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Anna Kominik
Chair
Electricity Authority

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Chair
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Submission on Improving Pricing Plan Options for Consumers: Time-varying Retail Pricing for Electricity Consumption and Supply

Electric Kiwi welcomes the opportunity to provide feedback on the *Improving Pricing Plan Options for Consumers* consultation (TOU paper). We support initiatives that empower consumers and encourage smarter electricity use, but believe competition issues—not a lack of regulatory requirements—are the primary reason TOU plans have not scaled.

It is disappointing that the Taskforce finds itself needing to propose requirements on large retailers (cf gentailers) to offer time-varying pricing plans (Parts 1, 2, and 3). A competitive market should have delivered and promoted these plans voluntarily. However, the market power of vertically integrated gentailers has created barriers: these players do not face the full costs of their contribution to peak demand and have weak incentives to pass through cost-reflective prices.

Electric Kiwi has long supported cost-reflective pricing. We welcome the Part 4 proposals to ensure all retailers face the full costs of their contribution to peak demand via distribution billing and wholesale reconciliation. But we believe the Taskforce's priority should be the urgent implementation of level playing field measures (Package 1D). Until competition issues are addressed, consumers will



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continue to face higher costs, fewer options, and weaker signals to shift usage away from peak.

We acknowledge the rationale for increasing access to time-varying pricing, but caution that requiring retailers to offer such plans may be premature if structural market barriers remain in place. Retail competition—not regulation—should be the driver of innovation, provided there is a level playing field.

Support for Part 4 (Distribution Billing & Wholesale Reconciliation)

Electric Kiwi have long advocated for cost-reflective pricing. Ensuring that all retailers see the full costs of their contribution to peak demand through distribution billing and wholesale reconciliation will:

- Ensure cost-reflective pricing signals that encourage demand-shifting and system efficiency
- Create fairer competition, so all retailers face the same price signals
- Support innovation in pricing and load-shifting solutions, improving consumer choice and affordability.

Requiring Distributors to Pay a Rebate When Consumers Supply Electricity at Peak Times (Taskforce Initiative 2A)

Electric Kiwi is not submitting separately on the Taskforce Initiative 2A consultation, *Requiring Distributors to Pay a Rebate When Consumers Supply Electricity at Peak Times*, but we comment here given the strong interdependencies with the TOU pricing proposals. Our position aligns with our comments in the EAAG process: while we support the intent to better reward distributed energy resources, we caution that mandatory rebates risk distorting cost-reflective signals and crowding out more innovative or targeted solutions.

We support the intent of recognising consumer contributions to the grid, but caution that rebates should only be provided where they reflect genuine,



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location-specific network value. Uniform rebate requirements risk distorting cost-reflective signals and crowding out more efficient or innovative solutions.

We believe the future of electricity retail lies in bespoke offerings tailored to consumers' assets, preferences, and behavioural signals. Narrow mandates—whether for tariffs or rebates—risk anchoring the market to outdated models rather than empowering innovation.

Conclusion

Electric Kiwi remains committed to creating a more competitive, consumer-driven electricity market. We urge the Taskforce to prioritise removing barriers to effective competition. Only then can consumers benefit from a diversity of plans that reward flexible demand and distributed energy investment in ways that reflect their preferences and needs.

Yours sincerely,



Huia Burt,

CEO, Electric Kiwi

