

From: [REDACTED]
To: [Submissions Mailbox](#)
Subject: Consultation paper-Review of distributed generation pricing principles.
Date: Sunday, 24 July 2016 2:01:13 p.m.

Submission from Pupu Hydro Society inc.

History;

Pupu Hydro was first commissioned in 1929 to supply power to Golden Bay. The Golden Bay Electric Power Board was formed to facilitate the supply of power and reticulation of the area which operated as an isolated network until the Cobb Hydro was built and the Bay was eventually connected to the National Grid. The generator failed in 1980 and the then owners Tasman Energy decided to dispose of the assets. A group of locals approached Tasman Energy with a view to restoring and operating the plant. This was narrowly agreed to and 7 years later was re-commissioned, producing nearly 2gWhr per year since.

Revenue;

Up until the separation of lines and energy Pupu Hydro sold its output to Tasman Energy. Separation saw the society lose its customer and have to go "cap in hand " to the major energy providers to find a new customer who agreed to pay the spot price which saw Pupu take a drop of 30% in returns. Luckily this happened just as we paid off our bankers.

ACOT; The ACOT payments amount to 28% of our income and to see that sort of reduction in finance would be quite a blow, to also have to forgo further income in the proposed "common cost" imposition would just add insult to injury and would see us having insufficient income to maintain the scheme in a safe condition, let alone continue with the charitable donations we make. As an incorporated society we can't benefit personally except by way of wages, etc so we try to help local charities.

Summary;

Pupu Hydro feels that the proposed changes to the code are definitely not in our best interests and would be a backward step in the Electricity Industry in NZ. We think this constitutes anticompetitive behaviour, and the exploitation of the monopoly position of the larger players.

Pupu hydro, A member of the IEGA, wholeheartedly supports their position on this issue. T W Goodall.