

Electricity Networks Aotearoa Annual Report

1 AUGUST 2023 - 31 JULY 2024



A note from our Chair & CE

Kupu whakataki

Tēnā koe. This year has been a period of transformation and continued growth for ENA. Our refreshed Strategic Plan was launched at the beginning of this financial year. It sets a clear framework for us to support our members to deliver a resilient and electric future for New Zealanders. We set ambitious goals to ensure that the electricity distribution sector can continue to deliver reliable, safe and affordable electricity networks for their communities. We're pleased to report that we have delivered on these objectives.

Our engagement has been a critical aspect of our work this year. By building relationships with key stakeholders, including government officials and industry partners, we continue to advocate on behalf of lines companies to address the pressing issues facing our sector. These include electricity affordability, vegetation management, the updated Input Methodologies and DPP4 reset, the cost of working in the road corridor, and the need for resilient infrastructure. Our efforts have not only influenced policy but also ensured that the voices of our members are heard at the highest levels.

As we reflect on the year, we'd like to acknowledge the continued support, collaboration and connections we have with our members – we exist for them. We appreciate the ENA Board for their guidance, trust and support and thank the ENA team for their dedication and expertise to help achieve all the milestones in this report.

Looking ahead, we remain focused on supporting all lines companies to deliver reliable, safe and affordable electricity networks. As the energy landscape is shifting at a rapid pace, this comes with significant challenges. We are committed to growing our value to members, and also working with our colleagues across the wider electricity sector to continue delivering a resilient and sustainable electricity system for Aotearoa. By working together, we will achieve more for New Zealand Inc. **Nāku, nā.**



Nigel Barbour
ENA CHAIR



Tracey Kai
ENA CHIEF EXECUTIVE

Our year at a glance

1 AUGUST 2023 - 31 JULY 2024

Meetings and events

3

FNF innovation forums

7

Regulatory Working Group hui

6

Minister & MP meetings

1

CE and Chairs forum

1

Network evening with ERANZ

1

AGM

Inaugural study tour



Adelaide, Australia
17-23 March 2024



40 attendees:
Chairs, CEs, GMs
from lines
companies



Met with 7 energy
organisations and
regulators plus the South
Australian Energy Minister



Two days at the
ENAAustralia
conference

ENA's first independent director

We're delighted to announce the appointment of Gillian Blythe as our first independent director. Gillian officially joined the ENA Board in June 2024.

With over thirty years' experience in the electricity and water sectors, Gillian brings strong leadership skills, commercial acumen and highly relevant expertise to the Board. She has a solid track record in adding value in all the organisations she has been involved in.

Appointing an independent director was determined at the ENA Annual General Meeting in Oct 2023. The Board and ENA members expressed that it will bring greater diversity and fresh thinking. This will be incredibly valuable with electricity networks playing an increasingly important role as we meet New Zealand's rising demand for more electricity.



