



17 December 2019

Submissions  
Electricity Authority  
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### **Switch process review**

Meridian and Powershop appreciate the opportunity to provide feedback to the Electricity Authority on the key issues identified with the ICP switching processes and possible options to address those issues.

The separation of the 29 issues and associated options in the consultation paper makes it difficult to connect the inter-related issues and potential solutions. This submission comments only on the priority issues for Meridian and Powershop.

As noted in the consultation paper, the majority of the issues raised relate to operational inefficiencies. Meridian and Powershop consider the most urgent of these inefficiencies to be the accuracy of the switch event meter reading. The root cause of many problems seems to us to be the fact that switch event meter readings are not necessarily midnight meter readings (Issue 5). Meter reads need to be taken at midnight on the day of the switch wherever possible. We agree that:

- traders not using available AMI midnight reads is operationally inefficient and can negatively affect competition and innovation;
- MEPs not providing AMI midnight reads to the gaining trader is operationally inefficient and can negatively affect competition and innovation; and
- estimating switch event meter readings for future-dated switches can be operationally inefficient and negatively affect competition and innovation.

The consultation paper outlines several possible solutions to this problem. Options 1 and 2 appear reasonable. If this issue can be addressed it would reduce a great deal of manual intervention to process read change requests (which the consultation paper notes is an issue in itself).

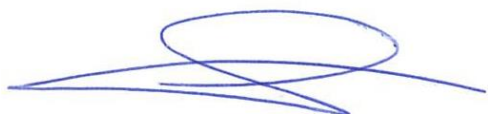
A secondary issue for Meridian and Powershop is the establishment of a switch event date (Issue 1 in the consultation paper). We agree that the losing trader determining a different switch event date to the gaining trader can cause operational inefficiencies and negatively affect competition and innovation. If a particular switch date is required either by a customer or a gaining retailer this should be able to be accommodated by the process in the Code.

There may be other quick fixes to the trader ICP switching process that the Authority considers will improve the experience for customers with an increased speed of switching and reduction in issues and disputes. Where this can be easily achieved, we encourage the Authority to proceed. The omnibus Code amendment process is a suitable vehicle by which to correct most of the operational inefficiencies identified. Meridian and Powershop consider other options, requiring significant development, to not be a priority at this time given the Authority's limited resources.

Once a package of operational efficiency proposals has been developed, the Authority will need to consider the benefits of the proposal relative to the cost of implementation. There may be significant costs to rebuild switching interfaces.

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

Yours sincerely



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