

### Looking at the costs and benefits of transmission pricing

In MEUG's 1 October submission on the draft TPM guidelines we stated we would express a view on whether we think the cost-benefit analysis behind the draft guidelines is robust, considering advice from NZIER and other submitters.

However, after meeting with the expert advisors to other submitters, MEUG has deferred forming a view on the cost-benefit analysis as we think there remain a number of key questions which remain unanswered, or where clarity is needed.

We think a conference with expert advisors is required to test thinking and to demystify the complexity of the cost-benefit analysis that's caused uncertainty not just for MEUG but many other parties.

From MEUG's perspective, what matters is whether the direction and timing of changes proposed stacks up. Until we can have confidence the cost-benefit analysis is robust, debate on the details of the draft guidelines is premature.

### Progressing price-quality pathways

A focus for MEUG in November is the Commerce Commission's final decisions on Transpower's individual price-quality pathway and on the default price-quality pathway. At a time of heightened scrutiny on electricity pricing those decisions will determine, based on current charges, around 43 per cent of what consumers will have to pay for the next five years.

### At the Executive Committee

The Executive Committee met at Refining New Zealand in October. We would like to thank Juan Videla and the team at the Refinery for their exceptional hospitality. Our visit included a site tour and a briefing on the Refinery's plans to develop the largest solar farm in the country – plans that were approved by the board last week.



## Key dates

What's on	Who	When	Notes for members
Submission: Petroleum Exploration & Production Association of NZ (PEPANZ) proposed voluntary gas outage disclosure arrangements	PEPANZ	4 November	The Gas Industry Company (GIC) will be considering this proposal when preparing a Statement of Proposal after the concurrent GIC consultation on Problem Assessment closing 10 <sup>th</sup> December. We will provide feedback directly into the GIC process.
Submissions: Code Review Programme	Electricity Authority	5 November	Annual wrap up of miscellaneous minor amendments to the Code.
Event: Energy Trader Forum	Freeman Media	13 November	Quarterly forum involving electricity and gas trader and service provider speakers.
Event: BEC2060 Energy Scenarios launch	BusinessNZ Energy Council (BEC)	13 November	A new set of scenarios with updated data and new analysis following the well recognised BEC2050 scenarios published in 2015.
Submission: Call for evidence to reduce greenhouse gas emissions	Interim Climate Change Committee (ICCC)	15 November	Part of work streams to assist the incoming Climate Change Commission with its initial task of advising the Minister for Climate Change on the initial three emission budgets (2022-26, 2027-32 and 2033-38) by 21 <sup>st</sup> February 2021.  Individual companies will provide evidence; not MEUG.
Submission: North Taranaki Regional Supply Project	Grid Owner, Transpower	15 November	Feedback sought on local Taranaki views on siting options for RMA consenting prior to quantitative costs & benefits being considered.
Meeting: MEUG Executive Committee.	MEUG	20 November	Visitors attending from the Electricity Authority, Aurora, the Energy Efficiency & Conservation Authority and the System Operator.