-analysis and therefore support the EC approving the EGCC scheme and the GIC recommending to the Minister the scheme be approved.
4. Last week Genesis Energy (and its subsidiary Online Energy) and Mighty River Power voted against changes to the EGCC scheme to make it fully compliant with the EC and GIC requirements. This appears to be more a philosophical stance against supporting any single service provider than disagreeing with relatively minor changes to the EGCC scheme. The EC and GIC have two choices. Either approve the EGCC as proposed or abandon the proposal. The latter will still leave a policy gap in so far as there will not be a robust nationwide dispute resolution process. This will lead to further policy reviews, consideration of options and implementation of a preferred option. We don't think the cost of abandoning the current proposal and restarting that debate will lead to a better outcome. It may even lead to a less preferred option. Hence approving the EGCC scheme remains the best solution.

Yours sincerely

Ralph Matthes
Executive Director

¹ <http://www.electricitycommission.govt.nz/consultation/complaints-resolution/view>