Electricity Industry Participation Code Amendment (ICP Switching) 2014
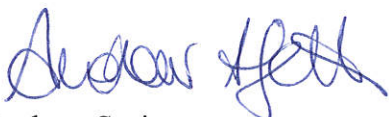
Pursuant to section 38 and section 39(3) of the Electricity Industry Act 2010, and having complied with section 39 of that Act, I make the following amendments to the Electricity Industry Participation Code 2010.

At Wellington on the ___6ᵗʰ___ day of October 2014

Dr Thomas Brent Layton
Chairperson
Electricity Authority

Certified in order for signature:

Andrew Springett
Senior Legal Counsel
Electricity Authority

Tony Dellow
Partner
Buddle Findlay

_6_ October 2014

_3_ October 2014

Contents

Amendment

1   Title

This is the Electricity Industry Participation Code Amendment (ICP Switching) 2014.

2   Commencement

(1)   This amendment comes into force on 9 October 2015, except clauses 7(3) and (4), 15(2) and (3), and 20(5) and (6).

(2)   Clauses 7(3) and (4), 15(2) and (3), and 20(5) and (6) come into force on 6 November 2014.

3   Code amended

This amendment amends the Electricity Industry Participation Code 2010.

4   Clause 1.1 amended (Interpretation)

In clause 1.1(1), insert in its appropriate alphabetical order:

"**switch event meter reading**, in relation to a **meter** or **data storage device** that is located at an **ICP** that is being switched under Schedule 11.3, means—

"(a)   a **validated meter reading**, if one is available; or

"(b)   a reasonable estimate of the **meter reading** based on the **meter reading** contained in the final information provided in the switch file that the losing **trader** received when it gained the **ICP** if—

"(i)   a **validated meter reading** is not available; and

"(ii)   the losing **trader** has been recorded in the **registry** as being responsible for the **ICP** for a period of less than 3 months; or

"(c)   in every other case, a **permanent estimate**".

5   New cross heading and clause inserted in Schedule 11.3

(1)   In Schedule 11.3, above the cross heading "*Standard switching process*", insert the cross heading "*Overview*".

(2)   In Schedule 11.3, after the new cross heading "*Overview*", insert:

"**1A   Overview of Schedule**

This Schedule prescribes 3 processes for switching **ICPs** as follows:

"(a)   a standard switch process that applies in the circumstances described in clause 1(1):

"(b)   a switch move process that applies in the circumstances described in clause 8(1):

"(c)   a gaining **trader** switch process that applies in the circumstances described in clause 13(1)."

6   Cross heading in Schedule 11.3 amended
In Schedule 11.3, in the cross heading above clause 1, replace "*switching*" with "*switch*".

7   Schedule 11.3, clause 1 amended
(1)   In Schedule 11.3, in the heading to clause 1, replace "**switching**" with "**switch**".
(2)   In Schedule 11.3, replace clause 1(1) with:
"(1)   A standard switch process applies when a **trader** (the "gaining **trader**") has an arrangement with a **customer** or **embedded generator** to commence trading **electricity** with the **customer** or **embedded generator** at, or to otherwise assume responsibility under clause 11.18(1) for, an **ICP** at which another **trader** (the "losing **trader**") trades **electricity**, and the gaining **trader** switch process under clauses 13 to 16 does not apply.
"(1A)This clause and clauses 2 to 7 apply to a standard switch process."
(3)   In Schedule 11.3, clause 1(2), replace "If the Door to Door Sales Act 1967" with "If subpart 2 of Part 4A of the Fair Trading Act 1986".
(4)   In Schedule 11.3, clause 1(2)(a), replace "section 7 of the Door to Door Sales Act 1967" with "section 36M of the Fair Trading Act 1986".

8   Schedule 11.3, clause 2 amended
(1)   In Schedule 11.3, replace the heading to clause 2 with:
"Gaining trader advises registry of standard switch request".
(2)   In Schedule 11.3, clause 2, insert as subclause (2):
"(2)   The gaining **trader** must include in its advice to the **registry**—
        "(a)   a proposed **event date**; and
        "(b)   that the switch type is TR; and
        "(b)   1 or more **profile** codes of a **profile** at the **ICP**."

9   Schedule 11.3, clause 3 replaced
In Schedule 11.3, replace clause 3 with:
"**3   Losing trader response to standard switch request**
        No later than 3 **business days** after receiving notification of a switch request from the **registry** under clause 22(a), the losing **trader** must,—
        "(a)   acknowledge the switch request by providing the following information to the **registry**:
                "(i)   the proposed **event date**; and
                "(ii)   a valid switch response code approved by the **Authority**; or
        "(b)   provide final information to complete the switch request in accordance with clause 5; or
        "(c)   request that the switch be withdrawn in accordance with clause 17."

