

Submission by



to the

Economic Development, Science and Innovation Committee

on the

Electricity Industry Amendment Bill

17 November 2021

CONTACT:

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NZTECH SUBMISSION ON THE *Electricity Industry Amendment Bill*

SUMMARY

1. NZTech wishes to thank the Committee for the opportunity to submit on the Electricity Amendment Bill. We welcome the invitation to appear before the Committee.
2. NZTech supports regulation that enables innovation to be executed that will enhance competition in the sector, investment in security of supply, and be beneficial to all consumers.

BACKGROUND

3. NZTech is a member funded, not-for-profit, non-governmental organisation that represents 20 tech associations with over 1600 members who collectively employ more than 100,000 New Zealanders: over 10 percent of the New Zealand workforce.
4. Our purpose is to help create a more sustainable, equitable and prosperous New Zealand underpinned by technology. We do this by helping our members work together to connect the tech ecosystem, promote the importance of technology for New Zealand and New Zealand technology for the world, and help advance the growth of the tech ecosystem and the New Zealand economy.
5. Our members include New Zealand tech exporters, local and multinational IT firms, startups, universities, government agencies, financial service providers and large corporate users of technology.

COMMENT

6. NZTech is generally supportive of the Amendment Bill which has come from the Electricity Price Review and seeks to enhance competition and service to consumers. We support the amendments that enhance an efficient market, increase the consumer voice, improve regulations from the consumer perspective, remove ambiguity, and clarify the Authority's powers.
7. We note that the benefits to consumers of good regulation are not just from competition to stimulate pricing tension, but also from enabling new innovations that provide new services and ways of doing things that are beneficial to consumers. Often, we do not know what we don't know, so it is imperative that regulation is set up to foster and not inhibit innovation.
8. NZTech therefore strongly supports any increased flexibility offered by shifting regulations from the Act to the Code, as is anticipated by Clause 13 of the Amendment Bill. Adaptability is crucial to meet the potential offered in this era of innovation and fast-paced change in the electricity and technology sectors.

9. NZTech encourages a rebalancing of the explanatory note of the Amendment, to include mention of the potential opportunities and benefits of emerging technology for achieving New Zealand's energy transition and sustainability goals.
10. NZTech notes that innovation within the tech sector will be crucial for our country's climate change response and resilience, and in creating solutions to meet New Zealand's emissions reductions targets.
11. NZTech supports the Electricity Authority to operate a principle-based, risk-based regulatory framework for this dynamic area, and that changes should be developed through public consultation. A principle-based, risk-based regulatory approach will encourage responsible innovation across the industry.
12. To enable more competition and innovation, clarification is needed around data ownership and usage of data from the electricity sector.
 - 12.1. NZTech recommends guidelines be established for how established industry organisations share data with innovative new organisations and those working in emerging tech areas.
 - 12.2. Currently, collected data from metres, including usage data, is not being fully utilised as there are no clear systems in place to share that data within the industry, nor with organisations working in emerging technology areas. This is critical to enable analysis to be undertaken by new innovative players so that they can make investment decisions into innovation in the sector.

CONCLUSION

13. Thank you for the opportunity to provide feedback on the Amendment Bill. We are happy to engage further to discuss our submission and provide any further assistance.
14. If you have any further queries do not hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Graeme Muller".

Graeme Muller

Chief Executive

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