

eranz 2024 **Year in review**



Board Chair Report

Winter 2024 gave us a taste of the challenges associated with transitioning to a more renewable electricity system and highlighted the steps needed to minimise its impact on everyday New Zealanders.

After meeting with the Minister of Energy, Hon Simeon Brown, we were left with no doubt that security of supply and the drive for new generation are top priorities heading into next winter. Over the year, the Government has adjusted policy settings to facilitate new investment, putting the onus on our members to progress and deliver new generation.

ERANZ has consistently emphasised its members' commitment to investing \$6 billion in renewable generation by 2030. This year we commissioned Concept Consulting to compile a report providing supporting data illustrating the investment pipeline and the significant progress already achieved in the transition.

Our country is now at an inflection point in its reliance on gas relative to renewable generation. This combination of factors can cause dramatic volatility in winter wholesale prices.

This year, the electricity market faced intense political, regulatory, business, and media scrutiny. As an industry association, we must respond to the pressing questions beyond retail. We increasingly need to advocate for our members' interests concerning the wholesale electricity market and generation.

The ERANZ Board has been aware of these issues for some time. This year, we initiated a strategic review to revisit our role in representing the membership. The review has included testing how ERANZ's core team of subject matter experts and external specialist support are most effectively deployed on members' behalf.

The transition impacts – and yet needs to serve – consumers' long-term interests. Through our initiatives to support vulnerable consumers and find better ways to tackle energy hardship, ERANZ has gained clear and meaningful insights into what works best for New Zealanders. In 2025, we look forward to helping the communities that need this support most by enabling our partners to leverage our knowledge.

I want to thank the Board for its commitment to ERANZ and its role and for the expertise, experience, and considered judgment it shares when contributing to Board discussions.

Lastly, I commend our Chief Executive, Bridget Abernethy, for leading ERANZ through an intense and rapidly paced year. Bridget has deftly managed resources to amplify ERANZ's voice and enable a better-informed public debate about a sector integral to New Zealand's economy and climate goals.

Simon Watt



Chief Executive Report

This year presented significant challenges for our sector. The new Government took office in late 2023 and brought change and fresh thinking to the regulation and direction of the electricity system. This changing landscape highlighted the need for an all-sector voice in the increasingly crowded and fractured conversation about electricity in New Zealand.

Policy shifts, such as the Fast Track legislation, repealing the gas ban, and removing the GIDI fund and EV subsidy scheme, have required ERANZ to be agile in responding to challenges that have increasingly moved beyond our traditional retail remit.

High wholesale prices in August – caused by low lake and wind levels and lower gas supplies – kicked off a fast-moving flurry of government activity, including the establishment of the EA/Commerce Commission Task Force, the Government review of the sector, and the myriad changes from the Electricity Authority.

This has necessitated a significant shift in how we work as an organisation. Thanks to solid member support, ERANZ moved quickly to build organisational strength and deliver a more proactive and public-facing role on wholesale market matters in addition to its retail focus. This has paid dividends, which I hope is apparent to our members.

Amid a busy year for the sector, with the acceleration of some positive initiatives and some newly created uncertainty, we remain committed to three broad priorities:

- Addressing hardship and fairness
- A low-carbon energy future
- Advocating for a competitive and efficient electricity system that drives innovation and keeps prices low.

Despite the broader uncertainty, we've continued to deliver for our members with highlights this year including a 40% increase in EnergyMate delivery, multi-year funding from MBIE's SEEC fund, an almost 100% allocation of Year 2 Power Credits, a 50% increase in media coverage, completing the Connect Me pilot in partnership with MSD, and joint stakeholder engagement with ENA. We remain close to decision-makers, hosting Hon Chris Bishop and Hon Simeon Brown – meetings with new Ministers, aligning work with the Commerce Commission on sensitive DPP4/RCP4 communications, and our active involvement in shaping the Consumer Care Obligations.

We know more change is coming, and along with it, risks. ERANZ will continue to build on being the leading voice on issues affecting generators and retailers and advocating a market-led approach to delivering the energy transition for consumers. Leading ERANZ through unprecedented change, where the lines between wholesale and retail issues have become more blurred and electricity market issues have become more complex, has been a challenge, but it has also been a privilege to position ERANZ as the sector's voice.

In May, the Board endorsed a strategic review to consider ERANZ's purpose in this changing energy market. The timing was fitting, given the shift in focus from consumer issues under the past government to wholesale market issues this year.

Pending the review's outcomes, ERANZ will focus on strengthening its leadership role in the sector, and I look forward to being part of this journey.

Thank you for your membership support this year. Working alongside you all has been a pleasure as you lead New Zealand through an energy transition that will deliver significant national benefits. A special thanks to the ERANZ Board, which supports stimulating debate and focuses on the benefits for all New Zealanders.

Bridget Abernethy

eranz 2024 Highlights



9200

customers in energy hardship helped through the Power Credit Scheme

5

new locations for EnergyMāta services



Quarterly meetings with MBIE on priority issues for members and the Electricity Sector



EnergyMāta cost-benefit analysis shows positive financial return

Commissioned in-depth analyses on sector issues



\$2.3m+

More than \$2.3m in Power Credits allocated to eligible LFC customers

Partnership with Auckland Council to expand EnergyMāta into new Auckland locations



10

engagements with Ministers and Parliamentarians with a focus on policy and advocacy



335

consumers with poor credit given access to post-pay electricity through Connect Me pilot



Launch of new EnergyMāta service in Wairoa



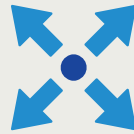
Monthly engagements with the Electricity Authority on priority issues for members and the Sector

13



submissions on member issues to Government and Government agencies

Partnership with Te Āhuru Mōwai extends EnergyMāta into Porirua



Monthly engagements with the Electricity Authority on priority issues for members and the Sector

A successful animated social media campaign targeting vulnerable consumers with a focus on energy efficiency



674

EnergyMāta coach visits to whānau experiencing energy hardship

17



EnergyMāta community hui giving consumers simple power saving tips and information



30,449

LinkedIn impressions



71%

of whānau visited, reported a change in their power bills



84%

of EnergyMāta referrals from community providers in frontline roles

12%



growth in LinkedIn followers



EnergyMāta adds phone-based service for remote consumers through Debtfix partnership



Research by Sandpiper Consultancy on international consumer care initiatives



26

proactive media initiatives

44



new EnergyMāta coaches trained

10



Meetings of the newly established Consumer Care Leadership Group to drive better consumer outcomes



33

media appearances