

Staying current:

**Do cutting-edge issues require cutting-edge
regulation?**

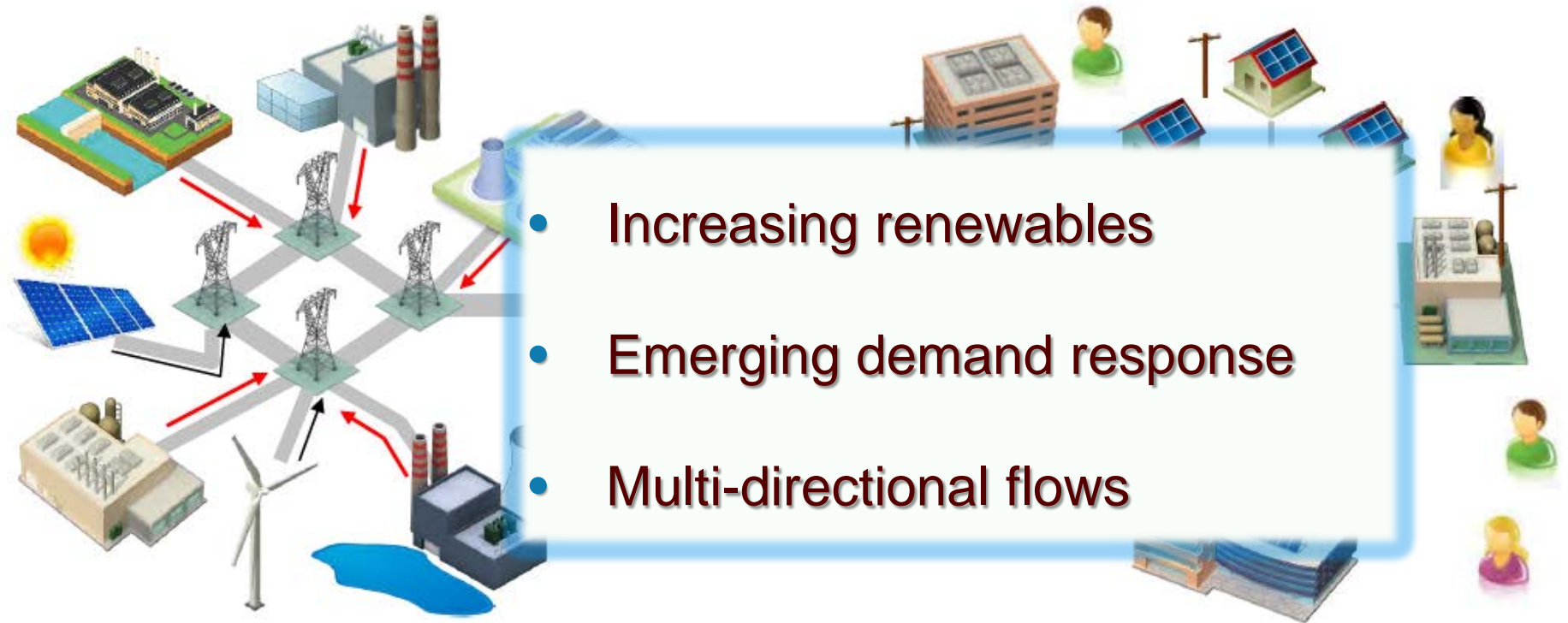
**Asia Pacific Energy Regulatory Forum:
August 2014**

Presented by:
Fraser Clark, General Manager Market Services,
Electricity Authority