10   Schedule 11.3, clause 4 amended
In Schedule 11.3, clause 4(2), replace "calculating" with "establishing".

11   Schedule 11.3, clause 5 replaced
In Schedule 11.3, replace clause 5 with:

"5 Losing trader must provide final information

No later than 3 **business days** after the **event date**, the losing **trader** must complete the switch by providing final information to the **registry** for the purposes of clause 3(b) and clause 4, including—

"(a) the **event date**; and

"(b) a **switch event meter reading** as at the **event date** for each **meter** or **data storage device** that is recorded in the **registry** with an accumulator type of C and a settlement indicator of Y; and

"(c) if the **switch event meter reading** is not a **validated meter reading**, the date of the last **meter reading** of the **meter** or **data storage device** described in paragraph (b)."

12 Schedule 11.3, clause 6 amended

(1) In Schedule 11.3, clause 6, replace "same **validated meter reading** or **permanent estimate**" with "same **switch event meter reading** for the **event date**".

(2) In Schedule 11.3, clause 6(a), replace "**validated meter reading** or **permanent estimate**" with "**switch event meter reading**" in each place.

(3) In Schedule 11.3, replace clause 6(b) with:

"(b) if the **switch event meter reading** provided by the losing **trader** differs by 200 kWh or more from a value established by the gaining **trader**, the gaining **trader** may dispute the **switch event meter reading**."

13 New clause 6A inserted in Schedule 11.3

In Schedule 11.3, after clause 6, insert:

"6A Losing trader disputes reading

If a losing **trader** disputes a **switch event meter reading** under clause 6(b), the **gaining trader** must, no later than 4 months after the **event date**, provide to the losing **trader** a changed **switch event meter reading** supported by 2 **validated meter readings**, and the losing **trader** must either,—

"(a) if it does not accept the **switch event meter reading**, advise the gaining **trader** (giving all relevant details) no later than 5 **business days** after receiving the **switch event meter reading** from the gaining **trader**; or

"(b) if it notifies its acceptance of the **switch event meter reading** received from the gaining **trader**, or does not provide any response, the losing **trader** must use the **switch event meter reading** supplied by the gaining **trader**."

14 Schedule 11.3, clause 7 amended

In Schedule 11.3, clause 7(1), replace "**validated meter reading** or **permanent estimate**" with "**switch event meter reading**".

15 Schedule 11.3, clause 8 amended

(1) In Schedule 11.3, replace clause 8(1) with:

"(1) A switch move process applies when a **trader** (the "gaining **trader**") has an arrangement with a **customer** or **embedded generator** to commence trading **electricity** with the **customer** or **embedded generator** at, or to otherwise assume responsibility

under clause 11.18(1) for, an **ICP** for which no **trader** has an agreement to trade **electricity** and the gaining **trader** switch process under clauses 13 to 16 does not apply. "(1A) This clause and clauses 9 to 12 apply to a switch move process."

(2) In Schedule 11.3, clause 8(2), replace "If the Door to Door Sales Act 1967" with "If subpart 2 of Part 4A of the Fair Trading Act 1986".

(3) In Schedule 11.3, clause 8(2)(a), replace "section 7 of the Door to Door Sales Act 1967" with "section 36M of the Fair Trading Act 1986".

16 Schedule 11.3, clause 9 amended

(1) In Schedule 11.3, clause 9,—

    (a) after "For each **ICP**", insert "to which a switch relates"; and

    (b) replace "switch type and the proposed **event date**" with "switch request".

(2) In Schedule 11.3, clause 9, insert as subclause (2):

"(2) The gaining **trader** must include in its advice to the **registry**—

    "(a) a proposed **event date**; and

    "(b) that the switch type is MI; and

    "(b) 1 or more **profile** codes of a **profile** at the **ICP**."

17 Schedule 11.3, clauses 10 and 11 replaced

In Schedule 11.3, replace clauses 10 and 11 with:

"**10 Losing trader response to switch move request**

"(1) After receiving notification of a switch request from the **registry** under clause 22(a), the **trader** that is recorded on the **registry** as being responsible for the **ICP** (the "losing **trader**") must,—

    "(a) if the losing **trader** accepts the **event date** proposed by the gaining **trader**, complete the switch by providing to the **registry**—

        "(i) no later than 3 **business days** after receiving the notification,—

            "(A) confirmation of the **event date**; and

            "(B) a valid switch response code approved by the **Authority**; and

        "(ii) final information in accordance with clause 11; or

    "(b) if the losing **trader** does not accept the **event date** proposed by the gaining **trader**, no later than 3 **business days** after receiving the notification, acknowledge the switch request to the **registry** and determine a different **event date** that—

        "(i) is not earlier than the gaining **trader's** proposed **event date**; and

        "(ii) is no later than 10 **business days** after the date of the notification; or

    "(c) no later than 3 **business days** after receiving the notification, request that the switch be withdrawn in accordance with clause 17.

