


Extending the Electricity Price Review’s Final Recommendations to the Gas Market – Submissions Analysis and Recommendations

Genesis Energy Response

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EPR Panel Recommendation	GIC Final Recommendation
<p data-bbox="203 699 1021 882">Q1 Do you support GIC’s final recommendations in section 4.4 of this report? Please address your comments to each relevant recommendation separately (as set out below).</p> <p data-bbox="297 954 1008 1238">Please note that GIC is not consulting on the EPR recommendations set out sections 4.2 and 4.3. These sections cover (respectively) EPR Recommendations that will not be extended to the Gas industry, and EPR recommendations that GIC considers do not require further industry consultation.</p>	<p data-bbox="1055 699 1787 730">Our response to each recommendation is set out below.</p> <p data-bbox="1055 802 1946 834">As an overarching comment, we emphasise the need to ensure that:</p> <ul data-bbox="1106 906 2152 1342" style="list-style-type: none"><li data-bbox="1106 906 2152 1137">(a) The learnings from the EPR Panel’s recommendations implementation in the electricity market are considered (particularly, in relation to the Vulnerable Consumer Guidelines and the UDL/PowerSwitch Guidelines). These reflect a considerable investment of time and resource by the industry and Electricity Authority which should be leveraged.<li data-bbox="1106 1209 2152 1342">(b) For consistency between the two markets to reduce compliance costs, but recognising that in some instances, the EPR recommendations will need to be adjusted to reflect gas market features. We commend the GIC for

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	<p>applying this principle (e.g. in recognising that the medically dependent consumer guideline recommendation is not relevant to the gas market).</p> <p>(c) Dual fuel retailers and standalone gas/LPG retailers are treated in the same way to ensure a level playing field.</p> <p>(d) There is an appropriate implementation period. We suggest six months.</p>
<p>B6 Set mandatory minimum standards to protect vulnerable and medically dependent consumers.</p>	<p>Genesis supports the GIC's final recommendation and looks forward to the draft guidelines.</p> <p>As a guiding principle, dual fuel and standalone gas/LPG retailers should be treated consistently to ensure a level playing field and minimise the risk of unintended consequences. It is unclear from the GIC's comments and approach on monitoring why there should be different periods and what the consequences are. That is, if there is a non-compliant standalone LPG/Gas retailer would mandatory standards apply to that retailer, to all standalone retailers as a category or to all retailers? Please would the GIC clarify.</p> <p>We suggest that there is no need for prescribed monitoring periods. Compliance should be expected and supported by regular monitoring. If there is widespread / repeated non-compliance, mandatory standards should be introduced.</p>

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	<p>Assuming that there are good reasons for prescribed monitoring periods, then we recommend that the same period applies to all retailers.</p>
<p>B7 Prohibit prompt payment discounts but allow reasonable late payment fees.</p>	<p>Genesis does not support this recommendation for the reasons set out in our December 2020 submission.</p> <p>Our comments above concerning the consequences of non-compliance and different monitoring periods are also applicable here.</p>
<p>C1 Merge the Electricity Authority and Consumer NZ price comparison websites: Whatsmynumber and PowerSwitch.</p> <p>C2 Improve consumer awareness of PowerSwitch and Utilities Disputes.</p>	<p>Genesis supports these recommendations.</p> <p>We note that the UDL/PowerSwitch disclosure obligations in the electricity market apply to contestable residential customers and recommend that the GIC clarifies that the same applies in the gas market.</p>

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C5 Prohibit saves & win-backs.	Genesis does not support this recommendation for the reasons set out in our December 2020 submission.
F3 Update the Electricity Authority's compliance framework and strengthen its information gathering powers.	As set out in our December 2020 submission, any change should be supported by evidence.