

**Reprint
as at 1 April 2009**



**Electricity (Low Fixed Charge
Tariff Option for Domestic
Consumers) Regulations 2004**

(SR 2004/272)

Silvia Cartwright, Governor-General

Order in Council

At Wellington this 30th day of August 2004

Present:

Her Excellency the Governor-General in Council

Pursuant to sections 172B, 172J, and 172K of the Electricity Act 1992, Her Excellency the Governor-General, acting on the advice and with the consent of the Executive Council, makes the following regulations.

Note

Changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in this reprint.

A general outline of these changes is set out in the notes at the end of this reprint, together with other explanatory material about this reprint.

These regulations are administered by the Ministry of Economic Development.

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Regulations

- 1 Title**

These regulations are the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Regulations 2004.
- 2 Commencement**

These regulations come into force on 1 October 2004.
- 3 Objective**

The objective of these regulations is to—

- (a) ensure that electricity retailers offer a low fixed charge tariff option or options for delivered electricity to domestic consumers at their principal place of residence that will assist low-use consumers and encourage energy conservation; and
- (b) regulate electricity distributors so as to assist electricity retailers to deliver low fixed charge tariff options.

4 Interpretation

- (1) In these regulations, unless the context otherwise requires,—

Act means the Electricity Act 1992

alternative distributor tariff option means a tariff option that is made available by the same electricity distributor to homes in the same supply area for the same delivered electricity package (*see* subclause (2)) as the regulated distributor tariff option

alternative tariff option means a tariff option that is made available by the same electricity retailer to homes in the same supply area for the same delivered electricity package (*see* subclause (2)) as the low fixed charge tariff option

any charges associated with the delivered electricity includes all charges of the electricity retailer, the electricity distributor, any other electricity provider, and any other third party, that the electricity retailer or the electricity distributor seeks to recover (for example, meter owner charges, electricity levies, any Transpower charges, and local authority rates) in respect of delivered electricity

average consumer means,—

- (a) in relation to a consumer whose home is in the Lower South region, a person who purchases or uses 9 000 kWh of electricity per year in respect of that home; or
- (b) in relation to a consumer whose home is elsewhere in New Zealand, a person who purchases or uses 8 000 kWh of electricity per year in respect of that home

bundled low fixed charge tariff option means a low fixed charge tariff option referred to in regulation 7(a)

delivered electricity—

- (a) includes components like electricity supply, line function services, customer service, meter provision, and meter reading services; but
- (b) excludes special services

delivered electricity package means the bundle of components under the definition of **delivered electricity** that are supplied to a particular home

domestic consumer means any person who purchases or uses electricity in respect of his or her home

Electricity Commission means the Electricity Commission continued under subpart 1 of Part 15 of the Act

electricity distributor means a person who supplies line function services to any other person or persons

electricity provider means an electricity retailer or other business that contracts with consumers to sell delivered electricity or a component of delivered electricity

electricity retailer means a person who supplies electricity to another person or other persons for any purpose other than for resupply by the other person or persons

fixed charge means a charge levied for each customer connection in currency per time period (for example, cents per day)

home means the domestic premises (as defined in the Act) that are the principal place of residence of a domestic consumer

home in the Lower South region means a home that is supplied by any of the following grid exit points:

- (a) Arthur's Pass:
- (b) Castle Hill:
- (c) Papanui:
- (d) Hororata:
- (e) any grid exit point that is south of any grid exit point referred to in paragraphs (a) to (d)

line function services means—

- (a) the provision and maintenance of works for the conveyance of electricity:
- (b) the operation of those works, including the control of voltage and assumption of responsibility for losses of electricity

low fixed charge tariff option means a low fixed charge tariff option that meets the requirements of regulations 7 to 10

low-use consumer means a domestic consumer who, in respect of his or her home, purchases or uses less electricity per year than an average consumer purchases or uses per year in respect of a home in the same region

regulated distributor tariff option means a tariff option that meets the requirements of regulations 14 to 17

special services means any services that are provided by an electricity retailer or an electricity distributor to a domestic consumer—