The way we were

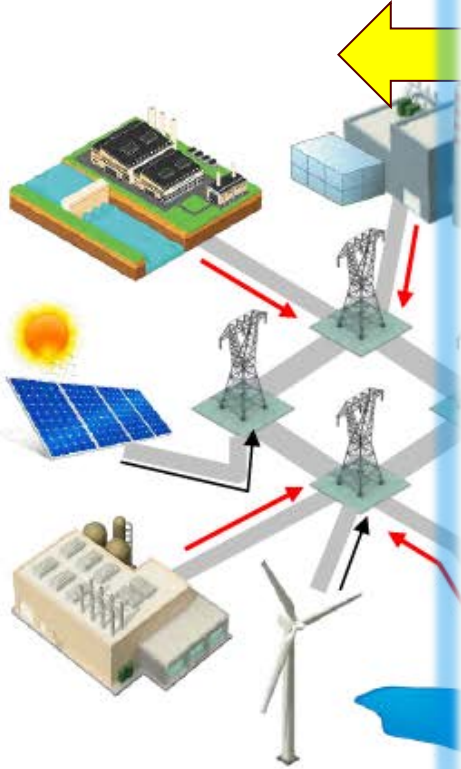


The way we are



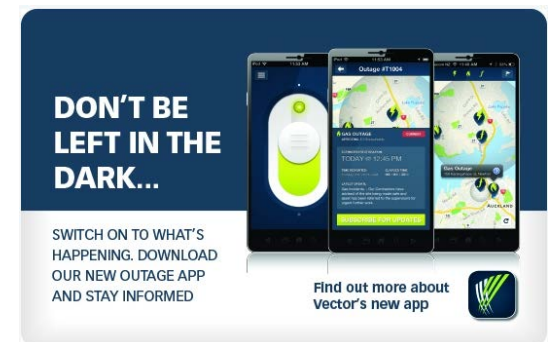
The way we will be?

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- Smaller, low-cost assets
 - Large number of small players
 - Less predictable
 - But more forecastable?
 - Physical and virtual
 - Vastly more interfaces

