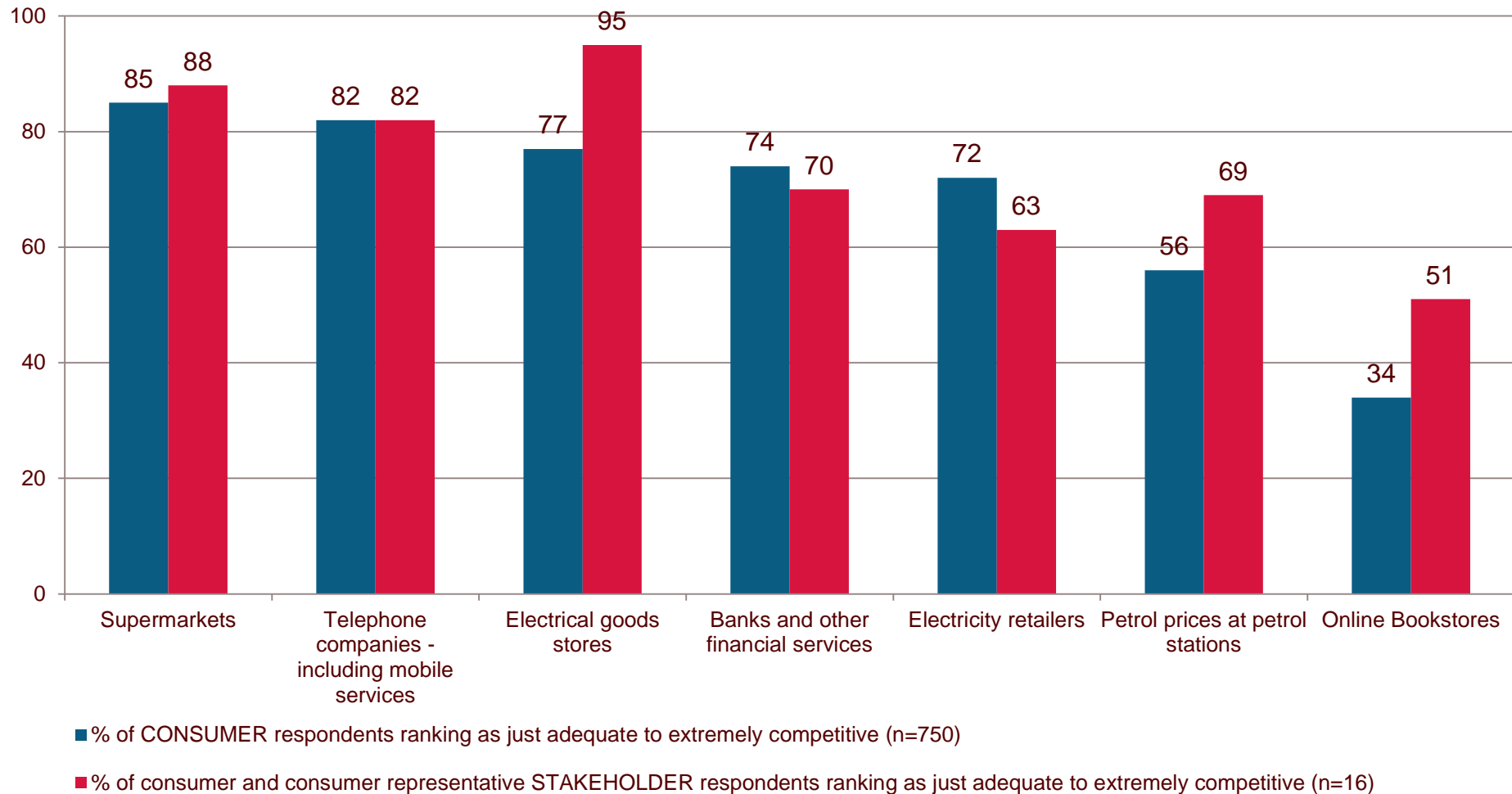


Consumer and Stakeholder Survey Results

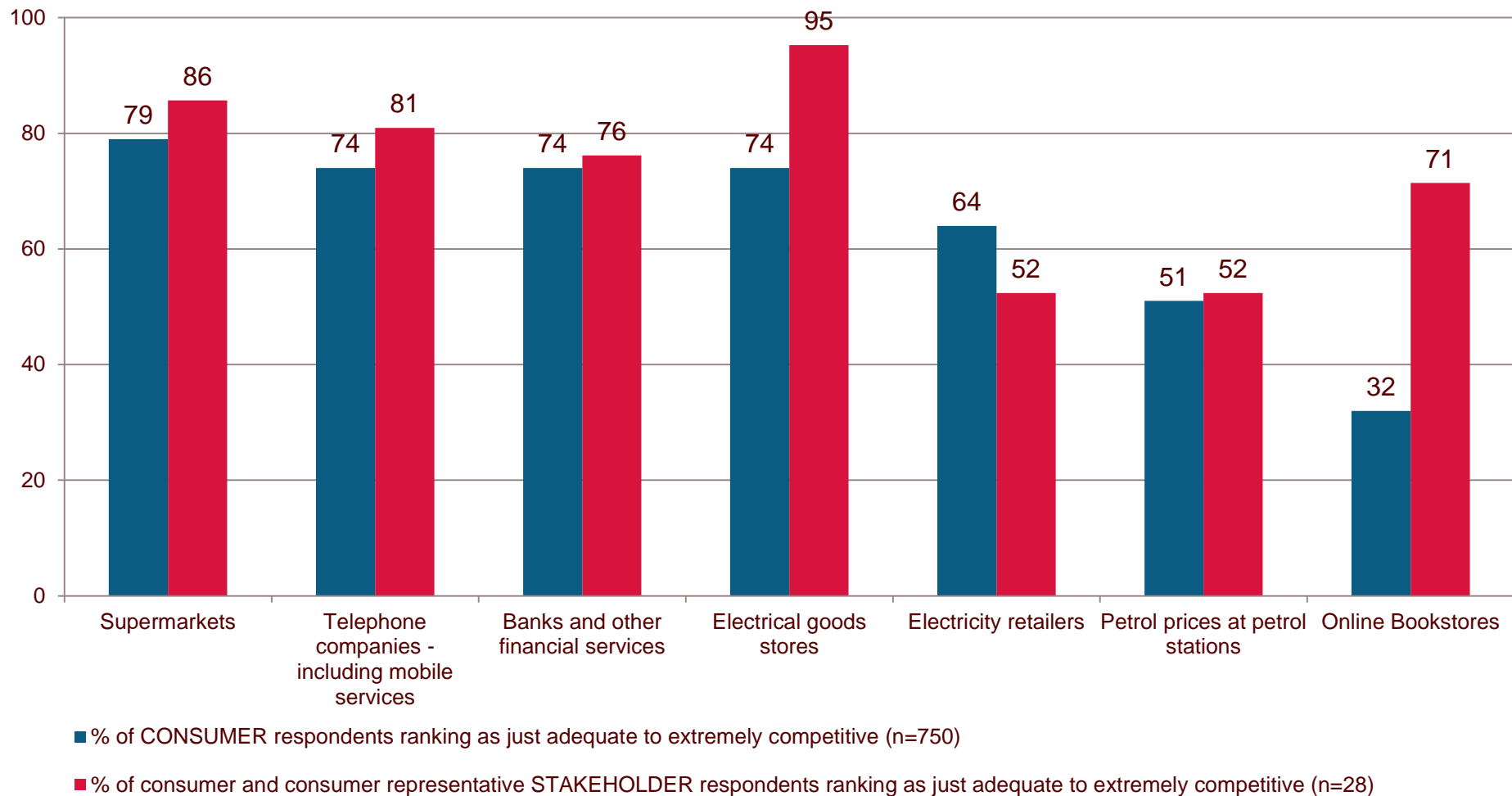
Competition, Reliability and Efficiency

January - March 2014

2014 Survey of mass market consumers - comparative competition

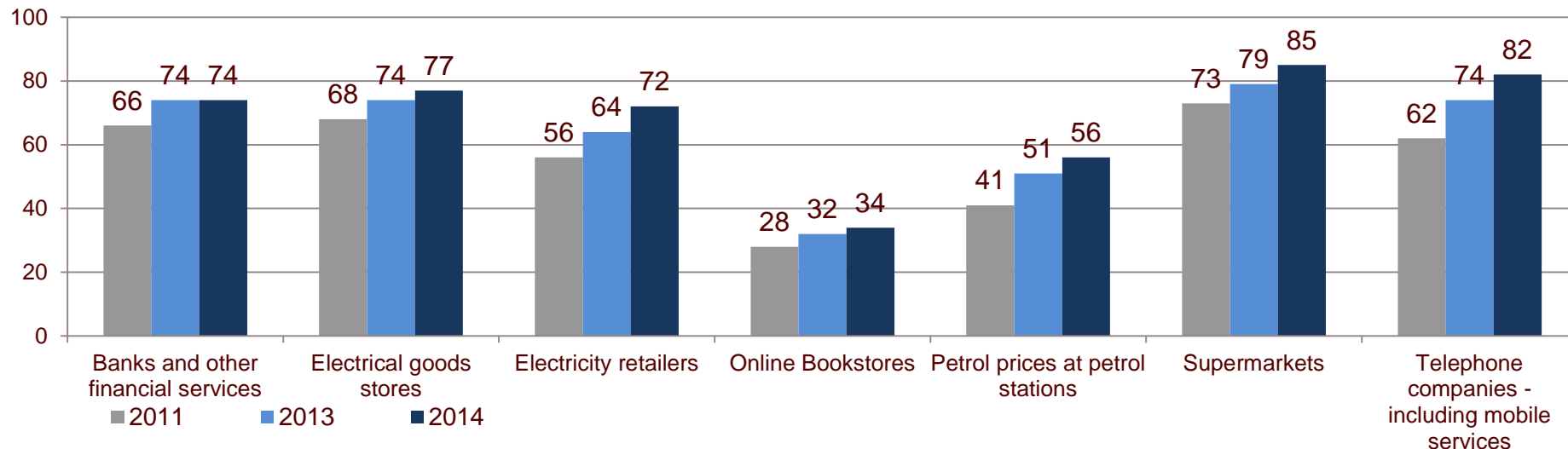


2013 Survey of mass market consumers - comparative competition

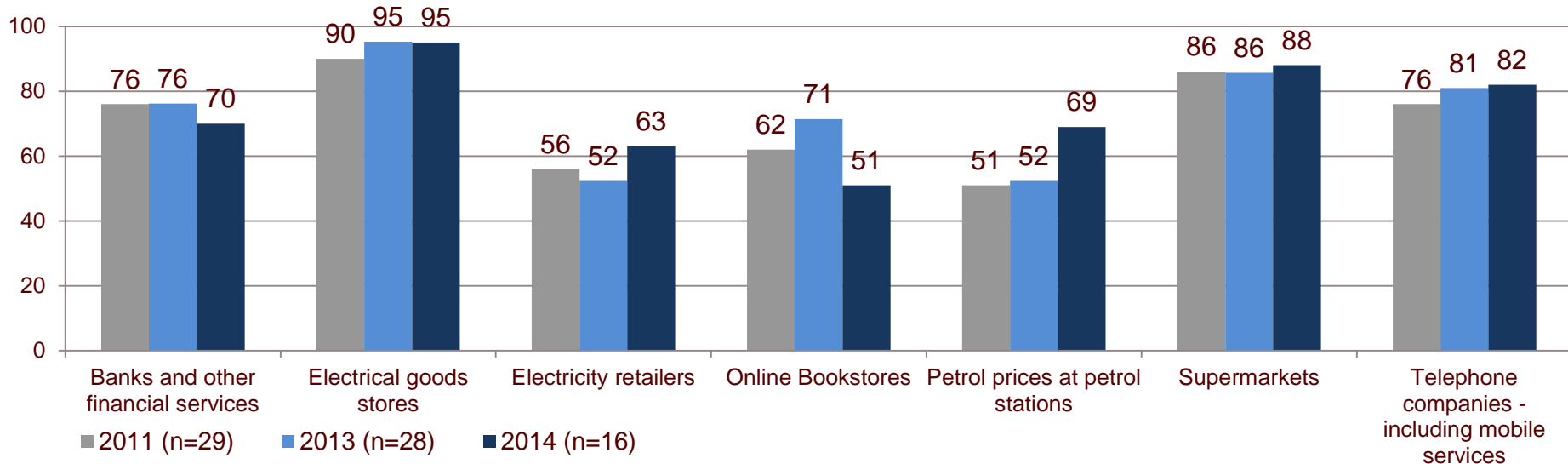