- (a) in addition to those in the standard delivered electricity package; and
- (b) either at the request of the consumer or as a result of the consumer's default under their agreement with the electricity retailer or electricity distributor (for example, connection or disconnection fees)

split-charging low fixed charge tariff option means a low fixed charge tariff option referred to in regulation 7(b)

supply area, in relation to an electricity retailer or electricity distributor, means a geographical area separately identified by that electricity retailer or distributor

variable charge means a charge that varies according to the amount of electricity consumed (for example, cents per kilowatt hour).

- (2) A delivered electricity package is the same as another delivered electricity package if the nature of the goods and services to be supplied are the same or substantially the same in terms of features like meter and relay configuration allowing for load control, prepayment meters, time of day or winter-summer electricity consumption, and kilovolt-ampere (kVA) rating.
- (3) In these regulations, references to an electricity distributor doing anything to or for domestic consumers includes doing so directly or indirectly via the electricity retailer.
- (4) Examples used in these regulations have the following status:
 - (a) an example is only illustrative of the provision to which it relates and does not limit the provision; and

- (b) if an example and the provision to which it relates are inconsistent, the provision prevails.

Regulation 4(1) **average consumer**: substituted, on 1 April 2009, by regulation 4(2) of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Regulation 4(1) **Board**: revoked, on 1 April 2009, by regulation 4(3) of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Regulation 4(1) **Electricity Commission**: inserted, on 1 April 2009, by regulation 4(3) of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Regulation 4(1) **home**: substituted, on 1 April 2009, by regulation 4(2) of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Regulation 4(1) **home in the Lower South region**: inserted, on 1 April 2009, by regulation 4(2) of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Regulation 4(1) **low-use consumer**: inserted, on 1 April 2009, by regulation 4(1) of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

*Retailers must make low fixed charge tariff
option available*

5 Electricity retailers to make low fixed charge tariff options available

- (1) For each of the delivered electricity packages that an electricity retailer supplies to homes in its supply areas, the electricity retailer must make at least 1 low fixed charge tariff option available.
- (2) To avoid doubt, the obligation in subclause (1) applies with respect to all homes, whether or not they have prepayment meters and irrespective of the degree of load control that the domestic consumer has.
- (3) However, the obligation in subclause (1) does not apply with respect to a home that is the subject of an exemption granted to an electricity retailer under regulation 26 or 31.

Example

Before regulation 5 comes into force, Retailer X has 3 delivered electricity package options that domestic consumers can choose between.

Package 1—Uncontrolled Supply

Example—*continued*

Package 2—Controlled Hot Water, Uncontrolled other Supply

Package 3—Uncontrolled Anytime, Controlled Hot Water, Controlled Night

After regulation 5 comes into force, each package must have a standard and low fixed charge tariff option as follows:

Package 1

Uncontrolled Supply

Low User—Uncontrolled Supply

Package 2

Controlled Hot Water, Uncontrolled other Supply

Low User—Controlled Hot Water, Uncontrolled other Supply

Package 3

Uncontrolled Anytime, Controlled Hot Water, Controlled Night

Low User—Uncontrolled Anytime, Controlled Hot Water, Controlled Night

Regulation 5 heading: substituted, on 1 April 2009, by regulation 5(1) of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Regulation 5(1): substituted, on 1 April 2009, by regulation 5(2) of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Regulation 5(2): added, on 1 April 2009, by regulation 5(2) of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Regulation 5(3): added, on 1 April 2009, by regulation 5(2) of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

6 Homes to which low fixed charge tariff option must be made available

[Revoked]

Regulation 6: revoked, on 1 April 2009, by regulation 6 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Requirements for low fixed charge tariff options

7 Types of fixed charge tariff options

Each low fixed charge tariff option that an electricity retailer makes available in respect of a home must be of one of the following types:

- (a) a bundled low fixed charge tariff option, under which the electricity retailer is the only person that charges the consumer directly in respect of the delivered electricity supplied to the home; or
- (b) a split-charging low fixed charge tariff option, under which—
 - (i) the electricity distributor charges the consumer directly under a regulated distributor tariff option in respect of some services associated with the delivered electricity supplied in the home; and
 - (ii) the electricity retailer charges the consumer directly in respect of the rest of the delivered electricity supplied to the home.

