

To whom it may concern

My name is Charles Widdicombe, and I'm a 48 year old finance professional working at an energy company, and father of 3 boys from New Plymouth.

In my specific case, we installed 11.1kW of solar at our lifestyle property in New Plymouth last November (10kW inverter), and secured a reasonable buy-back rate locked in for 5 years. This was critical to my decision to invest in solar.

More generally, I, like many others, am excited by the potential of better empowering consumers who are fundamentally reshaping our energy future. While these proposals are a step in the right direction, key changes will ensure individuals make decisions that lead to Aotearoa New Zealand building out the cheapest yet most resilient energy system possible.

This is important to me because both the decarbonisation of the country and achieving affordability relies on a fair and reasonable energy system that works for consumers.

I agree with the stated aim of providing consumers with more options, and that flexible distribution generation can help drive down costs for everyone into the future.

I also agree with the high-level problems identified:

- A missing distribution price signal for injection
- Current injection plans tend to offer fixed rates only
- Low awareness of benefits of time-varying price plans.

I agree with the proposal to require large retailers to offer Time of Use plans as this empowers consumers to take better control of their impact on the electricity system and their own bills (2B). I myself actively sought out at a minimum a day and night rate when we switched to having solar. I was previously with Electric Kiwi that had a shoulder rate and a free hour of power, which influenced the timing of our power consumption significantly. Even with solar, we focus on using power when the sun is out (for example, putting our hot water heat pump on a timer to run in the middle of the day).

However, I do not agree that the Task Force's proposed solutions for 2A and 2C will address the problems and achieve what is required.

I agree with the addition of a new rule to "make sure power companies pay people who

sell power to the network” (2C) and but that to do this the rule needs to to be explicitly extended beyond just “peak times” and into:

- Dry years and other extended periods of extra constrained supply
- For all times, reflect the contribution of this power contribution to general supply and the role the energy is playing to reduce need for new generation assets, rather than just on the market value at peak times.

I agree that retailers should be required to pass through benefits to consumers from distributors paying a rebate for supply at peak times.

I support the addition of a requirement in the Code for distributors to pay a rebate when consumers supply electricity at peak times (2A). While I strongly support the objective of the proposed amendment, I do not support the proposed solution of principles-based rebates.

Principles-based rebates would likely provide too much flexibility, be difficult to monitor and enforce, and not achieve the desired result. The benefits of this proposed solution are unlikely to outweigh the costs.

Instead, I support the alternative option of consumption-linked injection tariffs (with adequate safety valves to ensure too much power does not flow back in). This would fairly apply similar pricing to both consumption and injection during peak times. I support this being a perfectly symmetrical export tariff, and not differential as suggested. This would also strongly encourage distributors to improve their consumption tariffs. As a consumer, a symmetrical tariff is far easier to understand, and a more fair way to price electricity, where my electricity is treated just as valuable as an energy company's energy export or reduction.

These rebates should be apply to larger consumers and generators as well as mass-market consumers, as ensuring all are appropriately incentivised will lead to the lowest-cost possible distribution system for all consumers in the long-term.

I decided to 'over-size' my solar rather than do solar and battery. This was mainly because the payback on a battery (particularly because our property is 3 phase) didn't justify the extra cost. i.e. the 'arbitrage' of shifting the solar to shoulders or using the battery to fill at night was not enough to cover the capital cost of the battery. I am "lucky" in that our EDB offers a reasonable daily tariff rate and that we have a large shed on which to put the extra solar. A fairer price for injecting at peak periods would support the decision to invest in a battery.

A strong monitoring and reporting regime to ensure compliance and provide valuable insights is critical across all changes. Complementary Code changes should be undertaken to ease the process of solar and battery installation and upgrades for consumers, and enable them to maximise the size of their contribution to the system.

Household Distributed Energy Resources can add significant value to our energy system, but the settings need to be fair and economically viable.

Regards

Charles Widdicombe