Tracked survey of mass market consumers - comparative competition

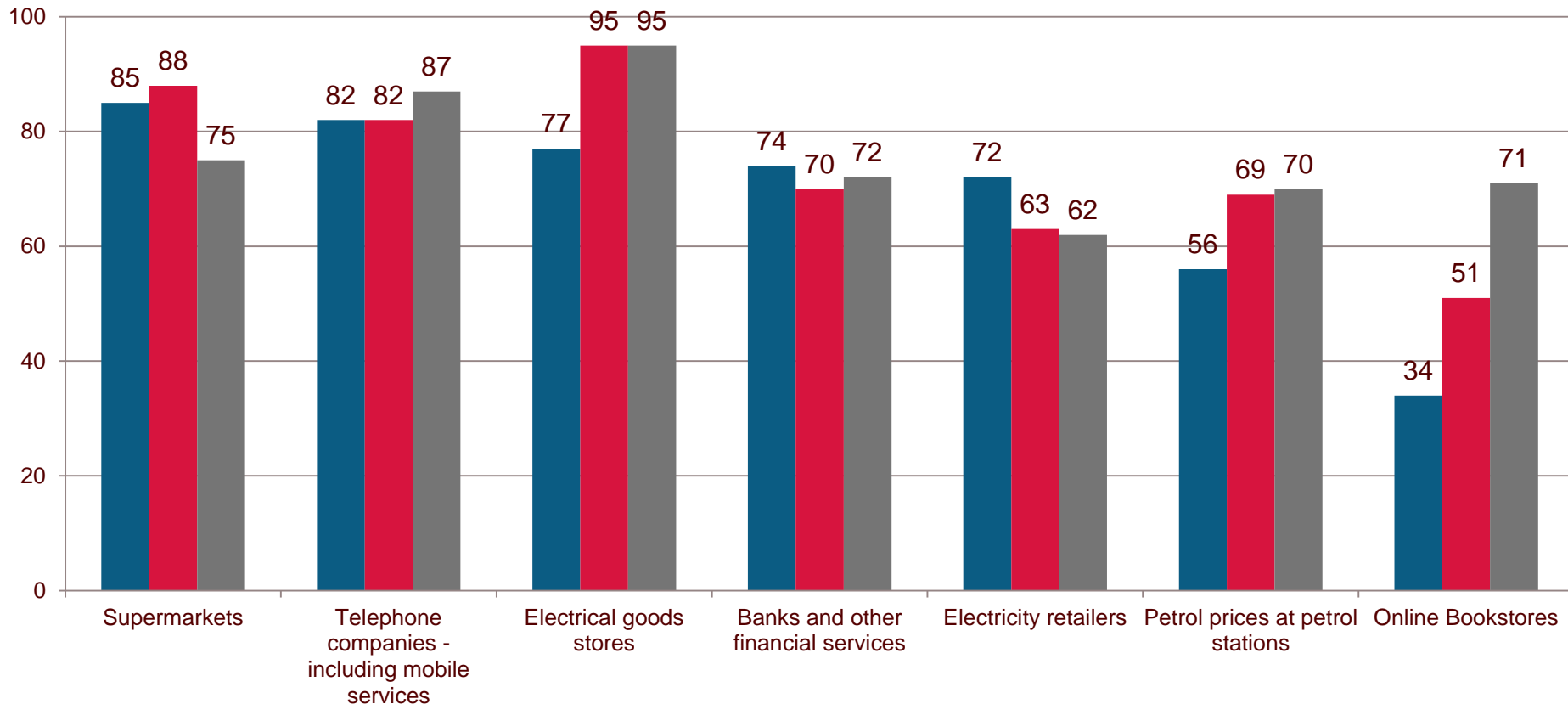
% of CONSUMER respondents ranking as just adequate to extremely competitive (n=750)



% of consumer and consumer representative STAKEHOLDER respondents ranking as just adequate to extremely competitive



2014 Survey of mass market consumers and stakeholders - comparative competition