Regulation 7(b)(i): substituted, on 1 April 2009, by regulation 7 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

8 Minimum requirements for low fixed charge tariff options

The electricity retailer must ensure that any low fixed charge tariff option that it makes available in respect of a home complies with the following minimum requirements:

- (a) the electricity retailer must not charge the consumer more than 1 fixed charge for the delivered electricity supplied to the home; and
- (b) in the case of a bundled low fixed charge tariff option, that 1 fixed charge must be not more than 30 cents per day, excluding goods and services tax; and
- (c) in the case of a split-charging low fixed charge tariff option, the fixed charge must be not more than 30 cents per day (excluding goods and services tax), less the amount charged directly to the consumer by the electricity distributor under a regulated distributor tariff option; and

- (d) the electricity retailer may not recover any charges associated with the delivered electricity other than by all or any of the following:
 - (i) that fixed charge; and
 - (ii) a variable charge or charges; and
 - (iii) any fees for special services.

Regulation 8(c): substituted, on 1 April 2009, by regulation 8 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

9 Regulation of variable charges in low fixed charge tariff options

- (1) The purpose of this regulation is to ensure that average consumers pay no more per year on a low fixed charge tariff option than on any alternative tariff option.
- (2) The variable charge or charges in a low fixed charge tariff option must be such that the average consumer would pay no more in total per year for the fixed charge and the variable charges charged in accordance with regulation 8(d)(i) and (ii) than the average consumer would pay in total per year for those same matters on any alternative tariff option.
- (3) In determining whether a tariff option complies with subclause (2), the rule in subclause (4) must be applied.
- (4) If there is more than 1 variable charge on a tariff option, the average consumer is assumed to consume electricity on the following ratios (unless the average consumer in that supply area in fact consumes on a different ratio or is on a different delivered electricity package):
 - (a) for separately charged controlled and uncontrolled any-time electricity consumption, 40% of total consumption is controlled and 60% is uncontrolled;
 - (b) for separately charged controlled night and uncontrolled any-time electricity consumption, 25% of total consumption is controlled and 75% is uncontrolled.

Example

Mrs A has an uncontrolled supply of electricity.

Mr B has an electricity supply comprising both controlled hot water and uncontrolled other supply.

Mrs A and Mr B are both average consumers.

Example—*continued*

The alternative tariff option for Mrs A is 65 cents per day plus a variable charge of 16.75 cents per kWh of electricity used. So a compliant low fixed charge tariff option for Mrs A would be 30 cents per day plus a variable charge of 18.34 cents per kWh of electricity used. For both tariff options, the cost per year for Mrs A would be \$1,577.

The alternative tariff option for Mr B is 65 cents per day plus variable charges of 16.75 cents per kWh of electricity used for the uncontrolled supply and 14.87 cents per kWh of electricity used for the controlled hot water. So a compliant low fixed charge tariff option for Mr B would be 30 cents per day plus variable charges of 18.34 cents per kWh of electricity used for the uncontrolled supply and 16.46 per kWh of electricity used for the controlled hot water (see assumptions in regulation 9(4)). For both tariff options, the cost per year for Mr B would be \$1,517.

All figures in this example are exclusive of goods and services tax.

