



meridian



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Submissions
Electricity Authority
PO Box 10041
By email: submissions@ea.govt.nz

Operational Review of Metering and Related Registry Processes – Meridian and Powershop submission

Meridian and Powershop appreciate the opportunity to submit on the above paper.

In Appendix A we have used the format requested by the Authority to provide comments and/or request clarification in relation to the following proposals:

- 001 – Electrical connection and disconnection of points of connection;
- 003 – Recovering certification costs;
- 011 – Raw meter data and compensation factors;
- 012 – Monitoring of event logs;
- 017 – Application of error compensation;
- 019 – Measuring transformers and burdens;
- 027 – Meter resealing by traders and distributors;
- 028 – Meter bridging; and
- 034 – Certification of metering installations and trading.

Meridian is broadly comfortable with the remainder of the Authority's proposals.

Please contact me if you have any questions regarding this submission.

Yours sincerely

Alannah MacShane
Regulatory Analyst

DDI 04 381 1378
Email alannah.macshane@meridianenergy.co.nz

Appendix A – Responses to specific consultation questions

Operational Review of Metering and Related Registry Processes	
Submitter	Meridian / Powershop
Proposal Reference	001 – Electrical Connection and Disconnection of Points of Connection
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>Meridian and Powershop are unsure whether the Authority's solution proposed for problem 4 is the best option for dealing with the issues identified.</p> <p>With the Switch Process Review still in its early stages, how the proposals being consulted on will interact with the switching process is unclear. Improvements to the switching process could, for instance, provide a potentially more effective means of correcting for participants not advising the date of electrical connection using the current NT file.¹ It is important that such alternatives are not 'closed out', and the way switching processes could evolve is also considered more generally. Subject to our comments below, Meridian is not averse to the Authority moving to amend the Code in the interim, however.</p> <p>In addition:</p> <ul style="list-style-type: none"> Proposed clauses 10.33(1)(a)(i)(B)(3) / 10.33A(1)(a)(B)(3) are dependent on the losing trader "setting" the switch date to the date of electrical connection and, as currently worded, will result in technical non-compliance for a gaining trader if this does not occur. We request further information from the Authority on the way this situation could be addressed. It is unclear how the losing trader is to advise of the electrical connection date, as required by proposed clauses 10.33(1)(a)(i)(B)(2) / 10.33A(1)(a)(B)(2)), given switch process files do not accommodate for this. Particularly in the case of a TR, Traders' automated systems may also not allow the same date where electrical connection occurred to be carried across in "setting" the switch date. We question whether the proposed 2 business day timeframe for gaining retailers to initiate a switch (as per proposed clauses 10.33(1)(a)(i)(B)(2) / 10.33A(1)(a)(B)(2)) is appropriate for scenarios where re-connections are undertaken outside of normal business hours (weekend hours in particular). 	

¹ Meridian and Powershop's 'Switch Process Review – Issues paper' incorporates a request for this issue to be further considered in reviewing switch processes.

Question 3: Do you have any comments on the Authority's proposed Code drafting?

Refer Q2 response above.

Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?

Broadly yes, although please see our Q2 feedback.

Question 5: Do you agree the proposed amendment is preferable to any other alternatives that meet the objectives of the proposed amendment? 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 Q2 response.

Operational Review of Metering and Related Registry Processes	
Submitter	Meridian / Powershop
Proposal Reference	003 – Recovering certification costs
Question 1: Do you agree with the Authority's problem definition? If not, why not?	
Unsure. Refer our Q2 response.	
Question 2: Do you agree with the Authority's proposed solution? If not, why not?	
Unsure. Protections enabling cost recovery for outgoing (“losing”) MEPs are in contrast to retail market arrangements – which offer no such protections for retailers. Whether this divergence is appropriate is not addressed by the Authority in its analysis. The potential for unintended consequences as a result is also unclear.	
Question 3: Do you have any comments on the Authority's proposed Code drafting?	
Refer Q2 response above.	
Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?	
Yes.	
Question 5: Do you agree the proposed amendment is preferable to any other alternatives that meet the objectives of the proposed amendment? 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 Q2 response.	

Operational Review of Metering and Related Registry Processes	
Submitter	Meridian / Powershop
Proposal Reference	011 – Raw Meter Data and Compensation Factors
Question 1: Do you agree with the Authority's problem definition? If not, why not?	
Yes. We would, however, like to understand the extent to which data inaccuracies may have arisen as an outcome of the issues identified and whether remedial actions may be required as a result.	
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?	
No.	
Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?	
Yes.	
Question 5: Do you agree the proposed amendment is preferable to any other alternatives that meet the objectives of the proposed amendment? 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.	