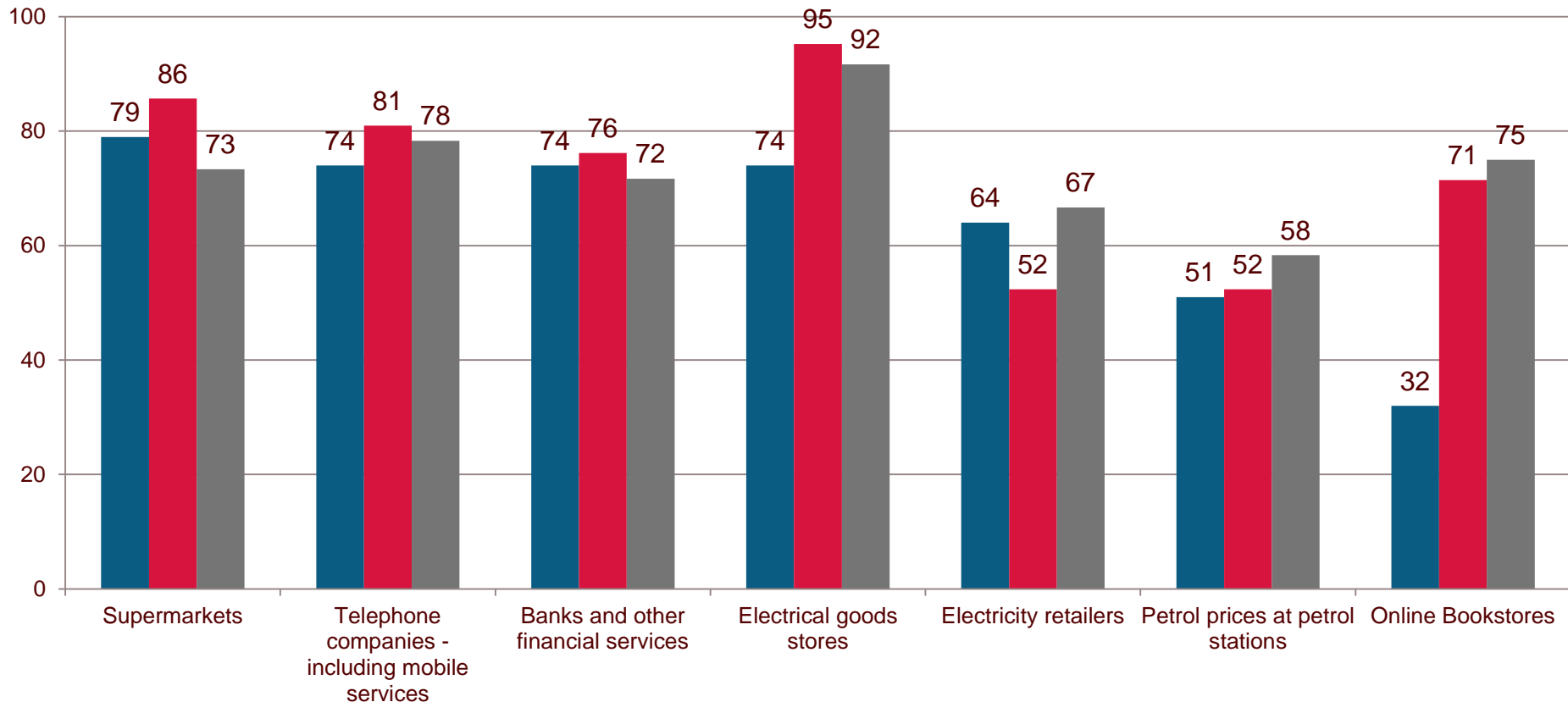


■ % of CONSUMER respondents ranking as just adequate to extremely competitive (n=750)

■ % of consumer and consumer representative STAKEHOLDER respondents ranking as just adequate to extremely competitive (n=16)

■ % of STAKEHOLDER respondents ranking as just adequate to extremely competitive (n=58)

