

16 April 2019

Hon Dr Megan Woods
Minister of Energy and Resources
Private Bag 18041
Parliament Buildings
Wellington 6160

Dear Minister

ANNUAL LETTER OF EXPECTATIONS 2019/20

Thank you for your letter dated 3 April 2019 conveying Government's priorities and setting out your strategic and performance expectations for the Electricity Authority in relation to 2019/20.

The statutory objective of the Authority is well aligned to Government's priorities of building a productive, sustainable and inclusive economy that improves the wellbeing of New Zealanders and their families. The Authority will continue to work constructively with Government to meet these priorities.

Adapting the electricity market for the impact of technology

The Authority will work to maintain the security and reliability of the electricity system during the transition to a low emissions economy. In 2019/20 we'll be focussed on reducing barriers to market entry, expansion and exit, strengthening the hedge market and providing open networks.

Review of electricity pricing and energy policy work

In 2019/20 we will continue to work closely with our partners across government and support market participants to adapt to the upcoming decisions on the electricity pricing review.

Lift engagement with stakeholders and consumers

In 2019/20 we will review our Consultation Charter and refine our approach to stakeholder engagement, working closely with other agencies and organisations. We will also engage more effectively with Maori and reflect the Treaty principles of partnership, mutual respect and good faith in our processes and practices.

General expectation and good governance

The Board's response to the findings of their self-assessment will be summarised for you in September 2019. The planned review of our long-term strategies in 2019/20 will provide an opportunity to set out how our work contributes to the wellbeing of New Zealanders.

We encourage the diversity of our workforce. Our recruitment and selection processes have been developed with a view to eliminating bias and attracting the best person for any role. We will be diligent in ensuring that we maintain and strengthen practices to avoid any form of discrimination in the treatment of our staff and stakeholders.

We will continue to operate a “no surprises” policy with your office that meets the requirements of the General expectations set out in Annex 1 of your letter, and we will notify your office when we receive substantive media queries.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Brent Layton', with a long horizontal flourish extending to the right.

Brent Layton
Chair

cc: Phillippa Fox
GM Energy and Resource Markets
MBIE