10 Regulation of other charges and other terms and conditions of low fixed charge tariff options

- (1) The purpose of this regulation is to ensure that other charges under, and other terms and conditions of, the contracts to which low fixed charge tariff options relate are not unreasonably detrimental to the interests of low-use consumers.
- (2) A low fixed charge tariff option must not contain—
 - (a) variable charges for domestic consumers that are tiered or stepped according to the amount of electricity consumed; or
 - (b) fees for special services or discounts that are inconsistent with the fees for special services or discounts charged to domestic consumers who are on alternative tariff options; or
 - (c) other terms and conditions that are inconsistent with the terms and conditions of alternative tariff options.
- (3) Subclause (2)(a) does not prevent an electricity retailer from setting different variable charges for controlled or uncontrolled load, or for electricity consumption at different times of the day or year, or for prepayment meters, provided that the

different variable charges are not tiered or stepped according to the amount of electricity consumed.

11 Rules as to advertisement of low fixed charge tariff options

The electricity retailer must advertise a low fixed charge tariff option at the same time, and in the same manner, as it advertises an alternative tariff option.

12 Promotion of low fixed charge tariff options

- (1) Every electricity retailer must promote low fixed charge tariff options by giving, at least once in every 12 months, a notice of a kind described in subclause (2) to each domestic consumer to whom it currently supplies delivered electricity to domestic premises.
- (2) The notice given under subclause (1) must—
 - (a) identify the amount of electricity the electricity retailer has sold to the domestic consumer in respect of the domestic premises during the previous 12 months; and
 - (b) explain that, if the domestic premises are the consumer's home, a low fixed charge tariff option is available; and
 - (c) explain that, with respect to the home, there may be benefits for the consumer in being on a low fixed charge tariff option if the consumer uses less electricity per year than the average consumer uses; and
 - (d) set out the main features of each of the current low fixed charge tariff options that the electricity retailer makes available to homes in the supply area in which the domestic premises are located.
- (3) However, an electricity retailer need not give a consumer a notice of a kind described in subclause (2) if—
 - (a) every tariff option offered by the retailer that is available to the consumer is a low fixed charge tariff option; or
 - (b) obtaining the information referred to in subclause (2)(a) is, in respect of that particular consumer, technically difficult or otherwise impractical; but in that case, the retailer must give the consumer a different notice that ex-

plains why it is not providing a notice of a kind described in subclause (2).

Regulation 12: substituted, on 1 April 2009, by regulation 9 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Regulated distributor tariff option

13 Purpose

The purpose of regulations 14 to 17 is to regulate the way in which electricity distributors charge in respect of homes on low fixed charge tariff options, so as to assist electricity retailers to deliver low fixed charge tariff options.

Regulation 13: amended, on 1 April 2009, by regulation 10 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

14 Regulated distributor tariff option

- (1) An electricity distributor must ensure that any arrangement it has with an electricity retailer in respect of a home that is on a bundled low fixed charge tariff option, and that any arrangement it has with a domestic consumer in respect of a home that is on a split-charging low fixed charge tariff option, complies with the following minimum requirements:
 - (a) the electricity distributor must not charge more than 1 fixed charge for the line function services supplied to the home; and
 - (b) that fixed charge must be not more than 15 cents per day, excluding goods and services tax; and
 - (c) the electricity distributor may not recover any charges associated with the delivered electricity supplied to the home other than by all or any of the following:
 - (i) the fixed charge referred to in paragraph (b); and
 - (ii) a variable charge or charges; and
 - (iii) any fees for special services; and
 - (iv) any fee payable for providing or reading any meter that is owned by the electricity distributor; and
 - (v) any fee payable for providing any relay that is owned by the electricity distributor.

- (2) If a home is not on a low fixed charge tariff option, the electricity distributor's arrangement with the electricity retailer in respect of that home must treat that home as not being on a regulated distributor tariff option (unless the electricity distributor has only regulated distributor tariff options).