Our year at a glance

1 AUGUST 2023 - 31 JULY 2024

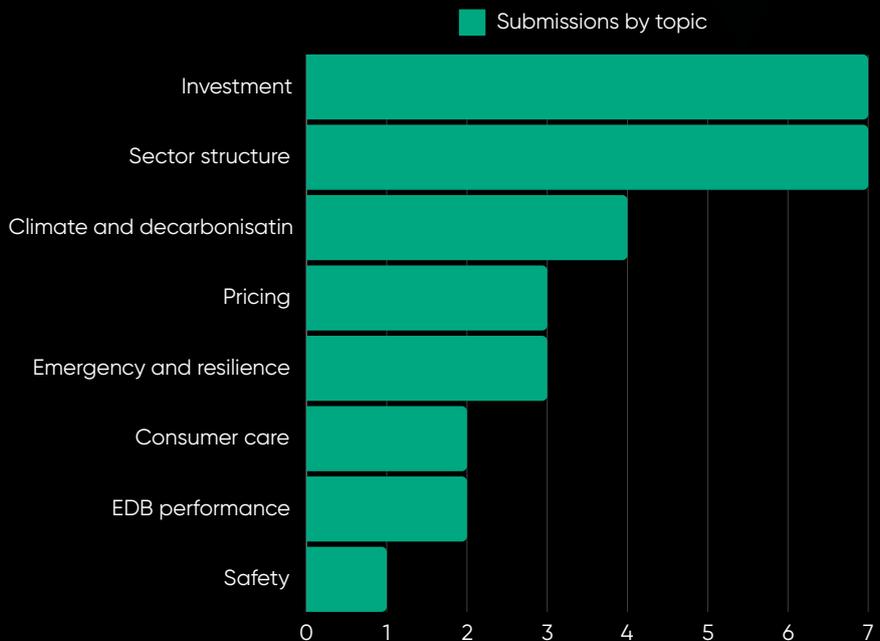
Submissions

29

Submissions were made by ENA.

We make our voice heard so that the electricity distribution sector has the right regulation and policies in place to deliver reliable, sustainable and affordable electricity to all New Zealanders.

We work closely with representatives from across lines companies on each submission.



Key reports



2050 Scenarios Project.

This report and modelling was undertaken by Sapere. It provides a set of nationally consistent scenarios for demand growth across lines companies out to 2050.



Briefing to Incoming Energy Minister.

ENA's briefing to the incoming Minister for Energy, Simeon Brown outlined the key issues the sector is facing and what we need from the Government.



Lines company connection fact sheets and contribution policies.

Our new map provides quick access to the connection policies for the 29 lines companies. It includes a factsheet for each one, highlighting important connection information and how connection charges are calculated.



Glossary for the electricity sector.

There are a huge amount of acronyms used in the electricity sector. This glossary outlines what many of these acronyms stand for. Ngā mihi nui Orion for helping us with this!

Our year at a glance

1 AUGUST 2023 - 31 JULY 2024

LinkedIn stats

3,207 Increased
65%

Followers

156,973

Impressions

3,428 

Reactions

Newsletter stats

15

Newsletters sent

42-47%

Average open rate

947

Recipients 

Media



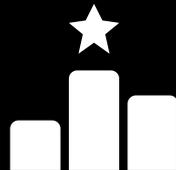
13 appearances in the media



Stakeholder satisfaction



96% of members say they get value from being a member of ENA. 1% say they don't get value and 3% were unsure.



We asked lines companies what they value most about being a member. The five most popular answers were:

- > engaging with and collaborating with govt, regulators and the sector (84%)
- > writing submissions (53%)
- > supporting FNF (51%)
- > providing policy and regulatory advice (47%)
- > hosting in-person meetings (44%)

3.9



We asked if ENA contributes to a positive reputation for the electricity distribution sector. **We got an average score of 3.9 out of 5 stars.**

128 people participated in our stakeholder survey. 80% of participants work for a lines company.

How we've tracked against our strategy

This year we published a refreshed Strategic Plan for the next three years, starting in the financial year 2023/24. It sets out our key priorities and direction to support the electricity distribution sector in the transition to a low-carbon, electrified economy for Aotearoa.

The rest of this annual report describes our mahi over the past year and tracks this against the strategy we set out to achieve.

The traffic light icons indicate – at a glance – how we are going for each of the key priorities.

- Green indicates complete or on track.
- Amber indicates movement but not as fast as intended
- Red would indicate a block or behind schedule.

The big picture



VISION

A low-carbon economy enabled by reliable, safe and affordable electricity networks.



PURPOSE

The ENA supports its members in leading the transition to a low-carbon, electrified economy for the wellbeing of our communities.

We are the voice of the distribution networks.



VALUES

Transparency; frank and open communication

Integrity; honesty and fairness

Commitment; to serve our members and stakeholders by operating to the highest level of professionalism

Change, for good; together, we're doing the mahi to power our clean energy future

Climate. Āhuarangi.



