

13/08/2015

Carl Hansen  
Electricity Authority  
PO Box 10041  
Wellington 6143

### **Access to Tariff and Connection data**

Dear Carl,

Pulse Energy Limited welcomes the opportunity to provide its views on the Electricity Authority's (EA) consultation paper "Access to Tariff and Connection Data".

By the EA's own analysis, New Zealand already has an extremely competitive retail electricity market. This is characterised by high levels of switching, a wide range of competitors and price/product offers. The market continues to innovate despite the increasing scope of regulation.

The EA consultation paper identifies that the vast majority of retailers already provide their price plan data publically via the Powerswitch website. The EA actively promotes this via the "What My Number" website and commercials, all at a cost to New Zealand consumers. As such the vast majority of what the EA is seeking to achieve is already being achieved.

In addition to this consultation, the EA is for example requiring retailers provided consumer consumption data to consumers (or their agents), even though the basic version of this data is already provided each time a consumer is billed. Each of these regulatory interventions is justified by the EA as improving competition, yet each of them adds to the compliance and operating costs of participants. The Code already extends to ~1,000 pages; the EA has a significant number of guidelines etc. that are all directly or indirectly intended to allow or promote competition. It is arguable that the 'competitive' portion of the electricity industry is now subject to greater regulation than that of the monopoly segments.

Pulse welcomes competition, it welcomes and promotes customer choice, but it does not support prescription or the imposition of costs that can ultimately only be detrimental to competition, innovation and consumer choice. The potential prescriptive nature of the EA's options may decrease competition, reduce the scope for innovation and ultimately be negative for consumers.

Given that the majority of what the EA is seeking is already being delivered voluntarily and via competition, it would appear that the EA is seeking to facilitate the provision of information to third parties at the cost of existing participants and consumers. We do not see why this is of value to our consumers.



Pulse does agree that connection data could be made more accessible directly and does not think that retailers need to be involved as an interface. The EA should carefully develop a low cost access mechanism.

Our responses to your specific questions are set out in Appendix A.

Yours sincerely,

Neil Williams

General Manager Energy Supply and Operations

## Appendix A Format for submissions

Question No.	Question	Response
Q1.	Do you agree that the current arrangements for accessing retail tariff plan data and connection data mean that consumers face higher-than-necessary transaction costs identifying electricity-related offers available to them? Please give reasons with your answer.	<p>No. Pulse provides all of its current plans to the Powerswitch website as well as providing them via our website.</p> <p>We provide transparent billing including pass through of lines company charges (where possible) with no mark-up.</p>
Q2.	Do you agree that a Code amendment would lower consumers' transaction costs more quickly than would market forces? Please give reasons with your answer.	No. Consumers already have access to their own information directly and price comparison capability for the majority of retailers via the Powerswitch website or via competitor's websites.
Q3.	Under alternative 1 do you have any comments or suggestions about all retailers being required to provide retail tariff plan information to ConsumerNZ, and having to provide that same retail tariff plan information to any person who requested it?	The EA has not provided any compelling information on why the status quo is not sufficient and clearly identifies that the majority of retailers voluntarily provide price plans. However, of the alternatives offered, alternative 1 is likely to have the lowest risk of unintended consequences.
Q4.	Under alternative 2 do you have any comments or suggestions about retailers being required to publish information about their generally available retail tariff plans on their websites?	The EA continues to add considerable costs for retailers in the pursuit of improved competition. As noted in our answer to Question 1, Pulse already provides its price data to Powerswitch and on its website.
Q5.	Under alternative 2 do you have any comments or suggestions about the requirement to supply retail tariff plan information using standardised file formats and structures?	We do not have the capacity to provide external parties with price plan data on an as requested basis other than on a single address basis (see our website for the price interface). We would therefore incur development costs to allow data to be provided. The cost of this would have to be recovered from consumers, but consumers can already access this on our website or via Powerswitch.

Q6.	Under both alternatives do you have any comments or suggestions about making publicly available the connection data held in the registry that is set out in appendix D?	This would generally be a more efficient method for connection data to be obtained.
Q7.	Do you agree that the objectives of the proposed alternatives are appropriate and consistent with the Authority's statutory objective? Please give reasons if you disagree.	No. The proposal is likely to add costs to consumers, reduce or limit the scope for competition, innovation and appears to be of primary benefit to agents or third parties.
Q8.	Do you agree that the connection data which the Authority proposes to make publicly available is not personal information?	We agree, but note that the connection status may provide certain indirect personal information.
Q9.	If you disagree, please give reasons and suggest a way to address the privacy issue(s) you have identified.	See above.
Q10.	Do you agree with the assessment of gross benefits, costs and net benefits? If not, please explain your reasoning.	No. The analysis is seeking to justify a solution looking for a problem. The EA's proposals would result in scarce capital being allocated to developing price data provisioning systems (when they are already provided via Powerswitch and our website) rather than to product development, innovation and competition.
Q11.	Do you have any comments or suggestions about whether the additional gross benefits of alternative 2 outweigh its additional costs vis-à-vis alternative 1? Please give reasons with your answer.	See Q10 above
Q12.	Do you agree that both of the proposed alternatives are preferable to other options? If not, please explain your preferred option in terms consistent with the Authority's statutory objective.	No. The status quo is preferable.

Q13.	Do you agree with the Authority's assessment that the proposed Code amendment for each of the proposed alternatives meets the requirements of Section 32 of the Act? Please give reasons if you do not.	We do not believe that the EA's proposals are the best way to increase competition in the electricity industry. The constant addition of regulatory requirements by the EA is an impediment to competition.
Q14.	Do you agree with the Authority's assessment of the two proposed alternative options against the Code amendment principles? Please give reasons if you do not.	