

From: Tony Letcher [<mailto:tony.l@convex.co.nz>]

Sent: Thursday, 14 April 2011 8:57 a.m.

To: Info Electricity Authority

Subject: complaint regarding genesis energy behaviour 26 March 2011

I understand from my energy supplier, Trustpower, that you are investigating the price spike by Genesis Energy that occurred on 26th March 2011. I am writing to provide a real life example of the effect on an end user. Our normal AC Adjustment factor charge is generally around \$500 a month. The ACAF charge for March was \$17,229.41. An unexpected charge like that is crippling on a struggling manufacturing company like ourselves. We have fixed pricing in place for the term of our contract so I was always under the belief that the volatility in our charges would be very minor and the normal ACAF charge of around \$500 supported that, being about 2% of our total energy bill each month.

At this point in time I have lost total faith in the New Zealand energy market.

I dearly hope that the EA find remedies to ensure end users like ourselves are not taken advantage of like this in the future and that there is some recompense to us for our financial losses in March.

Yours sincerely

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