Goal:

Network businesses are part of the solution to meet the challenge of a net carbon zero New Zealand by 2050.

KEY PRIORITIES

PERFORMANCE INDICATOR

<p>Build a resilient reputation for ENA</p>	<ul style="list-style-type: none"> • Create & implement a strategic communications and engagement plan for ENA that aligns with our three strategic goals: CLIMATE - decarbonisation narrative (<i>including resilience</i>) CUSTOMER - energy wallet (<i>including energy poverty</i>) COLLABORATION - workforce (<i>including diversity and inclusion</i>) 	
<p>National Transformation Roadmap</p>	<ul style="list-style-type: none"> • Monitor delivery of the Roadmap via the Future Networks Forum 	
<p>Continue to support ENA members on issues of climate change & resilience</p>	<ul style="list-style-type: none"> • Scenarios 2050 Report • DPMC resilience work - provide submissions and stay connected to this work with Te Waihanga • Network Resilience Working Group • MBIE - tree regulations 	

7

Submissions were made by ENA regarding climate and decarbonisation (including emergency management and resilience)

Submissions

- Strengthening the resilience of Aotearoa New Zealand's critical infrastructure system
- Komiti Whiriwhiri Take Taiao inquiry into climate adaptation
- Measures for transition to an expanded and highly renewable electricity system
- Emergency Management Bill
- Natural hazard decision-making discussion document
- Fourth emissions budget (2036–2040)
- Inquiry into climate adaptation



ENA commissioned a report by Sapere called the 2050 Scenarios Project

We know that lines companies will play an important role in decarbonising the energy system and meeting New Zealand’s legislated net zero carbon goal. Electrification of transport and industrial heat, combined with much greater intermittent renewable electricity supply, will put pressure on distribution networks. The nature of the new electricity demand will see higher peaks and, possibly, peaks at different times than currently experienced.

This report and modelling provides a set of nationally consistent scenarios for demand growth across distribution networks out to 2050.

Network Transformation Roadmap

We originally launched the Network Transformation Roadmap (NTR) in 2019. It was created in anticipation of the role that lines companies would play to enable the transition to a low carbon future. The NTR includes 19 actions. These were designed to assist lines companies to build for the new energy future. These actions are to be implemented over a ten-year period to 2030.

With the rapidly changing landscape of electricity here in Aotearoa, the roadmap needs to be kept up to date for it to be useful. It was reviewed and updated again in 2022.

To make sure that this roadmap remains useful for all lines companies it needs to be a living document. We commit to reviewing the roadmap again and aim to have this completed in the 2024/25 financial year.

Customers. Kiritaki.



Goal:

Networks are trusted, and we engage with customers, regulators and stakeholders to deliver reliable, affordable, low-carbon electricity.

KEY PRIORITIES

Support customer focused pricing reform

PERFORMANCE INDICATOR

- Develop and tell the 'energy wallet' narrative
- Work with ERANZ, Gentailers and MEUG to develop customer personas to inform decision making and innovation
- Address connection pricing
- Government support for a 'just transition' for disadvantaged groups
- Oversee the phase out of LFC's and the administration of the PowerCredits scheme



Relationships with local & central government, other associations & advocacy groups

- Provide co-ordination across members on regulatory and policy matters
- Grow connections with regulators and central government
- Trusted relationships with other associations and advocacy groups
- Membership to key sector groups



Inaugural study tour: Adelaide

In March 2024, ENA held its inaugural Study Tour. It was all about learning from others to improve value for customers. 40 people took part in the inaugural ENA study tour in Adelaide, Australia. We've written an insights report including what we heard and the opportunities for Aotearoa. [Read our report here.](#)

Some key insights from the study tour include:

- Less pilots and more deployment – somewhere, someone around the world has probably already done what you need. Find it, adapt it, and get on with it.
- Social licence is critical – we need to listen and start talking with (not to) consumers – and stop talking to ourselves.
- We need to work together – this means more standardisation and interoperability for electricity distribution networks.
- Workforce – start growing our talent. We heard that some field staff in Australia can earn \$180k per annum with overtime – and they are coming for our talent.
- Our future is data – we will not be in the business of poles and cables; data and its collection and management are our future.