Regulation 14(2): added, on 1 April 2009, by regulation 11 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

15 Regulation of variable charges in regulated distributor tariff option

- (1) The variable charge or charges in a regulated distributor tariff option must be such that the average consumer would pay no more in total per year for the fixed charge and variable charges charged in accordance with regulation 14(c)(i) and (ii) than the average consumer would pay in total per year for those same matters on any alternative distributor tariff option.
- (2) In determining whether the tariff options comply with subclause (1), the following rules must be applied:
- (a) subclause (1) must be complied with both before and after any discounts or rebates or other distributions are applied or made:
 - (b) if there is more than 1 variable charge on a tariff option, the average consumer is assumed to consume electricity on the following ratios (unless the average consumer in that supply area in fact consumes on a different ratio or is on a different delivered electricity package):
 - (i) for separately charged controlled and uncontrolled anytime electricity consumption, 40% of total consumption is controlled and 60% is uncontrolled:
 - (ii) for separately charged controlled night and uncontrolled anytime electricity consumption, 25% of total consumption is controlled and 75% is uncontrolled.

16 Regulation of other charges and other terms and conditions of regulated distributor tariff option

- (1) A regulated distributor tariff option must not contain—

- (a) variable charges for domestic consumers that are tiered or stepped according to the amount of electricity consumed; or
 - (b) fees for special services, rebates, or discounts that are inconsistent with the fees for special services, rebates, or discounts that apply to domestic consumers who are on alternative distributor tariff options; or
 - (c) other terms and conditions that are inconsistent with the terms and conditions of alternative distributor tariff options.
- (2) Subclause (1)(a) does not prevent an electricity distributor from doing any of the following things:
- (a) setting different variable charges for controlled and uncontrolled load, or for electricity consumption at different times of the day or year, provided that the different variable charges are not tiered or stepped according to the amount of electricity consumed:
 - (b) setting rebates or discounts that vary according to the amount of electricity consumed, provided that the rebates or discounts applying to domestic consumers on low fixed charge tariff options are consistent with those that apply to domestic consumers who are on alternative distributor tariff options.

17 Distributors providing wholesale pricing

If an electricity distributor charges an electricity retailer on the basis of the quantity of electricity metered in bulk at a grid exit point (**wholesale pricing**), the distributor is treated as complying with regulations 14 to 16 if there is a wholesale tariff option available to the electricity retailer, referable to homes, that includes a fixed charge at not more than 15 cents per day per home (exclusive of goods and service tax) and the distributor's wholesale tariff option is in all other respects consistent with the purpose referred to in regulation 13.

*Provisions that apply to both low fixed charge
tariff options and regulated distributor tariff
options*

18 Prompt payment discounts

The 30 cents per day amounts in regulation 8(b) and (c) and the 15 cents per day amounts in regulation 14(b) and regulation 17 are the charges after the deduction of any prompt payment discounts.

19 Itemising on bills

Regulations 8 and 14 do not prevent the electricity retailer or the electricity distributor from itemising the components of the fixed and variable charges on a bill so that it is clear what they cover and who the charges are (directly or indirectly) from.

20 Low fixed charge tariff options unaffected by number of meters

Regulations 8 and 14 apply regardless of the number of electricity meters at the home.

*No other parties may charge consumers on low
fixed charge tariff options*

21 Restriction on charging by other parties

- (1) If a domestic consumer is on a bundled low fixed charge tariff option in respect of a home, only the electricity retailer that makes that tariff option available may charge the consumer directly in respect of delivered electricity, or any component of delivered electricity, supplied to the home.
- (2) If a domestic consumer is on a split-charging low fixed charge tariff option in respect of a home, only the electricity retailer that makes that tariff option available and the electricity distributor that directly contracts with the consumer under that option may charge the consumer directly in respect of delivered electricity, or any component of delivered electricity, supplied to the home.

Supply of information

22 When information must be supplied

- (1) Each electricity retailer must supply to the Electricity Commission the information required by regulation 23 in respect of each low fixed charge tariff option it makes available, and each electricity distributor must supply to the Electricity Commission the information required by regulation 23 in respect of the regulated distributor tariff option that it makes available,—
- (a) before 15 October 2004; and
 - (b) 15 working days before the effective date of any new tariff option, and of any change to an existing tariff option, that applies to domestic consumers; and
 - (c) before the expiry of 10 working days (or any longer period permitted by the Electricity Commission) after receiving a written request for the information from the Electricity Commission.
- (2) The information must be supplied in writing and, if appropriate, in graph form.