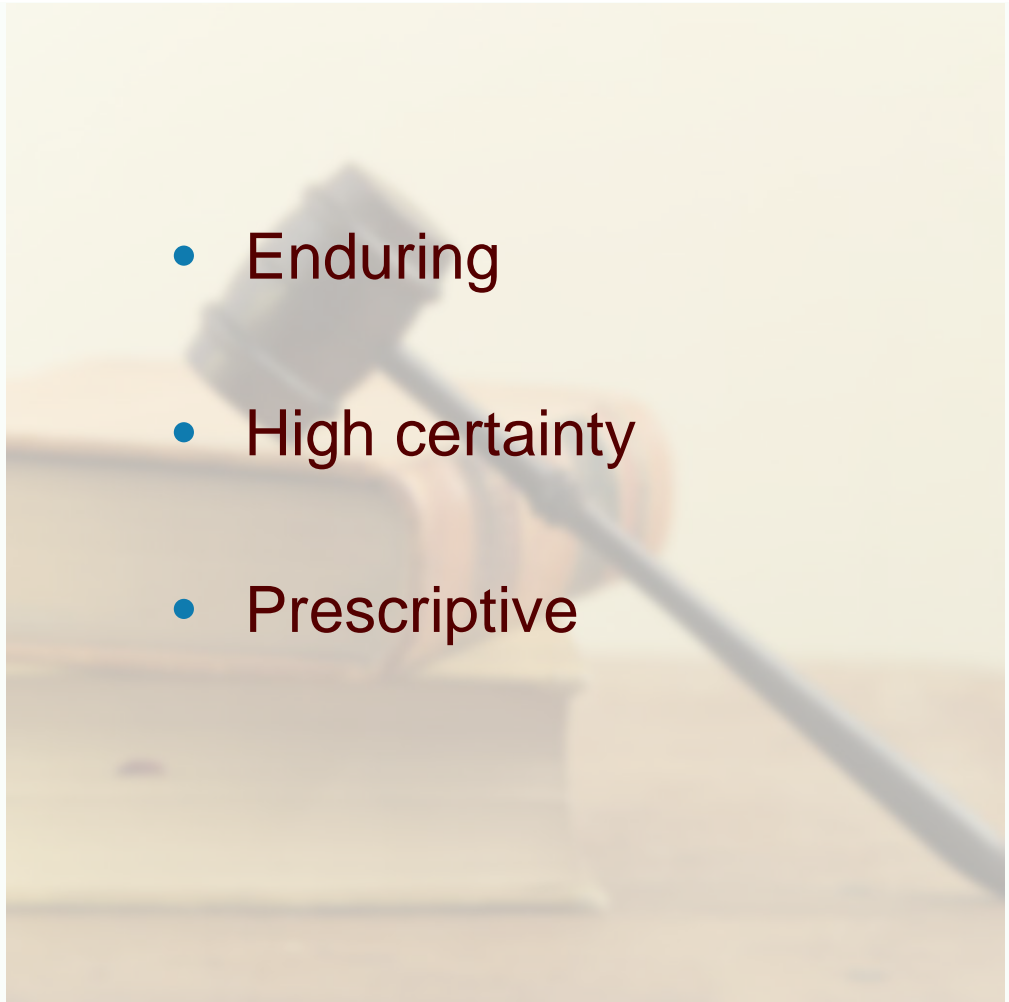


A changing investment environment

- Lower-cost, lower-risk entry
- Greater risk of stranded assets
- Strong focus on efficiency and utilisation
- New markets and new services
- Opportunities at the fringes



Regulation today

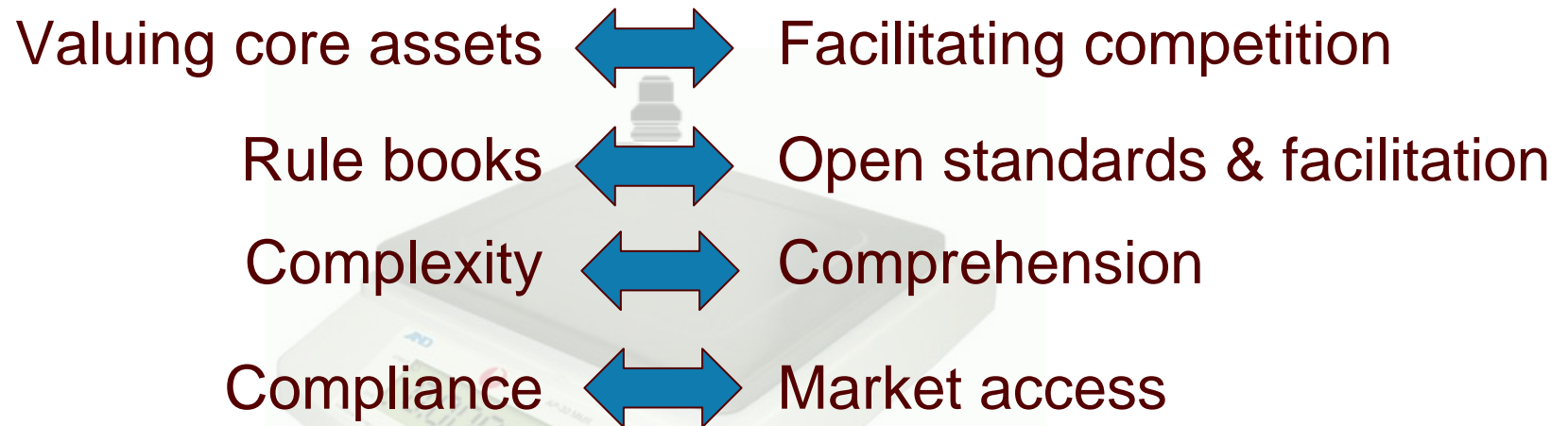
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- Enduring
 - High certainty
 - Prescriptive

Regulation tomorrow?