2013 Survey of mass market consumers and stakeholders - comparative competition



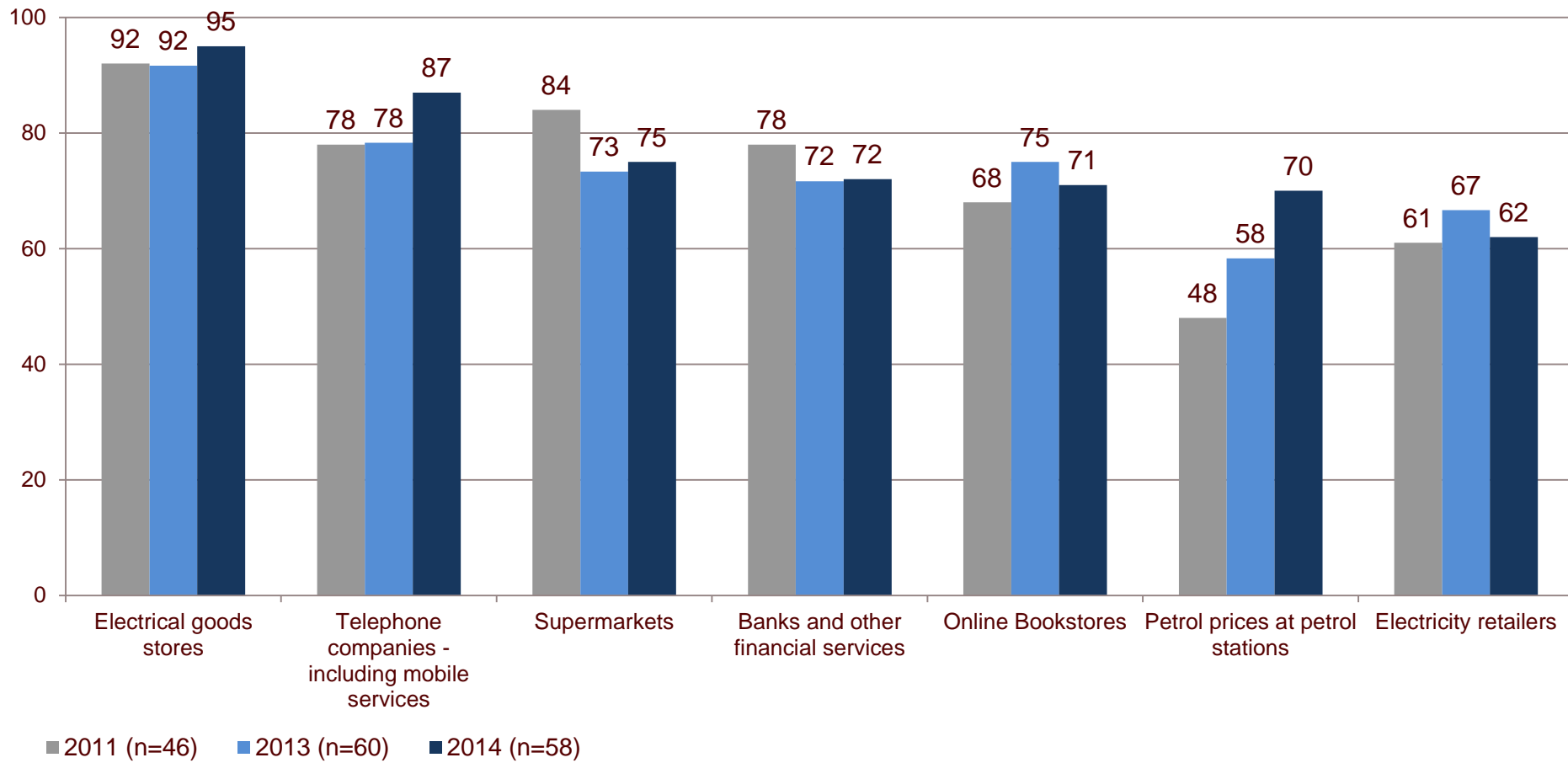
■ % of CONSUMER respondents ranking as just adequate to extremely competitive (n=750)

■ % of consumer and consumer representative STAKEHOLDER respondents ranking as just adequate to extremely competitive (n=28)

■ % of STAKEHOLDER respondents ranking as just adequate to extremely competitive (n=60)

Tracked survey of stakeholders – stakeholder only comparative competition

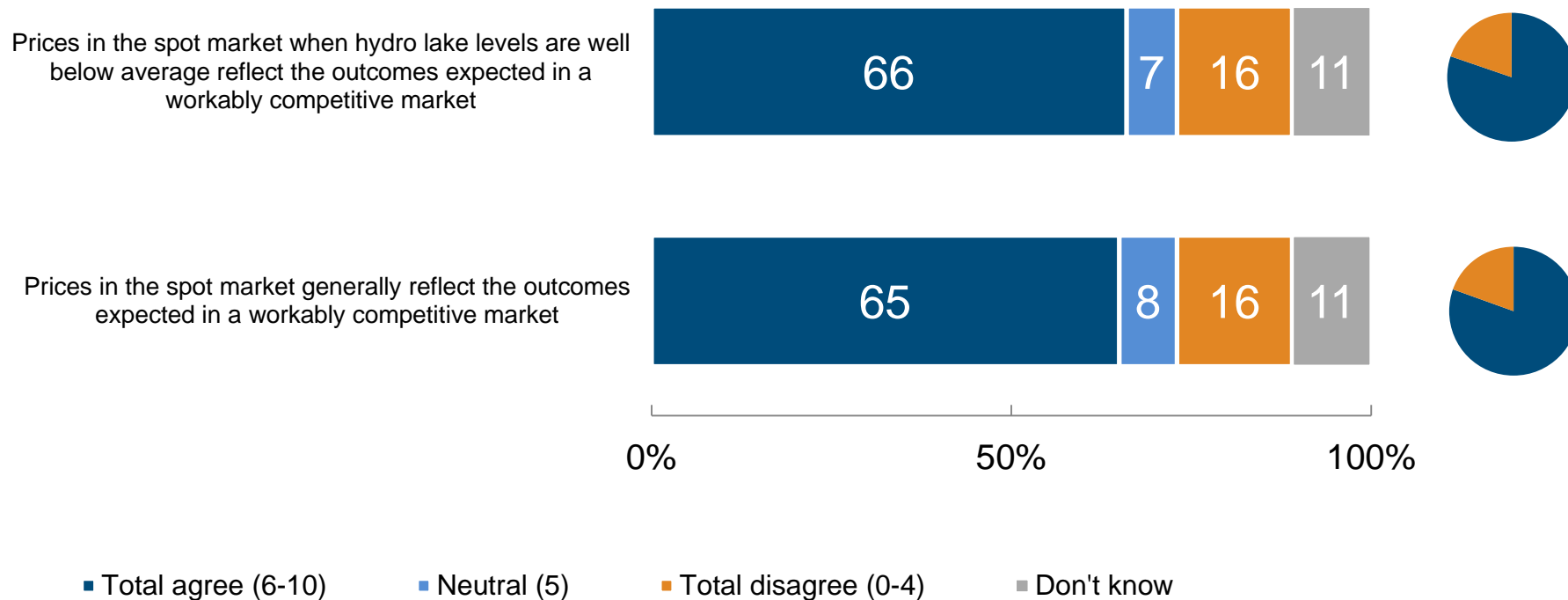
% of STAKEHOLDER respondents ranking as just adequate to extremely competitive



