



Genesis Energy Limited
Level 6
155 Fanshawe Street
PO Box 90477
Victoria St West
Auckland 1142
New Zealand

14 November 2023

T. 09 580 2094

The Electricity Authority
State Insurance Building
Level 7/1 Willis Street
Wellington Central
Wellington 6011

By email: DDA@ea.govt.nz

Default distributor agreement and consumption data templates

Genesis Energy (Genesis) welcomes the opportunity to respond to the Electricity Authority's consultation on default distributor agreement and consumption data templates.

Overall, Genesis supports the proposed changes to the default distributor agreement templates and Electricity Industry Participation Code 2010 (The Code). We agree that the amendments will promote the overarching principles of the work, which include being lawful, efficient, and beneficial to consumers. The amendments reflect Genesis' initial concerns regarding variation in operational terms that we expressed in 2021.

We consider the variation of terms were caused by local differences, which subsequently led to significantly more effort in dealing with interpretation and drafting of recorded terms and providing useful feedback in the interests of endeavouring to ensure the overall agreements were reasonable and complied with the Code.

It is typically the recorded terms that set out the service standards and expectations of most value to traders and customers, but also the area where distributors have redefined and interpreted more broadly than we believed was intended with unacceptable consequences for retailers.

Of most concern is that recorded terms are determined by the distributor without a Code requirement to consult (or agree) with retailers. Genesis is pleased to see these areas of concerns addressed in this work.

While Genesis is fully supportive of the changes, some of the amendments as they stand may cause some unintended consequences. Notably, we do not provide real-time data, and therefore there is a question around whether the requirement to provide

real-time consumption data to distributors is practical due to retail companies working with only half-hourly data.

If this were a requirement, it would place significant resourcing costs onto companies. Presently, there are a number of regulatory regimes and initiatives that are being implemented, requiring multiple compliance obligations from businesses as a result e.g., the Consumer Data Rights regime. Accordingly, introducing additional regulatory and compliance obligations such as this may unnecessarily increase costs for businesses at an already economically difficult time, and subsequent costs being passed onto consumers as a result.

Genesis does not support the proposal for distributors to obtain consumption data from Metering Equipment Providers without trader permission. It is not appropriate for MEPs to provide distributors consumption data without a trader's permission as firstly, they do not hold rights over the data, and secondly, the provision of some of this data could breach the Privacy Act and be controversial under the new Consumer Data Rights regime if consumer consent is not provided throughout the process and data chain.

Furthermore, although Genesis is generally supportive of the data template's functions, we encourage the Authority to clarify in the Code that data may only be used for the purposes that traders or retailers agree with. Currently, the proposed amendments advantage distributors where they can undertake data combination immediately after giving notice of undertaking this activity. This will likely lead to significant disputes after the fact if the current ambiguity around the use of data remains in regulation. Therefore, we propose a narrower definition of "specified data" to avoid this possible outcome.

To avoid the issues set out above, Genesis suggests a data depository, managed by the Authority, where traders can, with the consent of consumers, upload consumption data into the depository where distributors can use it for defined purposes that will support improved electricity service provision. This option would require specific profiles, logins and approvals from parties, and requirements around the safe and transparent use of data, including advising the customer how their information will be used. If this is not managed by a depository, there may be future risk of the customer having limited knowledge of how their personal data is being used.

Schedule 1 is an improvement but could be improved further. As most distributors have a zero-rate Service Guarantee payment, there is no incentive within this agreement on the network to meet any Service Standards or Service levels that would support consumers.

Schedule 5 poses more of an issue for retailers and traders like Genesis. While we fully support streamlining distributor agreements, we believe further consideration is required for the amendments in this section. Specifically, consideration needs to be given to the changes to the DDA templates' timeframes for outage notifications. Presently, the amendments would only require the network to provide 10 days for any outage notification. This would only allow two days for retailers to query any outage notifications, as communication takes time in addition to retailers looking into the matter. This is an unreasonable obligation as it leaves scarce time for retailers to notify and consult with consumers and subsequently submit a request.

To address this misalignment and impracticality of timeframes in other documents around notifications, we instead propose no specific timeframe but propose saying "as soon as reasonably practicable". Retailers and distributors tend to coordinate well with

each other when managing service outages, and this approach will help parties maintain good practice while ensuring each has still has an onus of responsibility when managing outages.

Thank you again for providing us with the opportunity to comment on this issue.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'BW', with a long horizontal flourish extending to the right.

Byron Weaver
Energy Delivery Manager
Genesis Energy