

**COUNTIES POWER LIMITED**  
**E-mail**

**TO:** Commerce Commission

**C.C.:** Electricity Governance Establishment Committee,  
Electricity Networks Association.

**FROM:** Neil Simmonds  
Chief Executive Officer  
Counties Power Limited

**DATE:** 17<sup>th</sup> May 2002

**SUBJECT: ELECTRICITY GOVERNANCE BOARD – DRAFT DETERMINATION**

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You have requested written submissions on your draft determination by no later than 22 May 2002.

Please note that we have no confidentiality issues with this submission.

*1.0 Agreement with preliminary view*

We congratulate the Commission on its insightful view. Also, we generally agree with your preliminary view that the public benefits of the current proposal are unlikely to outweigh the competitive detriments.

*2.0 EGEN Rule change proposals 1 & 2*

We support the Commission's Proposal 1 especially where a proposed rule change give the Board the right to put these to the vote under pro-competitive and public benefit criteria.

We do suggest that under Proposal 2 the process for a second vote and appeal rights should be amended according to our following preference (in strict priority order)

1. Commerce Commission
2. Rulings Panel
3. Board
4. Second Vote

The Commerce Commission is our first preference as it is used to dealing with weighing these factors and is likely to have an independent and balanced view. The Rulings Panel is our second preference as they are a judicial type body and should base their decision on facts rather than political persuasion. The Board is less favoured as it not a judicial type body and there are impediments as outlined under

"Disadvantages Proposal 3". Finally, a second vote is likely to have a similar outcome to the first vote.

### 3.0 *Transpower, GPS and Independent executive decision power of the Board.*<sup>1</sup>

We strongly disagree with Transpower's view of enshrining the GPS within the rules through the authorisation of an independent executive decision-making authority. We believe the Government already has sufficient power to seek other remedies should the Board not be seen to be working within the GPS. Where the industry is unable to make a quick decision we do not support the application of process as suggested in 2 above.

### 5.0 *Counties Power position on this submission*

Should the above changes be adopted then Counties Power supports the establishment of an Industry Electricity Governance Board.

### 6.0 *Contact Person*

In the first instance our contact person for Counties Power Limited will be Mr Neil Simmonds, Chief Executive Officer. The email, fax, and telephone details are:

Email: [neil@countiespower.com](mailto:neil@countiespower.com)  
Telephone: 09 238 0965  
Facsimile: 09 238 9131

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<sup>1</sup> Refer point 3 and 4 of Letter to David Caygill, EGEC dated the 2/5/2002 from Transpower, re: Transpower's position.