Base: Stakeholder respondents from the online stakeholder survey

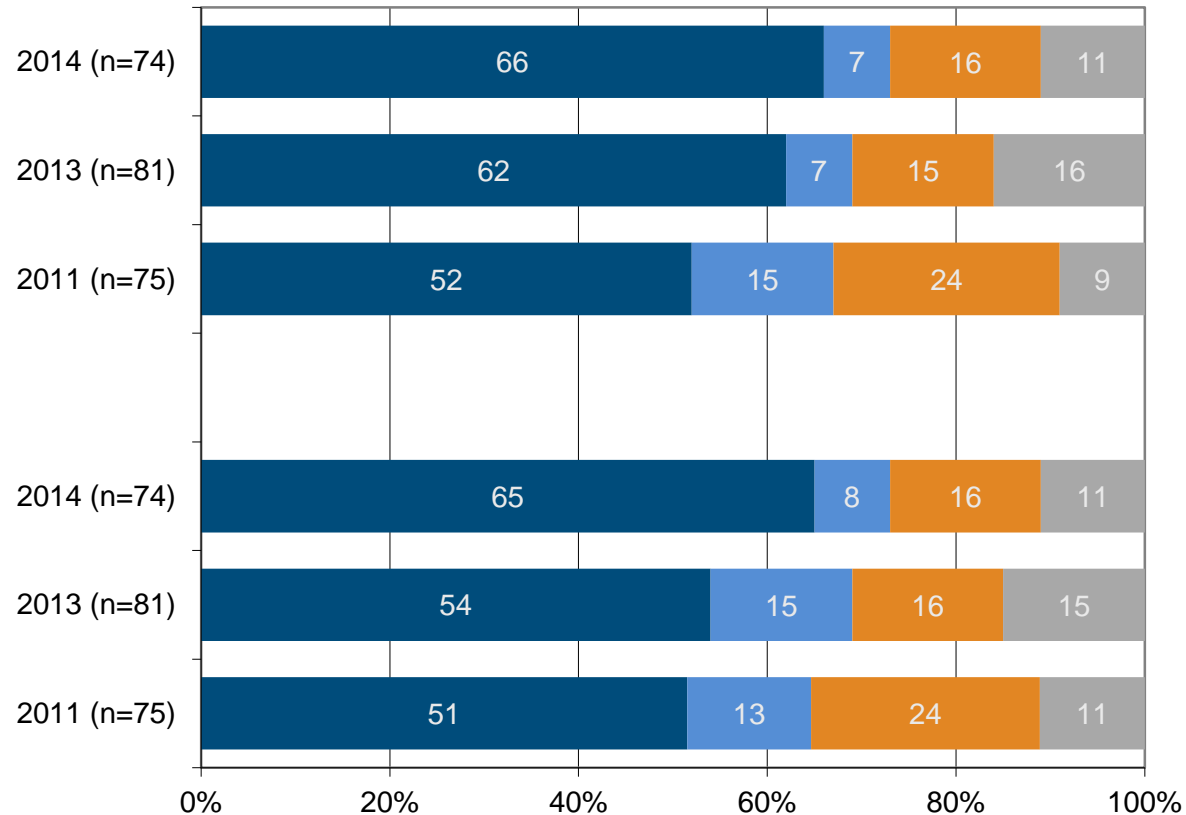
Note: Stakeholder only comparison, differences for consumers shown on previous charts

2014 Spot market competition (stakeholder survey)



Tracked spot market competition - Stakeholder survey

Prices in the spot market when hydro lake levels are well below average reflect the outcomes expected in a workably competitive market



■ Total agree (6-10) ■ Neutral (5) ■ Total disagree (0-4) ■ Don't know

2014 CRE Perceptions – Mass-market consumer survey

There is a reliable supply of electricity each day, that is, a good balance is achieved between the cost to consumers of power cuts versus the cost of maintaining electricity supply (which is included in the overall cost of electricity to consumers)

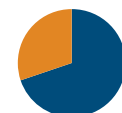
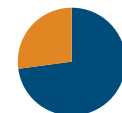
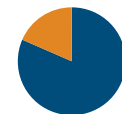
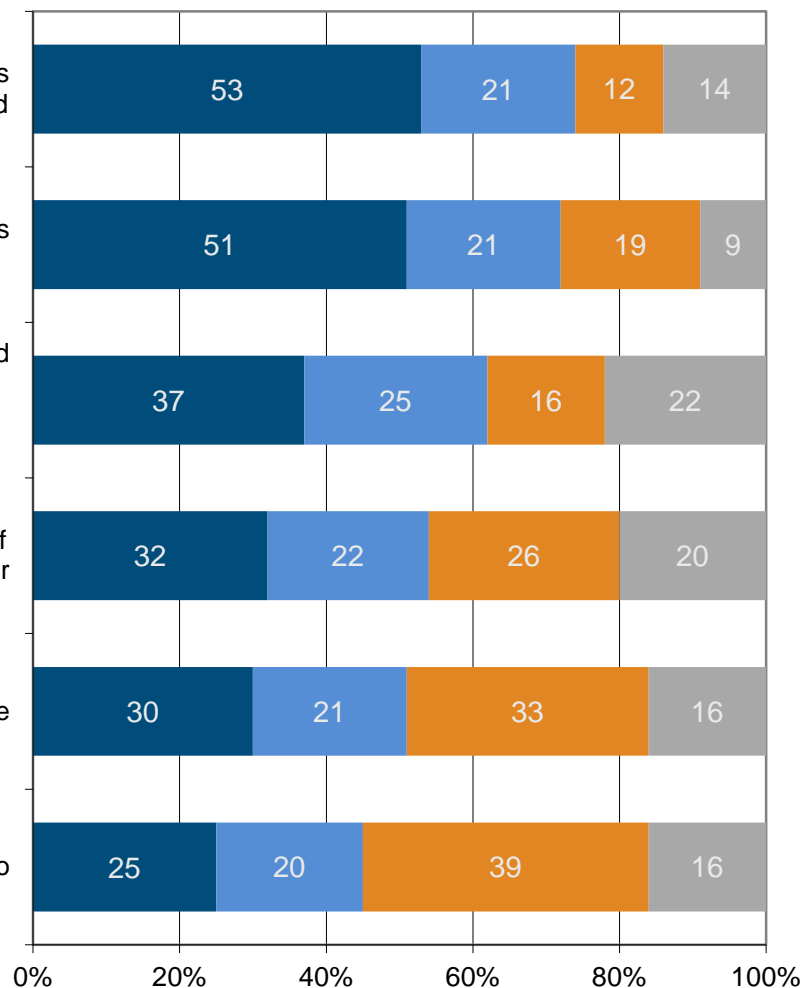
The New Zealand electricity market ensures electricity is generated and supplied efficiently