Regulation 22(1): amended, on 1 April 2009, by regulation 12 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Regulation 22(1)(c): amended, on 1 April 2009, by regulation 12 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

23 What information must be supplied

The information required under regulation 22 is all of the following information, or any class, or more specific description, of this information requested in writing by the Electricity Commission:

- (a) a schedule of the tariff options that the electricity retailer makes available in respect of homes in a supply area for the supply of delivered electricity or components of delivered electricity;
- (b) a schedule of the tariff options that the electricity distributor makes available to electricity retailers or domestic consumers in respect of homes in its supply area for the supply of delivered electricity or components of delivered electricity;

- (c) calculations showing how the tariff options comply with regulation 9(2) or regulation 15(1) as the case may be (each of which requires the average consumer to pay no more on a low fixed charge tariff option or on a regulated distributor tariff option than on any alternative option):
- (d) if the electricity retailer or electricity distributor has used a different assumption as to the consumption of the average consumer from that contained in regulation 9(4) or regulation 15(2)(b), as the case may be, a detailed explanation and data to support the use of the different assumption:
- (e) if the electricity retailer or electricity distributor has a delivered electricity package not covered by regulations 9(4) or 15(2)(b), as the case may be, and this package has more than 1 variable charge, a detailed explanation and data to support the ratios used for assigning total electricity consumption to the different variable charges:
- (f) if requested by the Electricity Commission, to assist it in determining whether the tariff options are compliant with regulation 9 or regulation 10 or regulation 15 or regulation 16, information about—
 - (i) a particular tariff option made available by the electricity retailer or the electricity distributor, as the case may be; or
 - (ii) the availability of a particular tariff option; or
 - (iii) how a particular tariff option compares with an alternative tariff option:
- (g) in the case of electricity retailers, information about offers to, and advertising and promotion of, the low fixed charge tariff options and other tariff options that are made available to domestic consumers for the supply of delivered electricity or components of delivered electricity:
- (h) in the case of an electricity distributor that charges an electricity retailer on the basis of wholesale pricing, a schedule of the tariff or tariffs that the distributor makes

available to the retailer for the supply of line function services to homes in the supply area:

- (i) the number of homes that are on a low fixed charge tariff option in each of the electricity retailer's or electricity distributor's supply areas.

Regulation 23: amended, on 1 April 2009, by regulation 13 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Regulation 23(f): amended, on 1 April 2009, by regulation 13 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

Offences and penalties

24 Offences against low fixed charge tariff option and regulated distributor tariff option requirements

- (1) An electricity retailer that knowingly contravenes any of regulations 5 to 7 or 9 to 11 commits an offence and is liable on summary conviction to a fine not exceeding \$20,000.
- (2) An electricity distributor that knowingly contravenes any of regulations 14 to 16 commits an offence and is liable on summary conviction to a fine not exceeding \$20,000.
- (3) An electricity distributor, electricity retailer, or other electricity provider that knowingly contravenes regulation 21 commits an offence and is liable on summary conviction to a fine not exceeding \$10,000.

25 Offences against supply of information requirements

An electricity retailer or electricity distributor that without reasonable excuse contravenes regulation 22 commits an offence and is liable on summary conviction to a fine not exceeding \$5,000.