"(2) If the losing **trader** determines a different **event date** under subclause (1)(b), the losing **trader** must also complete the switch by providing to the **registry** the information described in subclause (1)(a), but in that case the **event date** is the **event date** determined by the losing **trader**.

"**11 Losing trader must provide final information**

If the losing **trader** has provided information to the **registry** in accordance with clause 10(1)(a)(i), then no later than 3 **business days** after the **event date**, the losing **trader**

must provide final information to the **registry** for the purposes of clause 10(1)(a)(ii), including—

"(a)   the **event date**; and

"(b)   a **switch event meter reading** as at the **event date** for each **meter** or **data storage device** that is recorded in the **registry** with an accumulator type of C and a settlement indicator of Y; and

"(c)   if the **switch event meter reading** is not a **validated meter reading**, the date of the last **meter reading** of the **meter** or **data storage device** described in paragraph (b)."

18   Schedule 11.3, clause 12 amended

(1)   In Schedule 11.3, in the heading to clause 12, replace "**validated meter reading or permanent estimate**" with "**switch event meter reading**".

(2)   In Schedule 11.3, clause 12(1) and (3), replace "**validated meter reading** or **permanent estimate**" with "**switch event meter reading**" in each place.

(3)   In Schedule 11.3, replace clause 12(2) with:

"(2)   If the gaining **trader** elects to use the new **switch event meter reading**, the gaining **trader** must **notify** the losing **trader** of the new **switch event meter reading** and the **event date** to which it refers as follows:

"(a)   if the **switch event meter reading** established by the gaining **trader** differs by less than 200 kWh from that provided by the losing **trader**, both **traders** must use the **switch event meter reading** provided by the gaining **trader**; or

"(b)   if the **switch event meter reading** provided by the losing **trader** differs by 200 kWh or more from a value established by the gaining **trader**, the gaining **trader** may dispute the **switch event meter reading**."

(4)   In Schedule 11.3, clause 12(3), replace "within 4 calendar months of" with "no later than 4 months after".

(5)   In Schedule 11.3, clause 12(3)(a), replace "within 5 **business days**" with "no later than 5 **business days**".

(6)   In Schedule 11.3, clause 12(3)(b), delete "in accordance with this clause".

19   Cross heading in Schedule 11.3 amended

In Schedule 11.3, in the cross heading above clause 13, replace "*Half-hour switching*" with "*Gaining trader switch*".

20   Schedule 11.3, clause 13 amended

(1)   In Schedule 11.3, in the heading to clause 13, replace "**Half-hour switching**" with "**Gaining trader switch**".

(2)   In Schedule 11.3, clause 13(1), replace "This clause and clauses 14 to 16 apply if" with "A gaining **trader** switch process applies when".

(3)   In Schedule 11.3, clause 13(1)(b), replace "such an **ICP**" with "an **ICP** described in paragraph (a)".

(4)   In Schedule 11.3, insert after clause 13(1):

"(1A) This clause and clauses 14 to 16 apply to a gaining **trader** switch process."

(5)   In Schedule 11.3, clause 13(2), replace "If the Door to Door Sales Act 1967" with "If subpart 2 of Part 4A of the Fair Trading Act 1986".

(6)   In Schedule 11.3, clause 13(2)(a), replace "section 7 of the Door to Door Sales Act 1967" with "section 36M of the Fair Trading Act 1986".

21   Schedule 11.3, clause 14 amended
(1)   In Schedule 11.3, clause 14,—
   (a)   replace "the switch" with "a switch"; and
   (b)   replace "expected **event date** and switch type" with "switch request".
(2)   In Schedule 11.3, clause 14, insert as subclauses (2), (3), and (4):
   "(2)   The gaining **trader** must include in its advice to the **registry**—
      "(a)   a proposed **event date**; and
      "(b)   that the switch type is HH.
   "(3)   Unless subclause (4) applies, the proposed **event date** must be a date that is after the date on which the gaining **trader** advises the **registry**.
   "(4)   The proposed **event date** may be a date that is before the date on which the gaining **trader** advises the **registry**, if—
      "(a)   the proposed **event date** is in the same month as the date on which the gaining **trader** advises the **registry**; or
      "(b)   the proposed **event date** is no more than 90 days before the date on which the gaining **trader** advises the **registry**, and the losing **trader** and gaining **trader** agree on the proposed **event date**."

