

From: Charles Teichert
To: Andy Doube
Cc: S9(2)(a)
Subject: RE: [External] Letter from Electricity Authority to Nova Energy - Response to Fact Checking
Date: Friday, 3 December 2021 11:16:13 am
Attachments: [image001.jpg](#)
[image002.png](#)
[image003.gif](#)
[image004.jpg](#)

Thanks Andy

From: Andy Doube S9(2)(a)
Sent: Friday, 3 December 2021 10:15 am
To: Charles Teichert S9(2)(a)
Cc: S9(2)(a)
Subject: FW: [External] Letter from Electricity Authority to Nova Energy - Response to Fact Checking

Hi Charles – just confirming this has been published now thanks Andy

From: Andy Doube S9(2)(a)
Sent: Wednesday, 1 December 2021 12:58 pm
To: Charles Teichert S9(2)(a); Joey Au S9(2)(a)
Cc: S9(2)(a); S9(2)(a)
Subject: RE: [External] Letter from Electricity Authority to Nova Energy - Response to Fact Checking

Thanks Charles – we'll sort that out. Kind rgds Andy

From: Charles Teichert S9(2)(a)
Sent: Wednesday, 1 December 2021 12:27 pm
To: Andy Doube S9(2)(a); Joey Au S9(2)(a)
Subject: RE: [External] Letter from Electricity Authority to Nova Energy - Response to Fact Checking

With Joeys correct email address

From: Charles Teichert
Sent: Wednesday, 1 December 2021 12:25 pm
To: S9(2)(a); Andy Doube S9(2)(a)
Cc: Paul Baker S9(2)(a); Babu Bahirathan S9(2)(a); S9(2)(a)
Subject: FW: [External] Letter from Electricity Authority to Nova Energy - Response to Fact Checking

Hi Joey and Andy

In reviewing the material published on the EA website re the fact checking exercise we

corresponded on in early October the below email has not been included – presumably in error.

Consistent with the correspondence disclosed for other parties the email below should also be listed and posted together with the other related comms as published.

Please let us know if you have an issue with that.

Regards

Charles Teichert
GM Commercial & Strategy
Nova Energy
Ph S9(2)(a)
Mob S9(2)(a)

From: Paul Baker S9(2)(a)
Sent: Thursday, 7 October 2021 5:26 pm
To: Joey Au S9(2)(a)
Cc: Andy Doube S9(2)(a); Babu Bahirathan
S9(2)(a); Charles Teichert S9(2)(a); S9(2)(a)
Subject: RE: [External] Letter from Electricity Authority to Nova Energy - Response to Fact Checking

Hi Joey, Andy

I understand you are not seeking feedback, other than fact checking at this stage, but I will note that there is concern here that high electricity prices are being attributed to gas producers.

This view is evident in the reported comment by Forsyth Barr:

Forsyth Barr says it believes the market is working as it is supposed to.

“High prices indicate the wholesale electricity market is functioning, albeit we recognise the question the EA is looking at is whether they are too high,” it says.

“High prices are sending the right signals to invest in new generation. In addition, the main cause of the rising wholesale electricity prices is high thermal fuel costs (spot gas costs have more than doubled since 2018) and rising carbon prices (spot carbon costs have tripled since the beginning of 2018), so the signal is to displace thermal generation.”

Source: [Nervous wait for wholesale price review report | Energy News](#) Highlight mine

As is currently being demonstrated in global energy prices, tightness in any one energy

source lifts prices for all forms of energy, i.e. prices for coal, oil, gas, lpg etc are closely linked.

In the NZ context, the hydro generators set higher prices to protect themselves from being short in the event of continued low inflows, the subsequent higher electricity prices created a higher value for gas, in effect a new equilibrium price between energy sources was required. In the short term with limited flexibility for increased supply (or demand response), that short term signal can be very strong, but an equilibrium price was achieved.

I am sure that you will understand the issues, but we also need to see that reflected in how the price drivers are reported to the wider market.

Regards
Paul

From: S9(2)(a) **On Behalf Of** Joey Au
Sent: Thursday, 7 October 2021 12:00 PM
To: Paul Baker S9(2)(a)
Cc: Andy Doube S9(2)(a); Joey Au S9(2)(a)
Subject: [External] Letter from Electricity Authority to Nova Energy - Response to Fact Checking

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Dear Paul

Please find letter **attached** from Andrew Doube, re: Fact checking process for the Review of competition in the wholesale market.

Kind regards
Joey Au

☐ **Joey Au**
Acting General Manager – Market Policy
My emails are often brief. Here's [why](#)

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