

Memorandum of Understanding

Between

Electricity Authority Te Mana Hiko

And

Consumer Advocacy Council

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Te Mana Hiko

And Consumer Advocacy Council

Introduction

1. The Electricity Authority Te Mana Hiko (Authority) is an independent Crown entity established on 1 November 2010 under the Electricity Industry Act 2010 (Act). The Authority is responsible for overseeing and regulating the New Zealand electricity industry. When performing its functions, the Authority must act consistently with its objectives (section 14 Crown Entities Act 2004). The Authority's objectives are contained in section 15 of the Act.
2. On 31st December 2022 the Act was amended to give the Authority an additional statutory objective alongside its existing (now main) objective. Section 15 of the Act now provides that:
 - a. The main objective of the Authority is to promote competition in, reliable supply by, and the efficient operation of, the electricity industry for the long-term benefit of consumers.
 - b. The additional objective of the Authority is to protect the interests of domestic consumers and small business consumers in relation to the supply of electricity to those consumers. The additional objective applies only to the Authority's activities in relation to the dealings of industry participants with domestic consumers and small business consumers.
3. The Consumer Advocacy Council (the Council) is the independent advocate for residential and small business electricity consumers in Aotearoa New Zealand. the Council was established as a Ministerial Advisory Committee in early 2020 after the Electricity Price Review ¹(EPR) found that small electricity consumers — residential and small business customers — were struggling to make their voice heard within the electricity sector.
4. To mitigate this, the EPR recommended² (among other initiatives) a Consumer Advocacy Council should be established to:
 - a. be a trusted, credible, authoritative and independent advocate for residential and small business electricity consumers
 - b. operate independently of electricity industry participants, regulators and Government.

¹ [Electricity Price Review: Final Report \(mbie.govt.nz\)](https://www.mbie.govt.nz/electricity-price-review-final-report)

² [Electricity Price Review: Final Report \(mbie.govt.nz\)](https://www.mbie.govt.nz/electricity-price-review-final-report) p.14

5. The Council is governed by a board and supported by a Secretariat who provide administrative and contract research and expert advisory services.

Purpose of the MoU

6. The purpose of this Memorandum of Understanding (MoU) is to record the principles and objectives the parties expect to underpin their ongoing relationship.

Roles and responsibilities in common areas of interest

7. The parties work in areas of common interests relating to the supply of electricity to New Zealand consumers – specifically domestic and small business consumers. Both parties, either directly or indirectly, work to improve consumers' experience of New Zealand's electricity.

Objectives

8. This memorandum seeks to ensure:
 - a. timely and transparent communication between the parties
 - b. sharing of information, insights and expertise for the mutual benefit of both organisations and ultimately New Zealand electricity consumers
 - c. a productive working relationship to ensure regulatory decision-making process considers consumer voices.

How we will work together

9. The parties recognise the importance of mutual consultation in areas where there is potential for their responsibilities to overlap, recognising our decisions will be made independently.
10. The parties recognise the value of sharing information and data where appropriate and practicable.
11. The parties acknowledge that some information is not always able to be shared, for example confidential information. Where confidential information is able to be shared, the party receiving the confidential information will keep the information secure and protected against misuse, theft and loss and will not disclose the information except where; (i) it has the agreement in writing of the disclosing party; or (ii) where disclosure is required to enable the Authority to carry out its obligations, duties and functions under the Act, regulations made under the Act, or the Code; or (iii) is required or permitted by law.
12. In addition, the Parties recognise they each have obligations and processes under their own policies and procedures in relation to information collection, sharing and storage and each must comply with all relevant legislation, including but not limited to:
 - a. Privacy Act 2020; and
 - b. Copyright Act 1994.

And in the case of the Authority, the following legislation:

- c. Electricity Industry Act 2010;
 - d. Electricity Industry Participation Code 2010;
 - e. Official Information Act 1982;
 - f. Public Records Act 2005; and
 - g. Crown Entities Act 2004.
13. In areas of common interest, the parties will use reasonable endeavours to notify each other of activities and keep each other informed of progress on those matters including:
- a. Where possible, parties will give each other copies of relevant publications including advance copies of and a briefing on the publication before its public release.
 - b. Both parties will endeavour to involve one another early and often on stages of work including where relevant on issues, analysis and draft options.
 - c. The parties will each endeavour to provide information forums for staff of the other organisation including topics such as roles, technical issues, regulatory framework, responsibilities as appropriate to support the operation of this MOU.
14. Nominated representatives from each party's organisation will endeavour to meet approximately every two months to:
- a. inform each other about activities that may be of interest to the other party
 - b. identify opportunities for joint activities or sharing of information
 - c. discuss any issues with existing arrangements or where one organisation's activities may impact the information received by the other
 - d. report on any development that may impact on the other party.
15. Representatives of the parties may contact each other outside of the regular meetings to request advice or information on issues that are within the responsibility of each organisation. The party receiving the request will respond as soon as reasonably practicable.
16. Reports may be provided in writing or verbally at regular meetings as agreed between the parties.

Contact persons

Sarah Gillies
Chief Executive
Electricity Authority

Deborah Hart
Chair
Consumer Advocacy Council

Management of MoU

17. Nothing in this MoU is intended to limit or affect the independence of either party.
18. This MoU:
- a. is a public document and can be provided to any external party to confirm the arrangements that operate between the parties
 - b. may be published by the parties on their respective websites

- c. is intended to be facilitative only and to assist the parties in the performance of their respective functions
- d. is not intended to create legally enforceable rights or obligations
- e. may be amended at any time by written agreement between the parties
- f. may be terminated by either partner giving three months written notice to the other party.
- g. will continue to be in force until such time as another MOU is agreed and signed between the parties or the MOU has been terminated. A review can be initiated at any time by either party.

Issues and dispute resolution

19. Both parties will use their best endeavours to resolve any issue in a timely manner and in the way that best supports the objectives of this MoU.
20. In the event of issues arising between the parties they will be resolved, or if necessary, escalated for resolution, in accordance with the following order and timeframe:
- a. The Authority and CAC personnel, if unresolved within two weeks, then escalated to
 - b. the Chief Executive of the Authority and the Chair of CAC who will agree on what further action is required.
21. Solutions to issues need to be consistent with the roles and mandates of each party.

Signed for an on behalf of the Electricity Authority

Date 15 August 2023


Sarah Gillies
Chief Executive



Deborah Hart, Chair

Signed for an on behalf of the Consumer Advocacy Council

Date: 15 August 2023