We plan to hold a study tour every second year.

Customers. Kiritaki.



Affordability

Electricity must be affordable. And we need to make sure we have reliable and sustainable electricity for all New Zealanders. Striking the right balance to make sure we are investing in our electricity system, and keeping it as affordable as possible for consumers, is critical. Here are some things that ENA has done over the past year to advocate for affordable electricity for everyone in Aotearoa.

- Through our members, we are proud to help fund the powercredits scheme. The scheme supports low electricity-use households finding it hard to pay their power bills as the Low Fixed Charge Tariff regulations are phased out. The scheme is financed by all lines companies and participating electricity retailers. Together, they provide \$5 million in credit to customers over the five-year phase-out period.
- We worked with the Electricity Authority, Commerce Commission, Transpower, ERANZ and lines companies to help tell New Zealanders what the DPP4 decision means and why prices will rise from April 2025. We are conscious of the impact that investment costs have on New Zealand consumers – big and small – as they flow through to electricity bills. However, if we don't continue to maintain our assets and invest in them, New Zealanders are more likely to face poorer quality services and higher costs than necessary in the future. We wanted to ensure we were communicating with the sector and all consumers about how prices could change from 2025 – and why.
- We continue to engage with the wider sector on tangible things we can do to keep costs as affordable as possible:
 - We participated in an energy wellbeing wānanga, led by the Electricity Authority, on 26 March 2024 and commit to attending any further wānanga if they go ahead.
 - ENA CE, Tracey Kai, and Powerco CE, James Kilty, spoke on the panel at the Ara Ake conference 'Reducing Energy Hardship' on 21 May 2024.
- We are constantly advocating for changes to tree regulations. In 2023, lines companies spent over \$58 million on vegetation management including pruning and felling trees that obstructed lines and infrastructure. This cost is making electricity more expensive for consumers. MBIE conducted a public review of these regulations in 2023. The Minister then announced changes on 18 May 2024. However, these changes will not help us to have more resilient electricity infrastructure when we are faced with our next wild-weather event. We engaged with MBIE on this and are continuing to do so. Further consultation is taking place in 2024. As part of that, we hope to see more fit-for-purpose solutions for managing trees so we can improve electricity resilience and keep costs down for consumers.
- We have been advocating for regulation of smart EV chargers. If we don't regulate now, we'll have to pay more money to build more line capacity. Energy Efficiency and Conservation Authority modelling shows widespread smart charger use could save the country \$4 billion by 2050 by taking stress out of the grid. We have been – and will continue – to advocate for new regulation to make this happen.

Collaboration. Mahi ngātahi.



Goal:

We take a 'whole of electricity sector' approach. We work with generation, transmission, and retailers, as well as regulators and government, to support the critical role of networks in decarbonisation for the long-term benefit of consumers.

KEY PRIORITIES	PERFORMANCE INDICATOR	
Workforce	<ul style="list-style-type: none"> • Workforce Capacity and Capability Review - delivery of report and implementation of appropriate and feasible recommendations - working with EDB HR Managers group, Transpower and EEA • Join Champions for Change - develop an energy coalition • Member of Power Women: Mana Wāhine 	
Energy Sector & Government Decarbonisation Framework	<ul style="list-style-type: none"> • Participation and member of the Framework 	
Powering Change	<ul style="list-style-type: none"> • Participation and member of the Framework 	
Engagement activities	<ul style="list-style-type: none"> • Regulatory Working Group • Future Networks Forum • Evolve the Consumer Reference Working Group • Establishing working groups and forums as required (<i>and ensuring they are disestablished when retired or appropriate</i>) 	
Grow our digital connection	<ul style="list-style-type: none"> • Refresh the ENA website and digital channels - our messages in our channels first • The website is the 'front door' to ENA and a resource that people go to when they want information about networks and electricity decarbonisation 	

Collaboration. Mahi ngātahi.



