

28 July 2025

Electricity Authority
1 Willis Street
WELLINGTON

Via email: policyconsult@ea.govt.nz

Lodestone Energy submission on evolving multiple retailing and switching

Dear Electricity Authority

Over the past 5 years Lodestone Energy has built a business focused on delivering value and innovation to customers. We understand what the EA is trying to achieve in this consultation, and we support these goals to promote competition and innovation for the benefit of consumers.

We agree with the EA that the current switching rules and processes need review to better reflect consumers expectations. We understand the desire for multiple retailing but have some questions around the timing of the multiple retailing proposal, particularly in the context of the current market reform work programme – including the work of the Competition Taskforce – and the ability of the smaller industry participants to meaningfully engage in these proposals and subsequently amend their business operations at this time.

We support the EA's intent to update and improve industry processes to support consumers switching and support a review of the switching rules and processes from beginning to end as these will likely deliver relatively quick and widely accessible consumer benefit. Efficient consumer switching processes are tightly aligned with improving competition and Lodestone supports continuous improvements in this space as an area with tangible consumer benefit.

This is a short, high-level submission in support of switching process improvements and suggesting an alternative development timeline for the multiple retailing proposals. We would be very happy to discuss this with the EA in more detail if you wish.

Timing could be better for multiple retailing proposal

In light of the pressures currently facing independent retailers and the limited scope of consumer benefit, Lodestone believes that this particular piece of work could be deferred for a couple of years. As a small independent retailer, we are very mindful of our ability to engage in the considerable detail required for this work at this point in time.

In prioritising our engagement and policy efforts, Lodestone is focusing on the fundamental issues in the sector, including how to make energy more affordable, maximise competition, improve energy security, encourage investment in new generation, and the removal of barriers to build new renewable generation at pace.

Depending on outcomes of the government's review of the electricity market, alongside the EA, MBIE and Commerce Commission Competition Taskforce work, there could be significant more work required from across the sector before the end of this year and well into next.

Taking a system-wide view of the electricity market and the current priorities in front of it, we believe these proposals could afford to wait until current high-priority workstreams are completed.

While we support facilitating customer mobility and innovation we are also very mindful that the proposed multiple retailing changes and amendments to Section 11 of the Code are significant and detailed. It is an important proposed redrafting of the Code and will require significant systems changes for all reconciliation participants across the sector.

We are concerned that a great deal of time, effort, and potentially resource, will be required in these proposals but the number of customers that will potentially avail themselves of multiple retailer relationships is likely to be limited in the short-term.

Support for improved consumer switching processes

The ability for consumers to simply and easily switch between different electricity providers is one of the fundamentals of a competitive market. Unlike the multiple retailing proposals, there are clear, immediate benefits to all consumers in improving switching processes.

Lodestone supports ongoing improvement to consumer switching processes and agrees that current switching rules are no longer fit for purpose.

We welcome the role of the Switch and Data Formats Group in this work and would like to see this group working with others in the industry to ensure proposed new rules are effective.

Conclusion

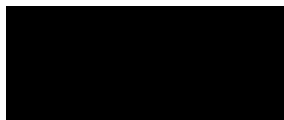
The EA's thinking behind these proposals is sound, but we suggest the timing could be reviewed for the multiple retailing proposal.

There are currently important and pressing electricity market priorities that can deliver profound consumer benefits - for example improving switching processes - that deserve to be delivered quickly, and there remains significant uncertainty around some core market settings.

The multiple retailing proposals come at a time when (in Lodestone's opinion) smaller participants potentially most effected by them may struggle to respond in the level of technical detail required.

We respectfully request that this proposal be deferred for 24 months and is revisited when the current industry context is more settled. I would be happy to discuss any of this feedback with you.

Yours sincerely

A black rectangular box used to redact the signature of Sarah McHardy.

Sarah McHardy
GM Customer
Lodestone Energy