

Lines companies must decide own future: trust

By [Hamish MacLean](#)

With high-tech opportunities expected to change the way electricity distribution companies do business, Waitaki Power Trust chairwoman Dr Helen Brookes says she wants New Zealand lines companies - not the Government - to determine their futures.

Dr Brookes said she feared legislative changes were possible that could take away the ability for lines companies, like the trust's Network Waitaki, to invest in "separate assets" and could jeopardise the 100% consumer trust-owned company's future. "If a decision is to be made as to what type of business a lines company becomes in the future, that decision should be over to the company itself to make," she said. "Rather than have Government put legislation in place, forcing it to go one way or the other."

Network Waitaki had installed three charging stations for electric vehicles, owned a one-third share in a fibreoptic cable between Christchurch and Invermay, and had its own metering business, because unlike its lines business, those businesses were not strictly regulated.

The profits from those ventures allowed the company to earn revenue without relying on its lines charges, she said. But the recent International Energy Agency's New Zealand 2017 Review notes the widespread distribution of smart meters and the introduction of technology such as electric vehicles, battery storage and rooftop photovoltaic power stations could bring in "a period of rapid change" for the country's electricity distribution sector and raised concerns that small businesses like Network Waitaki might not have the scale required, or could be too risk-averse due to its natural monopoly position, and stymie growth in the market. And this winter the Electricity Authority consulted on how to increase competition in the market.

Last week, Energy and Resources Minister Judith Collins said she was not considering changing the law "but I do want to ensure distribution companies, whatever their ownership structure, continue to stay focused on their core business. "On a trip to the United States earlier this year, I was given an insight into the types of disruptive technologies that I expect we'll see in New Zealand in time," she said. "For example, rapidly improving batteries and solar technology are seeing consumers better manage their own electricity use, allowing alternative generation through community-based micro-grids, and for consumers to potentially trade in energy by selling to each other or back to the grid. "This type of technology will clearly impact on how the markets think about investing in centralised energy infrastructure/national grids. "For distribution companies to continue to deliver value to their communities by providing efficient and reliable access to electricity, they'll need to be responsive to change and adapt accordingly."