

New policy direction for NZ Electricity Commission

New Zealand Energy Minister Gerry Brownlee has released for consultation a revised policy direction for the Electricity Commission. The draft Government Policy Statement sets out new objectives and outcomes expected from the Commission. "The proposed changes are designed to reflect the new government's policies, and in particular its desire to accelerate prudent grid investment," says Brownlee. "An important feature of the draft GPS is bringing forward the section that emphasises security of supply." Brownlee says the government believes that disentangling the regulatory overlap between the Electricity Commission, Transpower and the Commerce Commission is important. "Getting that right will take some time. However, the government is taking this interim step with the GPS to ensure transmission investment can happen more quickly," Brownlee says. The draft GPS proposes a streamlined, simplified process for transmission investments under NZ\$20 million in value. "Many projects are at risk from delay. This revised process would mean Transpower won't have to seek Electricity Commission approval for projects less than NZ\$20 million," says Brownlee. Other changes to the GPS also reflect the government's intention to review the New Zealand Energy Strategy, and assess any duplication with the New Zealand Energy and Efficiency Conservation Strategy.

Source: essa news Issue 9, 9 March 2009