Exemptions

26 Minister may grant exemptions

- (1) The Minister may exempt an electricity retailer or electricity distributor, or an electricity retailer or electricity distributor in relation to a particular area or areas, from the application of any provision or provisions of these regulations if, in the opinion of the Minister,—

- (a) any of the criteria in regulations 27 to 30 are satisfied; and
 - (b) the electricity retailer or electricity distributor materially complies with the objective of section 172B of the Act.
- (2) The Minister may also exempt an electricity distributor, or an electricity distributor in relation to a particular area or areas, from the application of any provision or provisions of these regulations if—
- (a) the distributor conveys less than 5 GWh per annum; and
 - (b) the distributor's lines are not connected directly, or indirectly through another distributor, to the national grid; and
 - (c) in the opinion of the Minister, the distributor would incur a significant or unreasonable cost in complying with the provision or provisions.

Regulation 26(2): added, on 1 April 2009, by regulation 14 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

27 Exemption for retailers and distributors for closed or obsolete tariffs

One of the criteria according to which the Minister may exempt an electricity retailer from its obligations under these regulations in respect of low fixed charge tariff options, or an electricity distributor from its obligations under these regulations in respect of the regulated distributor tariff option, is that—

- (a) the delivered electricity is supplied to the home under a closed or obsolete tariff offered by an electricity retailer or electricity distributor that is no longer open to new customers; and
- (b) either—
 - (i) a date has been set for the expiry of the closed or obsolete tariff; or
 - (ii) the electricity retailer or electricity distributor has an active programme to facilitate the transition of existing customers off the closed or obsolete tariff and on to new tariffs; or

- (iii) there are very few customers on the closed or obsolete tariff (for example, less than 50); and
- (c) the electricity retailer or electricity distributor has 1 or more low fixed charge tariff options in respect of other delivered electricity packages that are available to the customers on the closed or obsolete tariff.

28 Exemption for distributors for remote areas with single lines serving few homes

One of the criteria according to which the Minister may exempt an electricity distributor from its obligations under these regulations in respect of the regulated distributor tariff option is that—

- (a) the delivered electricity is supplied to a home that is in a very remote area; and
- (b) the home is served by a single line that serves few homes (for example, less than 10) and no other significant electricity consumers; and
- (c) in the opinion of the Minister, it would be a significant or unreasonable cost for the electricity distributor to make a regulated distributor tariff option available in respect of that home.

29 Exemption for distributors for homes served by dedicated transformer

One of the criteria according to which the Minister may exempt an electricity distributor from its obligations under these regulations in respect of the regulated distributor tariff option is that—

- (a) the home is served by its own dedicated transformer that has not been paid for by the consumer through a special connection fee or other charge; and
- (b) homes with their own dedicated transformers comprise more than 25% of the homes supplied by the electricity distributor in the supply area in which the home is located; and
- (c) in the opinion of the Minister, it would be a significant or unreasonable cost for the electricity distributor

to make a low fixed charge tariff option available in respect of the home.

29A Exemption for distributors for homes with 3-phase supply or 15 kVA supply

One of the criteria according to which the Minister may exempt an electricity distributor from its obligations under these regulations in respect of the regulated distributor tariff option is that—

- (a) the home is on a 3-phase supply, or a greater-than 15 kVA supply, or on both; and
- (b) the distributor has an active programme of facilitating homes referred to in paragraph (a) to transfer to single phase supply, or to supply of 15 kVA or less; and
- (c) in the opinion of the Minister, it would be a significant or unreasonable cost for the electricity distributor to make a low fixed charge tariff option available in respect of the home.

Regulation 29A: inserted, on 1 April 2009, by regulation 15 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

30 Exemption for retailers and distributors for transition from material compliance before 1 October 2004

[Revoked]

Regulation 30: revoked, on 1 April 2009, by regulation 16 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

31 Minister may grant exemptions to electricity retailers

The Minister may exempt an electricity retailer in relation to a particular area from the application of any provision or provisions of these regulations if—

- (a) the electricity distributor has obtained an exemption under regulation 26; and
- (b) in the opinion of the Minister, a corresponding exemption in respect of the same matter is appropriate for the electricity retailer.

Regulation 31(a): amended, on 1 April 2009, by regulation 17 of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315).

32 Applications for exemptions

An application for an exemption must be made in writing to the Minister.

