

Advisory Group

# Review of secondary networks

Draft issues and options paper

9 December 2014

**Note:** This paper has been prepared for the purpose of Retail Advisory Group. Content should not be interpreted as representing the views or policy of the Electricity Authority.

## **Review of secondary networks**

### **Recommendations**

1. It is recommended the Retail Advisory Group (RAG) provide feedback on the draft issues and options paper, *Review of secondary networks: issues and options paper* (attached at Appendix A).

### **Rationale**

2. At its meeting on 9 April 2014, the RAG members provided feedback to the secretariat on the proposed scope, approach and issues for the project. Members requested a paper outlining the issues, options and preferred solution(s).

### **Process**

3. The issues and options paper describes the circumstances and issues relating to secondary networks: customer networks; embedded networks; and network extensions.
4. The secretariat undertook desk-top research and a number of interviews with retailers, secondary network owners and consumers to better understand the nature of the issues with competition and efficiency on secondary networks and to identify proposed solution(s).
5. The secretariat also consulted with the Commerce Commission, Greypower, the Electricity and Gas Complaints Commission (EGCC) and Consumer NZ.

### **Next steps**

6. The RAG has two options for the next steps:
  - (a) the RAG can consult before considering making recommendations to the Authority Board
  - (b) the RAG can make a recommendation to the Authority Board without consultation.

### **Attachment**

7. The following item is attached to this paper:
  - (a) Appendix A: *Review of secondary networks: issues and options paper*

**Appendix A      Review of secondary networks: issues and options paper**