22   Schedule 11.3, clause 15 amended
(1)   In Schedule 11.3, clause 15,—
   (a)   replace "Within" with "No later than"; and
   (b)   replace "and if relevant for that **ICP**, the losing **trader** must" with "the losing **trader** must (if relevant to that **ICP**)".
(2)   In Schedule 11.3, clause 15(a), replace "provide to the **registry**" with "provide the **registry** with".
(3)   In Schedule 11.3, clause 15(b), replace "provide a request for withdrawal of the switch" with "request that the switch be withdrawn".

23   Schedule 11.3, clause 16 amended
(1)   In Schedule 11.3, in the heading to clause 16, replace "**to notify registry**" with "**obligations**".
(2)   In Schedule 11.3, clause 16,—
   (a)   replace "notify" with "complete the switch by advising"; and
   (b)   replace "actual **event date**" with "**event date**" in each place.
(3)   In Schedule 11.3, clause 16, insert as subclause (2):
   "(2)   If the **ICP** is being **de-energised** or if **metering** equipment is being removed, the gaining **trader** must either—
      "(a)   give the losing **trader** or the **metering equipment provider** for the **ICP** an opportunity to **interrogate** the **metering installation** immediately before the **ICP** is **de-energised** or the **metering** equipment is removed; or
      "(b)   carry out an **interrogation** and, no later than 5 **business days** after the **metering installation** is **de-energised** or removed, advise the losing **trader** of—
         "(i)   the results of the **interrogation**; and

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"(ii) the **metering component** numbers for each data channel in the **metering installation**."

24 Schedule 11.3, clause 17 amended
In Schedule 11.3, clause 17, replace "**calendar** months after the **event date** of the switch" with "months after the **event date**".

25 Schedule 11.3, clause 18 amended
In Schedule 11.3, clause 18, replace "within" with "no later than" in each place.

26 Schedule 11.3, clause 21 amended
(1) In Schedule 11.3, clause 21, replace "For an **interrogation** or **validated meter reading** or **permanent estimate**" with "For each **interrogation** or **switch event meter reading**".
(2) In Schedule 11.3, clause 21(a),—
(a) replace "**validated meter reading** or **permanent estimate**" with "**switch event meter reading**" in each place; and
(b) after "fair and reasonable", insert "(as the case may be)".
(3) In Schedule 11.3, replace clause 21(b) and (c) with:
"(b) the cost of each **interrogation** or **switch event meter reading** must be met as follows:
"(i) for each **interrogation** or **switch event meter reading** carried out in accordance with clauses 5(b) or 11(b) or (c), the cost must be met by the losing **trader**; and
"(ii) in every other case, the cost must be met by the gaining **trader**."

27 Schedule 15.2, clause 6 replaced
In Schedule 15.2, replace clause 6 with:
"**6 When non half hour meter readings apply**
Non **half hour meter readings** are deemed to apply—
"(a) if the non **half hour meter reading** is also a **switch event meter reading**—
"(i) for the gaining **trader**, from 0000 hours on the day of the relevant **event date**; and
"(ii) for the losing **trader**, at 2400 hours at the end of the day before the relevant **event date**; or
"(b) in all other cases, from 0000 hours on the day after the last **meter interrogation** up to and including 2400 hours on the day of the **meter interrogation**."

28 New clause 17.101A inserted (Switching under Schedule 11.3)
After clause 17.101, insert:
"**17.101A Switching under Schedule 11.3**
"(1) This clause applies to an arrangement between a **trader** and a **customer** or **embedded generator** to carry out a switch in relation to an **ICP** under Schedule 11.3.
"(2) If the arrangement came into effect before 9 October 2015 and the relevant switch had not been completed by that date, the switch must be completed in accordance with Schedule 11.3 as amended by the Electricity Industry Participation Code Amendment (ICP Switching) 2014."

Explanatory Note

This note is not part of the amendment, but is intended to indicate its general effect.

This amendment to the Electricity Industry Participation Code 2010 (Code) comes into force on 9 October 2015, except clauses 7(3) and (4), 15(2) and (3), and 20(5) and (6), which come into force on 6 November 2014.

The amendment makes a number of changes to Schedule 11.3 of the Code, which relates to the switching of ICPs between traders. The changes are a result of a review of switching processes undertaken by the Authority in light of issues raised by participants during the implementation of the new metering rules (the new Part 10 of the Code). The changes are designed to improve the processes for switching ICPs between traders. In particular, the changes are aimed at improving the process for switching ICPs with half-hour certified and reconciled advanced metering infrastructure metering installations.

The amendment also updates references in Schedule 11.3 of the Code to the Door to Door Sales Act 1967, in light of the Fair Trading Amendment Act 2013.

Date of notification in the *Gazette*: 9 October 2014