

14 November 2023

Electricity Authority P O Box 10-041 Wellington

By email: <u>dda@ea.govt.nz</u>

## Dear team

## Re: Consultation Paper—Proposed changes to the DDA template, consumption data template, and related Part 12A clauses

Flick appreciates the opportunity to provide a submission on the Electricity Authority's (Authority) proposed changes relating to the transfer and use of consumption data by distributors. We have not reviewed the proposed changes relating to changing the status of 'recorded' terms to 'core' or 'operational' terms.

Flick has previously submitted that it supports:

"development of a modern system of data exchange to facilitate quality data flows without Privacy Act implications. This could be a central metering repository, APIs etc storing half hour data. The arrangements would reflect that the consumer owns their data provision and collection and data is not locked up behind a particular MEP (who is only performing the function of meter reading to collect data) or a retailer. The aim is to minimise duplication and ensure the right level of access for different parties." <sup>1</sup>

Flick acknowledges that creating a central metering repository would be a complex project that would take some time to implement but are disappointed it has been dismissed on this basis. The current proposal is "relatively easily implementable in a reasonable timeframe".<sup>2</sup> However, the proposal deals with only one part of the market that is or will be interested in consumption data. Will flexibility providers also have to sign agreements with MEPs to get access to consumption data?

While the Authority's proposal achieves a transfer of data to distributors, Flick is concerned that this enables MEPs to clip the ticket twice – under their agreement with retailers and now under their agreement with distributors.

The metering segment of the supply chain is an unregulated oligopoly which has avoided any regulatory scrutiny. The Retailer Gross Margin information published by the

<sup>&</sup>lt;sup>1</sup> Flick <u>submission</u> on Updating the Regulatory Settings for Distribution Networks, 28 September 2021

<sup>&</sup>lt;sup>2</sup> Appendix A of the Electricity Authority's <u>Indicative work programme</u> October 2023



Authority reveals a surprisingly wide range of costs per MWh across disclosing retailers for what is a ubiquitous product.

If MEPs are now recovering basically the same costs from two (instead of one) set of clients, can we expect the meter charges to halve for the existing client base (or at least a detailed justification for why the charges shouldn't halve)?

We welcome the opportunity to discuss our information in this submission with you in more detail.

Yours Sincerely

Pavan Vyas Chief Executive Officer, Flick Electric