There is enough electricity to meet ongoing needs, that is, a good balance is achieved between the cost of having some power stations sitting idle most of the time against the cost and risk of power shortages when there is a long drought that limits hydro

The New Zealand electricity market ensures that the right mix of power stations is built in time to meet growing demand for power

The current level of competition among electricity generators ensures they build the most efficient power stations and generate electricity as cheaply as possible

The current level of competition between electricity retailers ensures that prices consumers pay only rise in line with costs to the electricity companies



■ Total good (6-10) % ■ Neutral (5) % ■ Total poor (0-4) % ■ Unsure %

2013 CRE Perceptions – Mass-market consumer survey

There is a reliable supply of electricity each day, that is, a good balance is achieved between the cost to consumers of power cuts versus the cost of maintaining electricity supply (which is included in the overall cost of electricity to consumers)

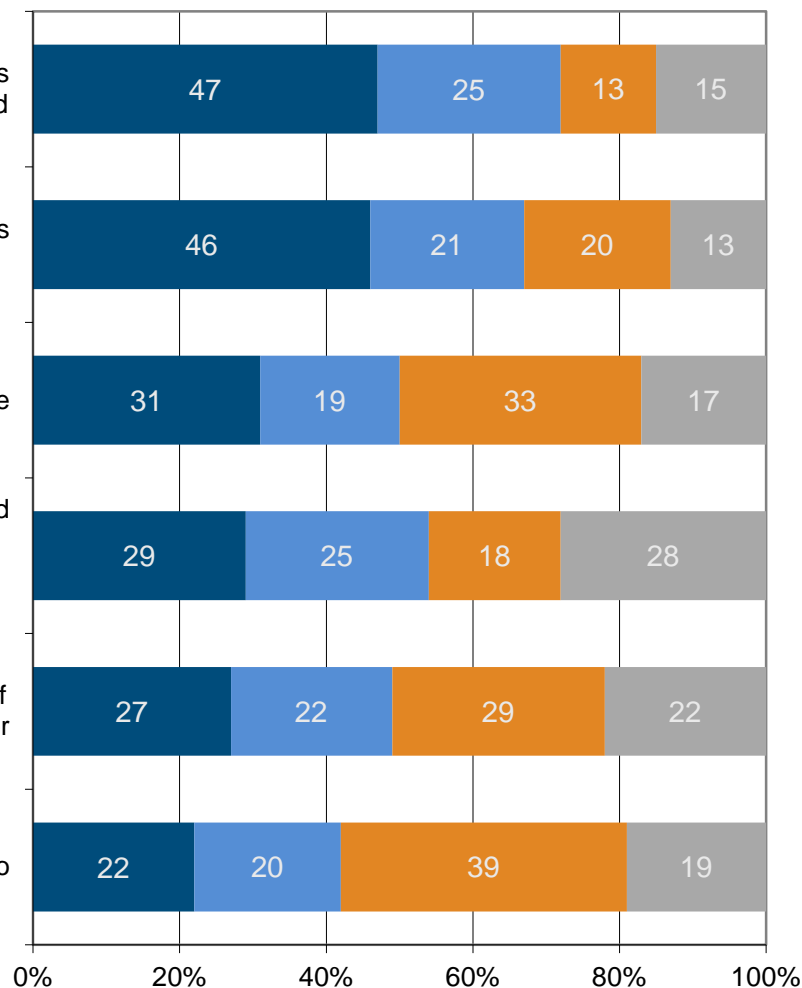
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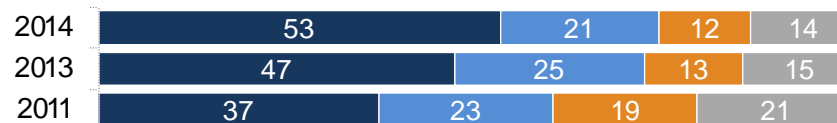


■ Total good (6-10) % ■ Neutral (5) % ■ Total poor (0-4) % ■ Unsure %



Tracked CRE Perceptions – Mass-market consumer survey

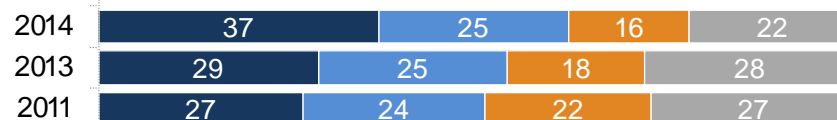
There is a reliable supply of electricity each day, that is, a good balance is achieved between the cost to consumers of power cuts versus the cost of maintaining electricity supply (which is included in the overall cost of electricity to consumers)*



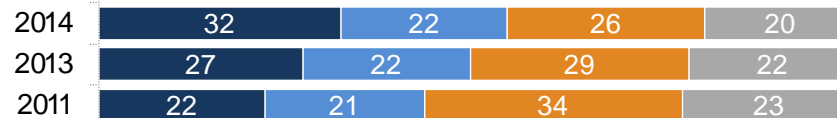
The New Zealand electricity market ensures electricity is generated and supplied efficiently



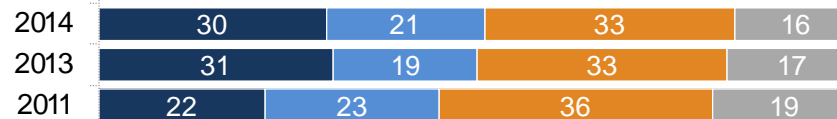
There is enough electricity to meet ongoing needs, that is, a good balance is achieved between the cost of having some power stations sitting idle most of the time against the cost and risk of power shortages when there is a long drought that limits hydro generation



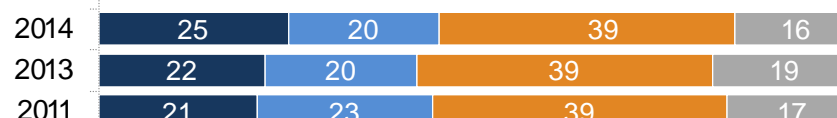
The New Zealand electricity market ensures that the right mix of power stations is built in time to meet growing demand for power



The current level of competition among electricity generators ensures they build the most efficient power stations and generate electricity as cheaply as possible



The current level of competition between electricity retailers ensures that prices consumers pay only rise in line with costs to the electricity companies

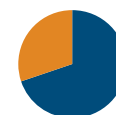
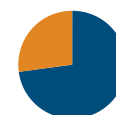
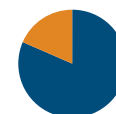