33 Granting, variation, and revocation of exemptions

- (1) The Minister may grant an exemption by notice in writing to the applicant.
- (2) The exemption may be granted on any terms and conditions that the Minister thinks fit.
- (3) The Minister may vary or revoke an exemption in the same way as the exemption may be granted.

34 Publication of exemptions

A person to whom an exemption has been granted must publish the exemption on the person's Internet website at all reasonable times.

Miscellaneous

35 Transpower

These regulations do not apply to Transpower.

36 Nothing in regulations requires alternative tariff option

Nothing in these regulations requires there to be an alternative tariff option or an alternative distributor tariff option.

Diane Morcom,
Clerk of the Executive Council.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 2 September 2004.

Contents

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Notes

1 *General*

This is a reprint of the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Regulations 2004. The reprint incorporates all the amendments to the regulations as at 1 April 2009, as specified in the list of amendments at the end of these notes.

Relevant provisions of any amending enactments that have yet to come into force or that contain relevant transitional or savings provisions are also included, after the principal enactment, in chronological order.

2 *Status of reprints*

Under section 16D of the Acts and Regulations Publication Act 1989, reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by the amendments to that enactment. This presumption applies even though editorial changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in the reprint.

This presumption may be rebutted by producing the official volumes of statutes or statutory regulations in which the principal enactment and its amendments are contained.

3 *How reprints are prepared*

A number of editorial conventions are followed in the preparation of reprints. For example, the enacting words are not included in Acts, and provisions that are repealed or revoked

are omitted. For a detailed list of the editorial conventions, *see* <http://www.pco.parliament.govt.nz/legislation/reprints.shtml> or Part 8 of the *Tables of Acts and Ordinances and Statutory Regulations, and Deemed Regulations in Force*.

4 Changes made under section 17C of the Acts and Regulations Publication Act 1989

Section 17C of the Acts and Regulations Publication Act 1989 authorises the making of editorial changes in a reprint as set out in sections 17D and 17E of that Act so that, to the extent permitted, the format and style of the reprinted enactment is consistent with current legislative drafting practice. Changes that would alter the effect of the legislation are not permitted. A new format of legislation was introduced on 1 January 2000. Changes to legislative drafting style have also been made since 1997, and are ongoing. To the extent permitted by section 17C of the Acts and Regulations Publication Act 1989, all legislation reprinted after 1 January 2000 is in the new format for legislation and reflects current drafting practice at the time of the reprint.

In outline, the editorial changes made in reprints under the authority of section 17C of the Acts and Regulations Publication Act 1989 are set out below, and they have been applied, where relevant, in the preparation of this reprint:

- omission of unnecessary referential words (such as “of this section” and “of this Act”)
- typeface and type size (Times Roman, generally in 11.5 point)
- layout of provisions, including:
 - indentation
 - position of section headings (eg, the number and heading now appear above the section)
- format of definitions (eg, the defined term now appears in bold type, without quotation marks)
- format of dates (eg, a date formerly expressed as “the 1st day of January 1999” is now expressed as “1 January 1999”)

- position of the date of assent (it now appears on the front page of each Act)
- punctuation (eg, colons are not used after definitions)
- Parts numbered with roman numerals are replaced with arabic numerals, and all cross-references are changed accordingly
- case and appearance of letters and words, including:
 - format of headings (eg, headings where each word formerly appeared with an initial capital letter followed by small capital letters are amended so that the heading appears in bold, with only the first word (and any proper nouns) appearing with an initial capital letter)
 - small capital letters in section and subsection references are now capital letters
- schedules are renumbered (eg, Schedule 1 replaces First Schedule), and all cross-references are changed accordingly
- running heads (the information that appears at the top of each page)
- format of two-column schedules of consequential amendments, and schedules of repeals (eg, they are rearranged into alphabetical order, rather than chronological).

5 *List of amendments incorporated in this reprint
(most recent first)*

Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Amendment Regulations 2008 (SR 2008/315)