Operational Review of Metering and Related Registry Processes	
Submitter	Meridian / Powershop
Proposal Reference	012 – Monitoring of event logs
Question 1: Do you agree with the Authority's problem definition? If not, why not?	
<p>Not entirely. A broader problem definition is needed in our view.</p> <p>While we do not believe this is the intention, Schedule 15.2 clause 17(4) currently could be read as requiring the review of event logs by reconciliation participants for every electronic read received. These logs are technical in nature and contain all events related to an interrogation. As such, reviewing the logs is not something reconciliation participants have the necessary tools or technical expertise to undertake. Our Q2 response provides our suggestion for how this issue could be addressed in the Code.</p>	
Question 2: Do you agree with the Authority's proposed solution? If not, why not?	
<p>Again, not entirely,</p> <p>As per our Q1 response, reconciliation participants are ill-equipped to analyse event logs. It is important the Code:</p> <ul style="list-style-type: none"> • Clarifies responsibilities for reviewing event logs sit with MEPs; and • In turn, confines the responsibilities for reconciliation participants to (a) having processes in place to review the events MEPs have advised them of, under proposed new Schedule 15.2 clauses 8(5A)(c) and (d), and (b) to correct data as required. <p>Achieving this will in addition require adjustments to clause 17 of schedule 15.2. In particular, adjustments will be needed to exclude the relevant events from the full validation requirements applicable under Schedule 15.2, clause 17 to all electronic reads – that is, to have such events as the subject of separate requirements.</p>	
Question 3: Do you have any comments on the Authority's proposed Code drafting?	
Refer Q2 response above.	
Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?	
Yes.	

Question 5: Do you agree the proposed amendment is preferable to any other alternatives that meet the objectives of the proposed amendment? 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 Q2 response.

Operational Review of Metering and Related Registry Processes	
Submitter	Meridian / Powershop
Proposal Reference	017 – Application of error compensation
Question 1: Do you agree with the Authority's problem definition? If not, why not?	
Yes. We would, however, like to understand the extent to which data inaccuracies may have arisen as an outcome of the issues identified and whether remedial actions may be required as a result.	
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?	
No.	
Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?	
Yes.	
Question 5: Do you agree the proposed amendment is preferable to any other alternatives that meet the objectives of the proposed amendment? 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.	

Operational Review of Metering and Related Registry Processes	
Submitter	Meridian / Powershop
Proposal Reference	019 – Measuring transformers and burdens
Question 1: Do you agree with the Authority's problem definition? If not, why not?	
Unsure. Refer our Q2 response.	
Question 2: Do you agree with the Authority's proposed solution? If not, why not?	
Unsure. In contrast to earlier statements in the paper ² indicating potential for “material” participant costs, our understanding is that associated costs of the proposal are minimal, given the costs of installing burden resistors are in fact likely to be negligible. We would like to have this confirmed by the Authority, however.	
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 proposed amendment is preferable to any other alternatives that meet the objectives of the proposed amendment? 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 Q2 response.	

² Refer in particular Table 5 of the Authority's paper.

Operational Review of Metering and Related Registry Processes	
Submitter	Meridian / Powershop
Proposal Reference	027 – Meter resealing by traders and distributors
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?	
Broadly yes, but we consider the Code provisions should explicitly clarify that Trader obligations will not apply in situations of interference (tampering) by consumers or other parties.	
Question 3: Do you have any comments on the Authority's proposed Code drafting?	
Refer Q2 response.	
Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?	
Yes.	
Question 5: Do you agree the proposed amendment is preferable to any other alternatives that meet the objectives of the proposed amendment? 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.	

Operational Review of Metering and Related Registry Processes	
Submitter	Meridian / Powershop
Proposal Reference	028 – Meter bridging
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?	
Broadly yes, but we consider an “exceptional circumstances” carve out should apply to the 5 business days allowed for Traders to arrange for correction of the bridged meter by the MEP.	
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 proposed amendment is preferable to any other alternatives that meet the objectives of the proposed amendment? 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.	

Question 6: Do you have any comments on any of the technical/non-controversial changes? If so, please note which change and your comments.

In relation to proposal 034, we consider the Authority's intended course of action – that is, to seek to educate participants, in substitute for Code changes – should be monitored for effectiveness.

Question 7: Do you agree the costs and benefits identified are appropriately categorised? If you disagree, please provide reasons.

As per our comments regarding proposal 019, we are unsure of the potential significance of costs from this particular proposal.

Question 8: Do you agree the benefits of the proposals in aggregate outweigh their costs? If you disagree, please provide reasons.

Refer response directly above.