■ Total Good (6-10) ■ Neutral (5) ■ Total Poor (0-4) ■ Unsure

2013



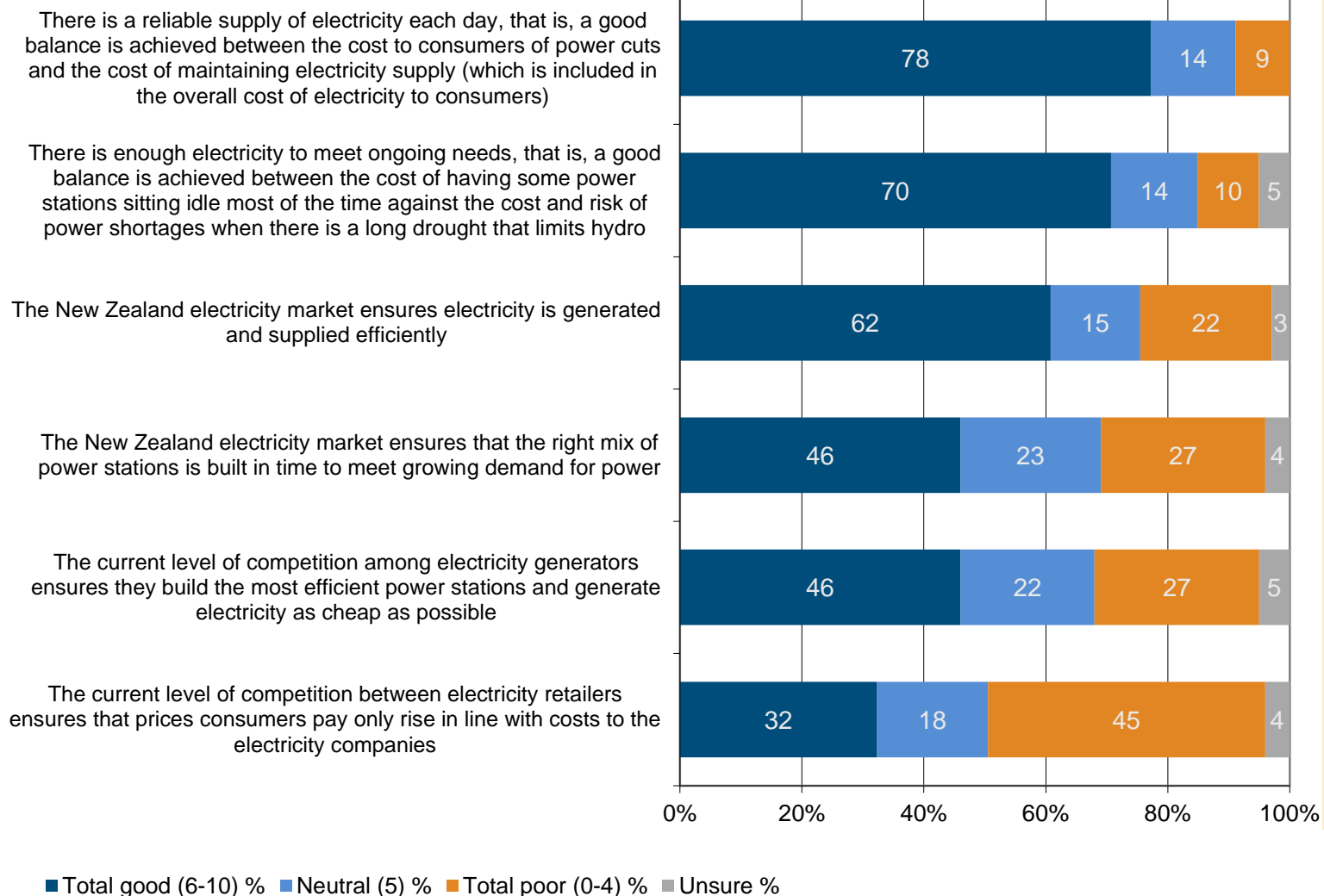
2014



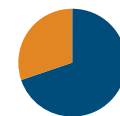
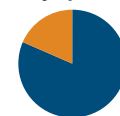
Base: All respondents in the omnibus survey (n=750)

* In 2011, question asked was: *There is a reliable supply of electricity each day, that is, a good balance is achieved between the cost of power cuts versus the cost of maintaining power line, which is funded by the fixed daily charge on your electricity bill*

2014 CRE Perceptions – Stakeholder survey



Stakeholder survey (n=74) **Mass market survey (n=750)**



2013 CRE Perceptions – Stakeholder survey

There is a reliable supply of electricity each day, that is, a good balance is achieved between the cost to consumers of power cuts and the cost of maintaining electricity supply (which is included in the overall cost of electricity to consumers)

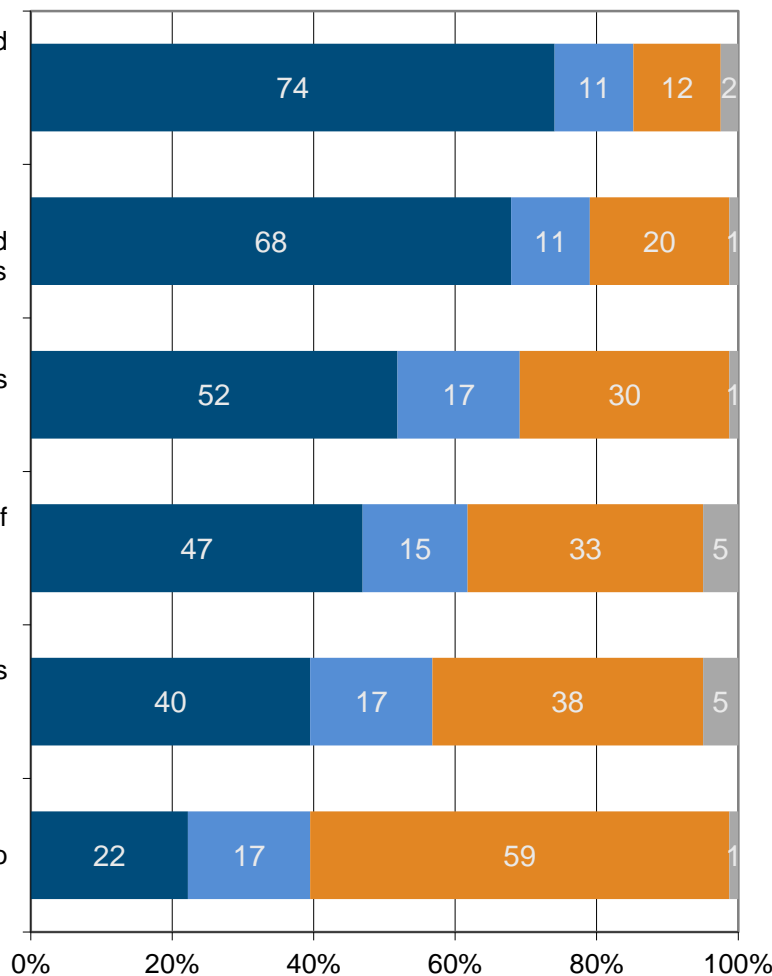
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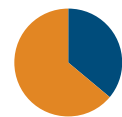
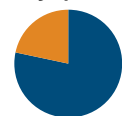
The current level of competition between electricity retailers ensures that prices consumers pay only rise in line with costs to the electricity companies