Future Network Forum

The Future Network Forum (FNF) is helping to align lines companies to create efficiencies for themselves, sector stakeholders, and most importantly, electricity consumers. It's about coming together to harness the collective power of lines companies to help Aotearoa reach its climate goals. It's identifying areas where they can collaborate, share best practice and align processes. The outcome will see greater productivity, cost savings, and better customer experiences for those organisations who work with lines companies, including those looking to get connected.

The FNF is an initiative led by us at ENA. It's co-chaired by James Tipping from Vector and Sam Elder from Orion. The steering group, and members of the projects, are drawn from various lines companies across the country. There are also representatives from Transpower and the Electricity Engineers' Association within some of the projects to ensure strong alignment with other sector initiatives.

The FNF holds three innovation forums per year. Early July 2024 saw the fourth innovation forum with around 90 participants. As of July 2024, there are five projects being worked on within the FNF. These are:

- **Connections journey mapping.** It's about aligning lines companies' processes to improve the connections journey for customers. The project members are working closely with the Electricity Engineers' Association and the Electricity Authority (who are also doing work in this space) to ensure that the projects align nicely so we can create real improvements in the customer connections journey.
- **Aligning capability, roles and functions to enable distributed flexibility.** This project will improve understanding and alignment between lines companies on the capability, roles, functions and industry architecture to enable distributed flexibility. This will help to deliver maximum value to electricity consumers.
- **Flexibility opportunities project.** This initiative is exploring commercial mechanisms and enhancing an initial evaluation calculator for flexibility projects, developed by Wellington Electricity and Orion through their Resi-Flex project.
- **Development of aligned solutions.** There are three initiatives underway:
 - develop consistent approaches to sharing distributed energy resources (DER) information between lines companies and other parties
 - explore the evolving role and use of hot water load control by lines companies and investigate DER data exchange needs with the System Operator
 - investigate how lines companies enable optimised EV charging by consumers and other parties.
- **Customer segmentation.** This project is building a shared understanding, amongst lines companies, about who our customers are, their current and future needs, and the pain points in their customer journeys. This is a core foundational piece, and will ensure a customer-centric approach to FNF's ongoing prioritisation and work programme.

Collaboration. Mahi ngātahi.



Unified emergency reporting to enhance resilience

Lines companies have been working with the National Emergency Management Agency (NEMA) to develop a unified reporting process for the electricity distribution sector. The new template will streamline communication with NEMA during national emergencies.

Lines companies are often out there – alongside emergency services – restoring power in emergency situations. They are often praised for the role they play in a disaster. We know that building resilience requires collaboration and constant improvement.

All lines companies will start using the new reporting template following NEMA's emergency event declaration. The consistency will allow NEMA to quickly aggregate outage data across lines companies and more easily gather a national overview.

Flexibility has been built in so that lines companies can customise non-essential fields to meet their local specific needs. It's a living document and is open to future improvements based on real-world use.

The collaborative efforts of the lines company reps involved in this mahi is helping to build a stronger, more resilient future.

New map making it easier to connect to lines companies

We created a new map that makes it easier for people and businesses to connect to lines companies. We wanted to make it easy for people to find important info to connect to the networks – including the connection price.

This map provides quick access to the connection policies for the 29 lines companies. It also includes a factsheet for each one, highlighting important connection information and how connection charges are calculated.

[Check out the map here.](#)



Collaboration. Mahi ngātahi.



Electricity sector glossary

Every sector has a bunch of well-used acronyms. And the electricity sector acronyms list is long! To make life a little easier, we've put together this handy glossary to explain the sector's most used acronyms.

