



Submission to the Electricity Authority

On

Data and data exchange for market transactions

6 November 2017

Introduction

Alpine Energy Limited welcomes the opportunity to submit on “Data and data exchange for market transactions – What changes to the data system might promote innovation and participation?” You will find our main responses to your consultation paper below.

No part of our submission is confidential.

Key points

The paper contends that more frequent settlement will be beneficial. We disagree and respectfully suggest that more frequent settlement between participants will not increase efficiency and will add costs.

| Question | Comment |
|--|---|
| Q1. What inaccuracies in data and data exchanges have you experienced, for what reasons, and with what impact? | We have, from time to time, received non complying mandatory EIEP files from traders who appear to have created them manually. Corrections have had to be made once the files have been rejected by our systems and then rerun causing double handling. |
| Q2. What are the types of benefits and the costs of being able to reduce settlement periods between industry participants? | We cannot readily identify any benefits to reducing settlement periods from one month to one week. In terms of costs, we would find our ourselves having to redeploy or recruit staff to do billing on a full time basis leading to greater overhead. |
| Q3. What are the types of benefits and costs of more standardisation in data and data exchanges? | Standardisation should result in a more seamless interaction between participant systems. Costs to adjust systems are appreciable. |
| Q4. What are the types of costs and the benefits of using more accurate available data for settling transactions? | Improving accuracy is likely to reduce the materiality of the wash-up mechanisms, used to correct previous periods. Naturally this will speed up the billing process somewhat allowing us to redeploy those resources elsewhere. |
| Q5. What changes may be required to allow more buyers and sellers of products and services can access the industry’s data systems in the future? | Access to data is pivotal to supporting new entrants. |
| Q6. What are the risks to security of data exchange and consumer privacy from more participants exchanging more data? | We feel that the risks that exist now will be the same regardless of the number of participants. It is up to individual participants to manage this risk. |
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| Question | Comment |
|---|--|
| Q7. What is your view of the Authority's overall impact assessments of the potential problems facing the electricity industry today and in the future (Table 3)? Use the Impact Assessment template in Table 10 (Appendix A) to note any changes. | We agree with the Authority's overall impact assessments apart from data exchange timeframes. We feel that more frequent settlement may, at this stage, be a little ambitious. |
| Q8. What other potential problems do you think impact data and data exchanges for market transactions? Use the Impact Assessment template in Table 10 (Appendix A). | We have nothing to add here. |

Closing remarks

We hope that our submission is helpful to the Electricity Authority in “Data and data exchange for market transactions”. We are happy to discuss our opinions further with Electricity Authority if it would be of use.

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