



29 November 2016

Submissions
Electricity Authority
Level 7, ASB Bank Tower
2 Hunter Street
Wellington

By email: submissions@ea.govt.nz

Consultation Paper – Code Review Programme 2016

Meridian's submission is set out on the following pages using the format in Appendix A of the paper.

Please contact me if you have any questions

Yours sincerely

Jason Woolley
Regulatory Affairs Manager
DDI 04 381 1206
jason.woolley@meridianenergy.co.nz

Reference	2016 – 03 Simplifying the requirements for certification and declaration
Question 1: Do you agree with the Authority’s problem definition? If not, why not?	
Yes	
Question 2: Do you agree with the Authority’s proposed solution? If not, why not?	
<p>In general yes but we disagree with it in one respect. The Authority proposes to align clauses 9.29, 13.230, and 13.236F by requiring in all cases that the relevant certification is signed by at least 1 director.</p> <p>Currently under clauses 9.29 and 13.230 retailers and participants have the option of supplying the required declaration signed by 2 directors, or the CEO or the CFO. Meridian strongly prefers that retailers and participants retain the option to supply the certification now required by having it signed just by the CEO or CFO. We also request that this optionality is extended to clause 13.236F and that all 3 clauses are thus aligned.</p> <p>It is not always convenient for Board members of large listed companies to meet out of cycle to sign documents and for this reason the standard practice is for documents to be executed under power of attorney typically held by members of the company’s executive. We do not consider there is any lessening of the significance or importance of the relevant documents by allowing them to be signed by the CEO or CFO. Indeed that is the current practice under 9.29 and 13.230. All it does is reduce the administrative burden on participants which, in our submission, is more consistent with the Authority’s statutory objective.</p>	
Question 3: Do you have any comments on the Authority’s proposed Code drafting?	
See answer to question 2.	
Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?	
Yes	
Question 5: Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?	
Yes provided that the option of signature by the CEO or CFO is retained.	

Question 6: Do you agree the proposed amendment is preferable to the other options? If not, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.

See answer to question 2.

Reference	2016 – 05 Removing references to the Authority acting reasonably
Question 1: Do you agree with the Authority’s problem definition? If not, why not?	
<p>Yes in respect of the provisions requiring the Authority to act reasonably and to make ‘reasonable endeavours’. However we disagree with the apparently legal view expressed in the paper that an obligation to do something within a reasonable period of time is the same as an obligation to do something without unreasonable delay. For this reason we disagree that references to the Authority having to do something within ‘a reasonable period of time’ can be deleted without changing the meaning of the Code.</p>	
Question 2: Do you agree with the Authority’s proposed solution? If not, why not?	
<p>Yes, except references to the Authority having to do something within a reasonable time, or similar, should be retained.</p>	
Question 3: Do you have any comments on the Authority’s proposed Code drafting?	
<p>See answer to question 2.</p>	
Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?	
<p>Yes</p>	
Question 5: Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?	
<p>Yes.</p>	
Question 6: Do you agree the proposed amendment is preferable to the other options? If not, please explain your preferred option in terms consistent with the Authority’s statutory objective in section 15 of the Electricity Industry Act 2010.	
<p>See answer to question 2.</p>	

Reference	2016 – 07 Reassigning the market administration obligations
Question 1: Do you agree with the Authority’s problem definition? If not, why not?	
Yes	
Question 2: Do you agree with the Authority’s proposed solution? If not, why not?	
Yes	
Question 3: Do you have any comments on the Authority’s proposed Code drafting?	
There is a typo in the drafting at page 85 of the Authority’s paper in that the proposed definition of ‘annual consumption list’ omits the words ‘reconciliation manager’.	
Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?	
Yes	
Question 5: Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?	
Yes.	
Question 6: Do you agree the proposed amendment is preferable to the other options? If not, please explain your preferred option in terms consistent with the Authority’s statutory objective in section 15 of the Electricity Industry Act 2010.	
Yes.	

Reference	2016 – 10 Simplifying references to time
Question 1: Do you agree with the Authority’s problem definition? If not, why not?	
Yes	
Question 2: Do you agree with the Authority’s proposed solution? If not, why not?	
Yes. We suggest the Authority should consider whether consequential changes are also required to documents referenced in the Code to make them consistent with the proposed solution – for example EIEPs, procedures for provision of consumption data, registry and reconciliation manager functional specifications.	
Question 3: Do you have any comments on the Authority’s proposed Code drafting?	
No	
Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?	
Yes	
Question 5: Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?	
Yes	
Question 6: Do you agree the proposed amendment is preferable to the other options? If not, please explain your preferred option in terms consistent with the Authority’s statutory objective in section 15 of the Electricity Industry Act 2010.	
Yes	

Reference	2016 – 11 Rationalising references to ‘registry’ and ‘registry manager’
Question 1: Do you agree with the Authority’s problem definition? If not, why not?	
Yes	
Question 2: Do you agree with the Authority’s proposed solution? If not, why not?	
Yes. We suggest the Authority should consider whether consequential changes are also required to documents referenced in the Code to make them consistent with the proposed solution – for example EIEPs, procedures for provision of consumption data, registry and reconciliation manager functional specifications.	
Question 3: Do you have any comments on the Authority’s proposed Code drafting?	
No	
Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?	
Yes	
Question 5: Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?	
Yes	
Question 6: Do you agree the proposed amendment is preferable to the other options? If not, please explain your preferred option in terms consistent with the Authority’s statutory objective in section 15 of the Electricity Industry Act 2010.	
Yes	

Reference	2016 – 12 Simplifying terms about electricity supply
Question 1: Do you agree with the Authority’s problem definition? If not, why not?	
Yes	
Question 2: Do you agree with the Authority’s proposed solution? If not, why not?	
<p>Yes. We suggest the Authority should consider whether consequential changes are also required to documents referenced in the Code to make them consistent with the proposed solution – for example EIEPs, procedures for provision of consumption data, registry and reconciliation manager functional specifications.</p> <p>We also note that the status reason codes used in the registry database include a number of codes that contain the term <i>de-energised</i> which has been removed as a defined term under the proposed changes and replaced with the term <i>electrically disconnected</i>. The Code change proposed for Schedule 6.2 15(1)(c) indicates an existing registry status code will change to from <i>Inactive – De-energised Ready for Decommissioning</i> to <i>Inactive – Electrically Disconnected Ready for Decommissioning</i>. Question whether the Authority has considered this change to the registry status reason codes and any operational impact this may have for traders.</p> <p>The undefined term “activation” appears in clause 13 and 14 of schedule 11.1 – question whether this term could also be replaced with the defined term <i>electrically connected</i>?</p>	
Question 3: Do you have any comments on the Authority’s proposed Code drafting?	
No	
Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?	
Yes	
Question 5: Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?	
Yes	

Question 6: Do you agree the proposed amendment is preferable to the other options? If not, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.

Yes