

Retail Advisory Group ::: Meeting number 22

Venue ::: Electricity Authority, Level 7, ASB Bank Tower, 2 Hunter Street, Wellington

Time and date ::: 12:32 to 14:15 ::: Wednesday 9 April 2014

Minutes

RAG Chair

::: Peter Allport

RAG Members

::: Dene Biddlecombe

::: Sue Chetwin

::: Sarah Free

::: Ewan Gebbie

::: James Munro

::: Nathan Strong

RAG Apologies

::: Andrew McLeod

::: Alan McCauley

Authority staff in attendance

::: Craig Evans (Electricity Authority, Manager, Retail and Network Markets) (Joint session and RAG meeting)

::: Kate Townsend (Electricity Authority, Adviser, Retail and Network Markets) (Joint session and RAG meeting)

Description of action

1 Welcome and introduction

Peter Allport and James Munro attended the Board meeting on improving transparency of consumers' electricity charges from 12:32 to 13:04. The RAG only meeting opened at 13:05.

a) Apologies

The Chair noted apologies had been received from Andrew McLeod and Alan McCauley.

b) Interests

Members updated the register of interests.

c) Correspondence

The Group noted the following three letters:

1. A letter sent from Peter Allport, Chair of the Retail Advisory Group, to Brent Layton, Chair of the Electricity Authority Board, on 'Report by the Retail Advisory Group: Recommendations for improving transparency of consumers' electricity charges'. This letter presents the RAG recommendations on the improving transparency project to the Authority Board.

2. A letter sent from Carl Hansen, Chief Executive of the Electricity Authority to the RAG Chair, to thank the RAG for its work on the consumer switching project.
3. A letter from Bill Atkinson, Grey Power, to the RAG on 'Submission on barriers to retail competition by embedment'. The letter outlined Grey Power's concerns about retail competition in retirement villages. The Chair noted the letter would be discussed further under agenda item 5.

d) Minutes

The Chair advised the minutes of the 12 March 2014 meeting had been approved and were published on the Authority's website.

e) Actions

The RAG noted progress on the outstanding actions.

2 **Work plan update**

The RAG noted the work plan update.

The secretariat advised the RAG's recommendations on domestic consumer arrangements had been revised to incorporate member comments and would be sent to members shortly.

The Chair noted confusion exists over having two separate programs for consumer switching, Powerswitch and What's My Number. Members had varied views over whether What's My Number and Powerswitch should be joined or remain separate initiatives. The secretariat was requested to prepare, for consideration by the RAG, a draft letter to the Authority Board potentially to be an addendum to the RAG report on the options for promoting retail competition by increasing awareness of the benefits of comparing and switching retailers (consumer switching project). The letter is to include how these initiatives benefit consumers, reasons for separating them and contestable funding.

Authority staff noted that, on 9 April 2014, the Board considered the information provided on the improving transparency charges project.

Action	By	Date for action
22.2 – Send revised domestic contracting arrangements to RAG members for approval.	Secretariat	24 April 2014
22.3 – Send draft letter to RAG members on Powerswitch and What's My Number as part of the consumer switching project	Secretariat	By June 2014

Nicky Chilton joined the meeting at 13.36.

3 **Consumer Engagement – Nicky Chilton, Authority Communications Manager**

The Authority's Communications Manager, Nicky Chilton, presented on its "Communications and Engagement" Strategy for 2014 to the RAG. She noted the Authority's:

- desired spectrum of engagement with consumers and its aim to ensure consumers are well-informed
- pursuit of using new forms of social media to establish a stronger voice in the market and to further

engage with consumers

- recently updated web-site that has a new focus on consumers.

Members discussed the new website and were interested in the site traffic. After Nicky's presentation, members noted:

- further qualitative and quantitative research on consumers and their electricity use could be done without high cost
- the Authority should continue to promote its messages off-line (e.g. through industry bills, etc) as well as on-line to capture a wide range/the critical mass of consumers
- a more user-friendly website is needed with easily accessible information such as the exemplar websites of businesses, such as Fonterra
- a stronger voice/show by the Authority to be independent is needed
- the industry and the public needs to hear more positive messaging about the New Zealand electricity market as, comparative to a number of overseas markets, there are "good news" stories to tell but the public has a negative perception of the industry right now based on current media reporting
- a reminder that the channel through which the information passes (e.g. website or other) needs to be appropriate to the information passing through it.

Action

22.4 – Send information about users of the Authority's web-site to RAG members if it becomes available

By

Secretariat

Date for action

By 11 June 2016

Nicky Chilton left the meeting at 14.02 and Ron Beatty joined the meeting at 14.04

4 Competition on embedded and customer networks

The RAG provided feedback on the scope, approach and issues for the project. Members agreed to revise the project title to 'competition and efficiency effects of secondary networks' to reflect the proposed scope of the project. Members requested a paper outlining the issues, options and preferred solution(s).

Members noted the letter from Grey Power.

The RAG noted that it might make a recommendation directly to the Board without consultation.

Action

22.5 – Prepare draft paper on issues and options for consultation

By

Secretariat

Date for action

By 13 August 2014

5 Other business

The next meeting is scheduled for 14 May April 2014 in the Electricity Authority Board room.

Action

22.6 – Email members confirming the date of the next RAG meeting.

By

Secretariat

Date for action

By 14 May 2014

The RAG meeting closed at 14.15