It was first produced by Orion, the electricity distribution network that provides power to central Canterbury. Ngā mihi nui Orion for allowing us to tweak and share it with the wider sector. [View the glossary here.](#)

Sector networking event

On 30 April 2024, we held the ENA and ERANZ networking event. Ngā mihi nui ERANZ for partnering with us again. As a sector, we're transitioning from a period of stable electricity demand to one where "the future is electric" – and it's so important for customers that we work closely together.

Hosting Minister Simeon Brown and Minister Chris Bishop was a real privilege. Its valuable to have them sharing their priorities with the electricity sector.

We appreciate everyone who came along to mingle and continue discussions about how we keep our sector humming and provide the best value we can for Aotearoa.



Building a thriving team. Whanaungatanga.

Celebrating as a team

We think it's important to come together and celebrate people and our mahi. We don't go all out, but we do find moments where we can work on our bond as an organisation. Whether it was getting together for breakfast to mark International Women's day, or having a fish and chip lunch to celebrate our inaugural study tour, we will continue to find ways to nourish our team culture.





Submissions.

Tuku kōrero.

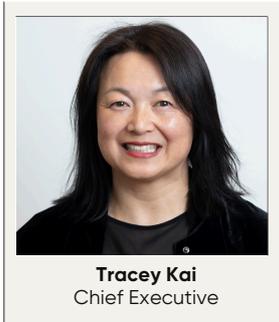
We analyse, research and put our thoughts and recommendations forward to agencies. We do this so that the electricity distribution sector has the right regulation and policies in place to deliver reliable, sustainable and affordable electricity to all New Zealanders. Creating submissions requires a lot of collaboration with our members. We work closely with representatives from across lines companies on many different groups including the regulatory working group, distribution pricing group, tree regulations group and the resource and environmental planning group.

Ngā mihi nui to everyone that sits on these groups. We appreciate the engagement and collaboration so that we can be confident in advocating for all our members.

Here's the 29 submissions we made over the year.

Title	Topic
Strengthening the resilience of our critical infrastructure system	Emergency and resilience
Targeted Reform of Distribution Pricing issues paper	Pricing
Building Consent System Review	Safety
Draft decision targeted information disclosure	EDB performance
Dispatch notification enhancement and clarifications consultation	Sector structure
Consumer Care Guidelines consultation	Consumer care
Input Methodologies cost of debt wash-up mechanism	Investment
Cross-sub: Input Methodologies cost of debt wash-up mechanism	Investment
Komiti Whiriwhiri Take Taiao inquiry into Climate Adaptation	Climate and decarbonisation
Transition to an Expanded and Highly Renewable Electricity System	Climate and decarbonisation
Emergency Management Bill	Emergency and resilience
Changes to the default distribution agreement template	Sector structure
Natural Hazard decision-making discussion document	Emergency and resilience
ENA submission on default price quality paths (DPP) - issues paper	Investment
Cross-sub: default price-quality paths (DPP) issues paper	Investment
Code amendment omnibus two	Sector structure
Improving retail market monitoring	Sector structure
Individual price-quality path issues paper	Investment
Financeability issues paper	Investment
Innovation and non-traditional solution workshop	Pricing
Future operation of New Zealand's power system	Sector structure
CEPA EDB productivity study	EDB performance
Fourth emissions budget (2036–2040)	Climate and decarbonisation
Code amendment omnibus three	Sector structure
Privacy Amendment Bill (the Bill).	Consumer care
Inquiry into climate adaptation	Climate and decarbonisation
Phase-out of the Low Fixed Charge (LFC) Regulations.	Pricing
DPP4 – default price-quality paths (DPP)	Investment
Proposed changes to the default distributor agreement	Sector structure

 **ENA team** for the year ending July 2024



 **ENA board** for the year ending July 2024



Gillian Blythe is ENA's first independent director. She was appointed to the Board in May 2024 and officially started in June 2024.