



Submissions
Electricity Authority
PO Box 10041
Wellington 6143

17 December 2019

Tenco welcomes the opportunity to provide a submission on the Discussion Paper as part of the Switch Process Review that is looking at Issues with the ICP switching processes and possible options to address these issues. We have commented on matters that impact on Tenco and our clients and not on the items which are covered under 'Distributor ICP Switching' and not on 'Trader ICP Switching' or 'MEP ICP Switching'.

Per Issue 20 within the discussion paper we are in agreement that the process for switching ICPs between distributors is currently very manual, inefficient and causes impact on market participants process's and system.

As an operator of Embedded Networks on behalf of more than 20 participant codes across more than 150 individual clients we see first hand the inefficiency for both ourselves and retailers in the current distributor switch process and observe weekly the shortcomings of the current system identified within the discussion paper. We also agree that the number of Embedded Networks will continue to increase as has been evident in recent years and that with a strong commercial property market the changes of ownership of Embedded Networks will continue to drive distributor switching.

There is only 1 option presented to address the issue and associated shortcomings and we are highly supportive of moving to a registry-based notice and consent process and agree that it would thereby promote competition and a more efficient operation of the electricity industry.

The process set out within the discussion paper looks like a well thought out and easy to manage and follow process – the 70 day period for a distributor to notify the registry manager of a proposed distributor ICP switch is slightly to long in our view and a shorter period would seem more reasonable, we note that the current notice period to the reconciliation manager for the establishment of a new NSP is only 1 month and that most retailers accept a 1 month notice for consent with the exception of 1 retailer who requires 40 days' notice which we currently adhere to.

The time period between when a retailer must provide consent, reject or consent by default and the 14 days to when the registry manager would cancel would allow 16 days for the property owner to request that consumers supplied by a non-consenting retailer switch to a consenting supplier to allow the Embedded Network to proceed. 16 days is likely enough

on the basis that property owners and their agents understood these timeframes and proactively work to ensure that they get all ICP's with a consenting retailer at least 14 days out from the switch event date.

The process would reduce the dependence on needing to store consent records and also remove the current DS-10 application and file process that is required and thus introduces another layer of work when a distributor transfers ICP's.

What this option does not provide is for the additional information often required by some retailers such as the below however the expectation is that consenting retailers would already have UoS and operational process's in place with the distributor and would therefore be able to source this information either internally or via their operations teams into the switching distributor:

- Pricing and loss schedules;
- Fault contacts for the new Embedded Network;
- LE (Gateway) ICP details;

Given only 1 option is presented and we are highly supportive of this change it would be great to see the Electricity Authority and Registry Manager push this change through as efficiently as possible.

Any queries please let me know.

Yours Sincerely
Nick Price

Managing Director
The Embedded Network Company Ltd