- Flexibility
- Opportunity
- Innovation

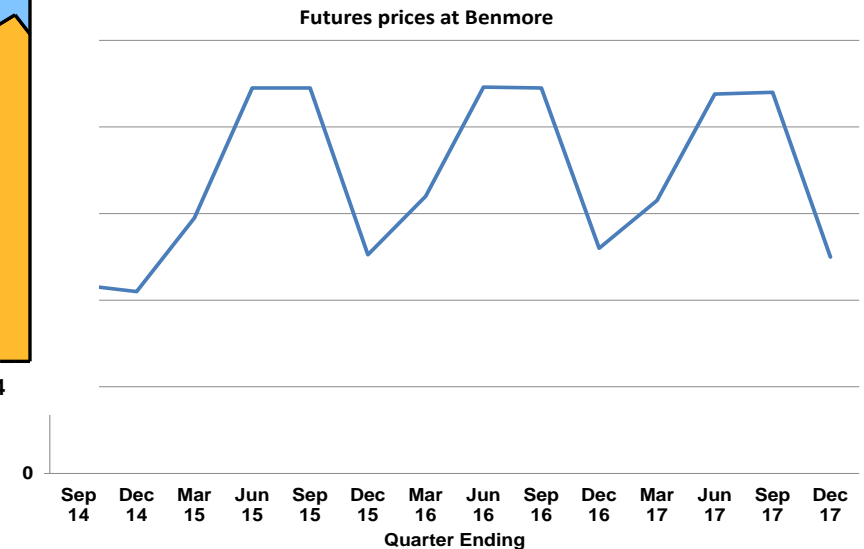
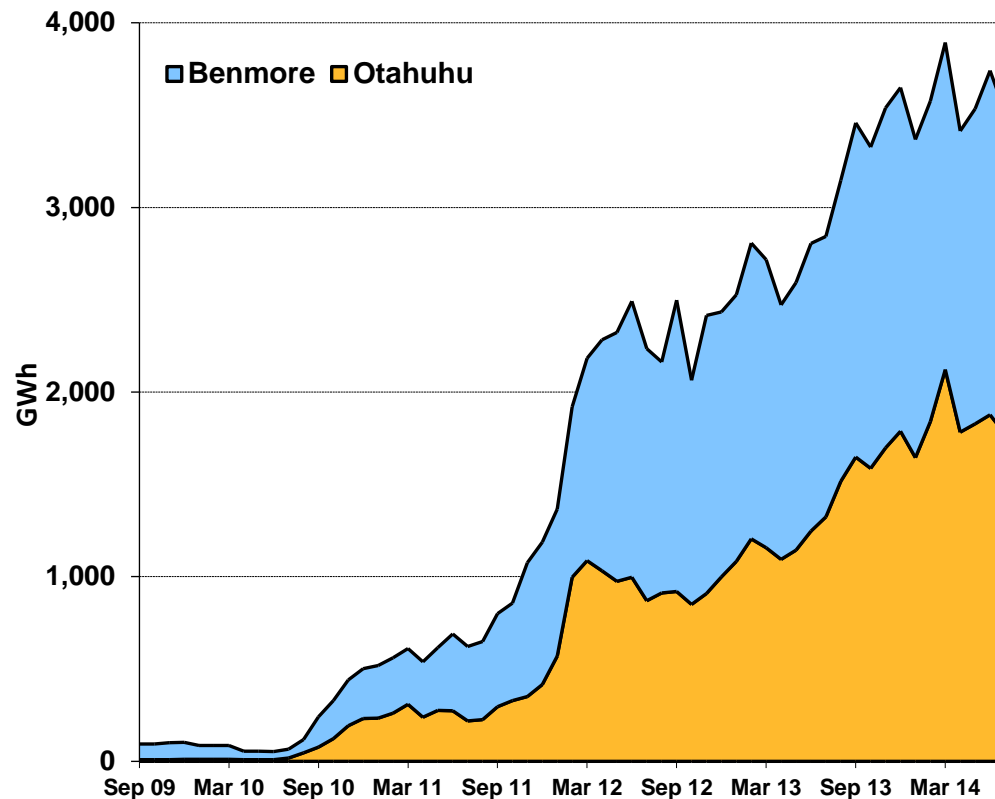