Stakeholder survey (n=81)

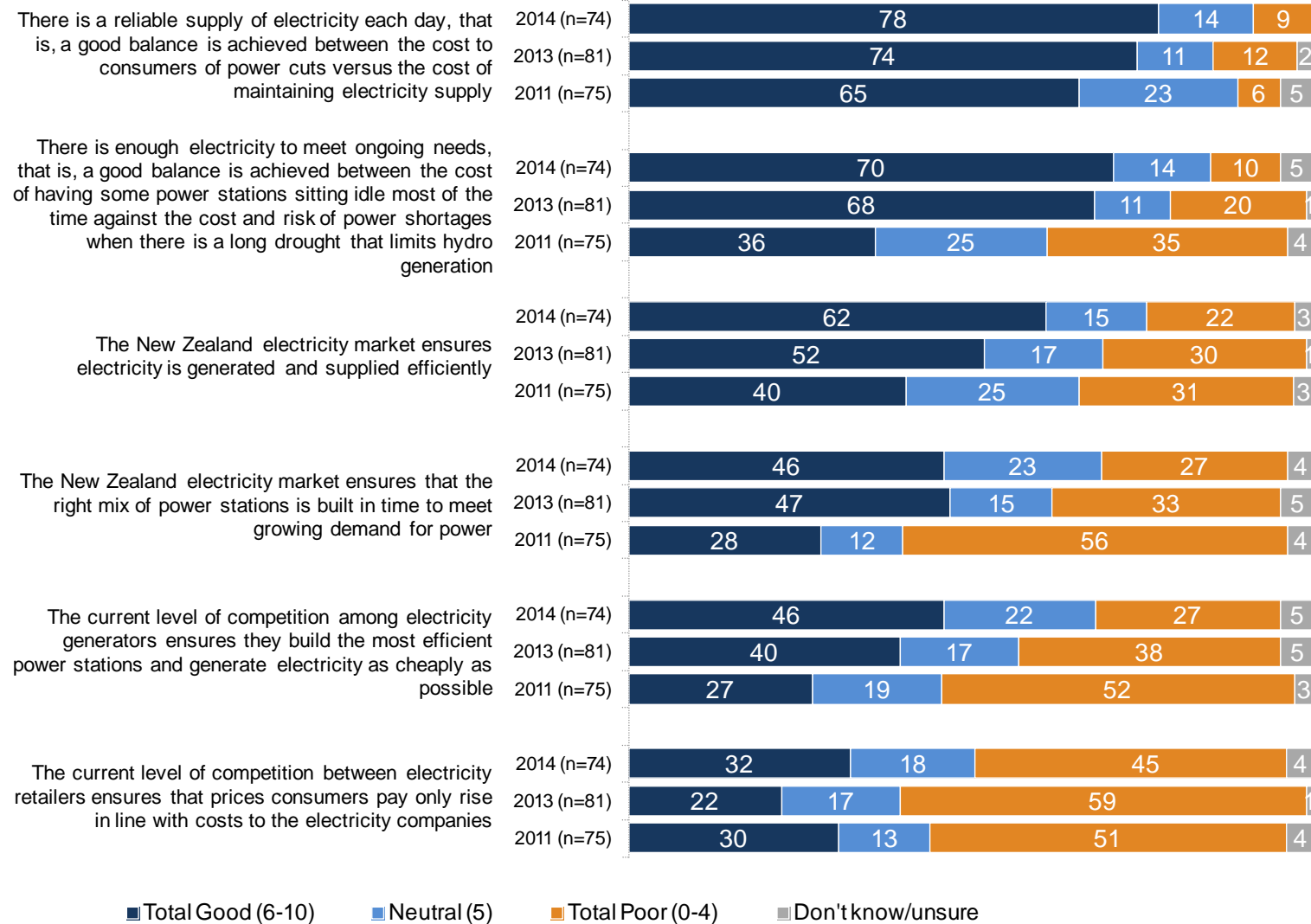


Mass market survey (n=750)



■ Total good (6-10) % ■ Neutral (5) % ■ Total poor (0-4) % ■ Unsure %

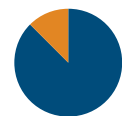
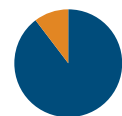
Tracked CRE Perceptions – Stakeholder survey



2013



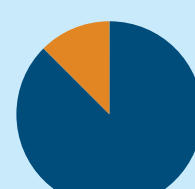
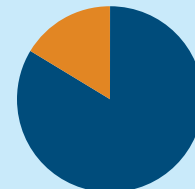
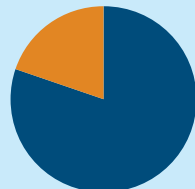
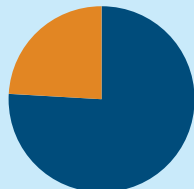
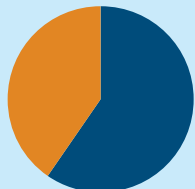
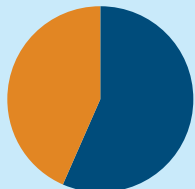
2014



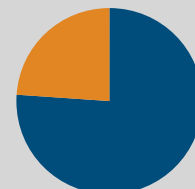
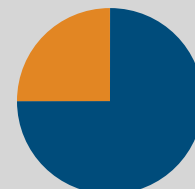
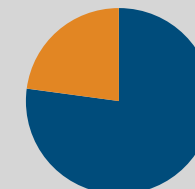
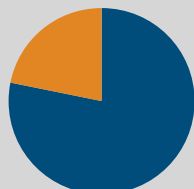
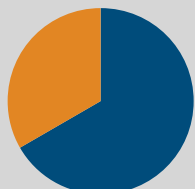
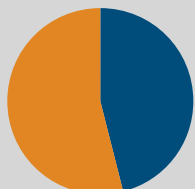
* In 2011, question asked was: *There is a reliable supply of electricity each day, that is, a good balance is achieved between the cost of power cuts versus the cost of maintaining power line, which is funded by the fixed daily charge on your electricity bill*

2013 & 2014 Stakeholder perceptions of competition

**2014
Survey
(n=74)**



**2013
Survey
(n=81)**



Retail

**Over the
counter
hedges**

Futures

Spot

**Instantaneous
Reserve**

**Frequency
Keeping**

- *Survey statement:* prices in [this] market reflect the outcomes expected in a workably competitive market
- Red = Disagree (rating of 0 – 4)
- Green = Agree (rating of 6 – 10)
- Don't Know and Neutral (rating of 5) not shown here