



MAJOR ELECTRICITY USERS' GROUP

Tuesday, 17th May 2016

Press Release – For Immediate Release

Major Electricity Users Group (MEUG) to analyse draft TPM decision

The Major Electricity Users Group (MEUG) plans to carefully analyse the announcements today by the Electricity Authority on proposed changes to the Transmission Pricing Methodology.

MEUG Chair John Harbord said we have consistently asked the Authority to base any decision to change Transmission Pricing Methodology on a robust cost-benefit-analysis. The material published today has a more comprehensive cost-benefit-analysis than the analysis that accompanied the Authority's first proposal published 10th October 2012. Whether it meets the test of being sufficiently robust to support the proposal announced today will be the focus of MEUG's work over the next 10 week consultation period.

"Our experience with the consultation on the first proposal of October 2012 and subsequent working paper consultations has been a willingness by the Electricity Authority and other industry stakeholders to have as much evidential and fact based discussion using a national cost-benefit-analysis framework. We plan to adopt that approach for this consultation and look forward to the Authority and other parties doing likewise" said John.

For further details please contact John Harbord

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About MEUG

MEUG is a trade association which works across regulatory regimes, parties in the supply chain and with consumers to improve New Zealand's electricity sector.

MEUG members collectively spend in excess of \$600 million on electricity every year comprising in excess of \$500 million on energy and \$110 million on line services. Members contribute approximately \$15 billion to the Gross Domestic Product of New Zealand. It is critical to the good health of this country's economy that members can access electricity reliably and at a fair price.

It is MEUG's purpose to represent the interests of members so this can occur in the long term.

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