A balancing act



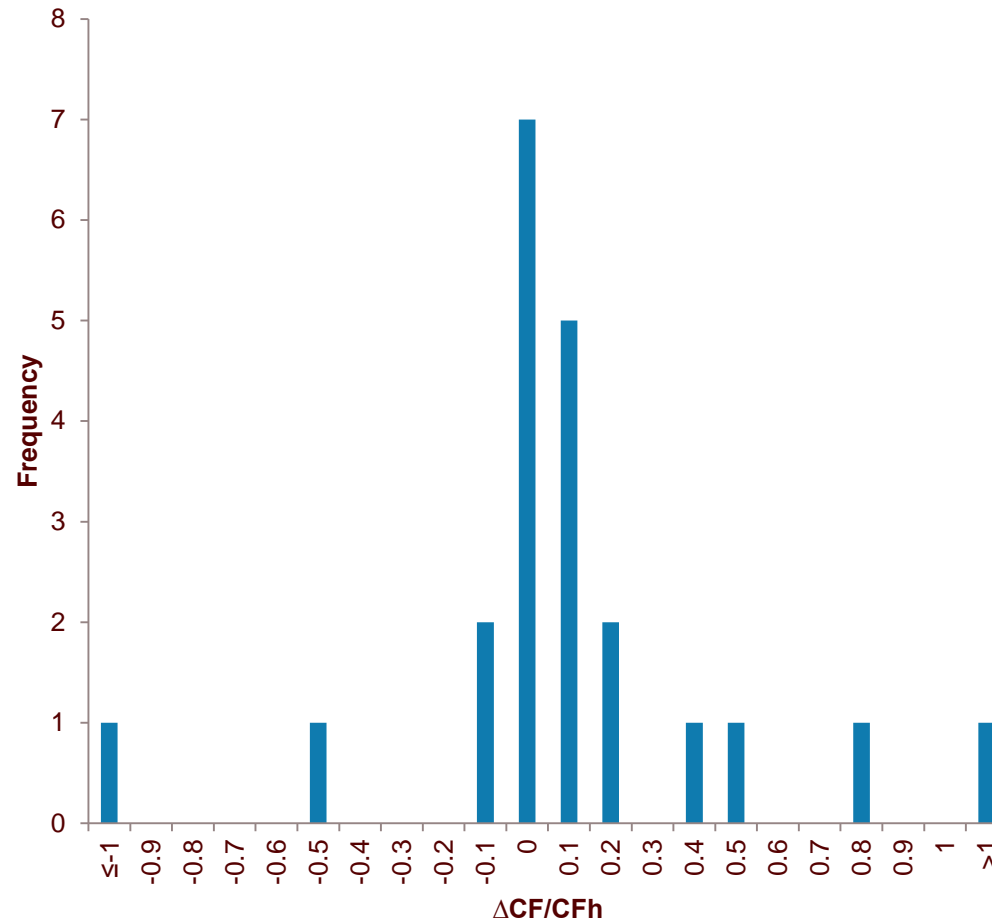
Outside the 'rules'

– hedge market development



Narrowing the knowledge gap

- stress testing



10 AUGUST, 2001

campaign

their household

's no crisis

Enabling innovation

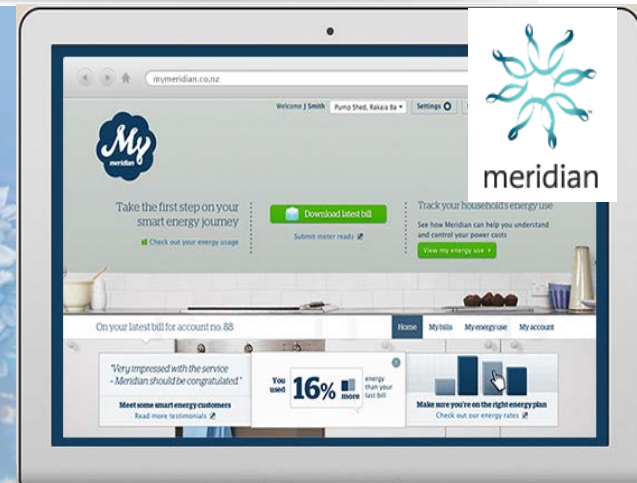
- non-subsidised smart meter roll-out



Projected electricity costs

\$260

Based on 17 Nov - 13 Dec: \$234



As competition heats up, so must regulation

- Electricity sector is a prime candidate for disruptive technologies
- Regulation will need to keep pace with the resulting changes in investment
- Outcome-focussed rules, more standards, and more facilitation and education.

