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## **Code Review Programme #7 - Vector submission to the consultation paper**

Vector welcomes the opportunity to comment on the Electricity Authority's Code Review Programme #7 consultation paper ("CRP7"). This submission is not confidential and may be published in full on the Authority's website.

Vector supports targeted Code improvements that enhance clarity, reflect operational reality, and promote efficient outcomes for consumers. However, several proposals in CRP7 extend beyond minor or technical amendments and introduce material impacts that have not been sufficiently assessed, particularly in relation to safety, system integrity, and implementation cost.

### **Executive summary**

Vector supports a number of CRP7 proposals that clarify Code obligations and improve alignment with current industry practice. However, we consider that some proposals are not proportionate to the problems identified and introduce avoidable risk and complexity.

Vector's primary concern is with CRP7-005, which proposes allowing multiple physical points of connection to be recorded under a single ICP identifier. This represents a fundamental departure from a core industry construct that underpins safety, operational processes, pricing, and settlement frameworks.

The Authority has not demonstrated a compelling case for change, nor adequately assessed the resulting safety risks, system impacts, and regulatory uncertainty. These impacts materially outweigh the limited benefits identified, which, in any case, can be achieved through less disruptive alternatives.

Vector strongly recommends that CRP7-005 does not proceed.

### **Summary of Vector's position on other proposals**

We have a few comments on other proposals in the paper and have not answered the consultation questions in respect of these proposals as our comments are high level only and limited to the comments made below.

1. Vector supports proposals that improve clarity or reflect current industry practice, including:

*CRP7-001 (maximum export power terminology):*

Vector agrees that alignment of terminology improves clarity. However, we recommend the Authority consider whether apparent power (kVA) may be more appropriate than kW in certain contexts, given network constraints can arise from reactive power as well as active power.

*CRP7-004 (EIEP audit expansion)*

Vector acknowledges the intent to improve data quality and consistency. While this will increase audit scope, we consider this manageable within existing frameworks. However, some inefficiencies stem from mismatches in ICP status, connection attributes and timing of updates between market systems and network data, and these should also be addressed.

*CRP7-008 (non-supply billing and registry processes)*

Vector has no material concerns with the proposed drafting changes to clause 9.10 of the DDA. The amendment appropriately allows distributors to either update the registry or provide information through alternative means. This flexibility aligns with Vector's current practice, where outage credits (>24 hours) are applied manually through billing processes and reporting. As such, no system or process changes should be required for Vector.

However, Vector does not support the ad hoc introduction of DDA core term changes. Even minor amendments, such as this, trigger a requirement to: (a) publish a new DDA version; (b) issue updated agreements to all retailers and (c) update internal contract management systems. For Vector, this involves reissuing agreements to ~35 retailers and associate system updates - a disproportionate administrative burden for such a minor change.

Vector recommends the Authority bundle DDA core term changes into a periodic (e.g. annual) omnibus update and/or to adopt flexible effective dates (e.g. next DDA update cycle or defined transition period). Vector also notes that future DDA updates should incorporate outstanding updates (e.g. inclusion of EIEP4A in Schedule 3) to improve completeness of the template.

2. Vector has concerns with proposals that introduce new obligations without clear benefit or that may have unintended operational impacts, including:

*CRP7-013 (access to ICPs for disconnection)*

Vector does not support this proposal. The proposal does not address the underlying issue it seeks to solve and instead offers a proposal that is not practicable to implement, does not reflect the operational realities of distribution networks and misallocates responsibility.

The proposal assumes distributors can ensure all ICPs are physically accessible for disconnection. This is simply not achievable, particularly for network extensions and other secondary network arrangements. In these cases: (a) Vector does not own or control the downstream network (b) Vector has no visibility of downstream configuration and (c) Vector cannot guarantee access to, or isolation, of all ICPs. To comply, distributors would need to require that all isolation points are located on public property and continuously accessible.

This is incompatible with existing development practices and cannot be practicably achieved in many actual scenarios, particularly multi-dwelling developments.

Additionally, the proposal excludes embedded networks but does not clearly exclude network extensions or customer networks. This is a flaw. These network types face the same and often greater constraints. If not excluded, the proposal creates compliance obligations that distributors cannot meet.

The problem identified relates to disconnection capability; however, the proposal assigns all responsibility to distributors even though they do not control all disconnection points. If the Authority wishes to address this issue, an alternative option is to consider remote disconnection capability through metering arrangements, rather than requiring distributors to redesign network configurations we do not control.

Across these proposals, Vector encourages the Authority to ensure that changes characterised as minor or technical do not introduce enduring operational constraints with unintended cost impacts, such as we've highlighted against proposals CRP7-005, CRP7-008 and CRP7-013.

### **CRP7-005 - Multiple points of connection under a single ICP**

#### Health and safety impacts

Vector considers that the most significant issue arising from this proposal is the introduction of unacceptable health and safety risk.

The existing one to one relationship between an ICP and a physical point of connection is a fundamental safety control embedded across network operations. It provides a clear and unambiguous link between the logical identifier used in systems and the physical asset that must be isolated. Field crews rely on this alignment when confirming that equipment is de-energised and safe to work on.

This proposal materially weakens that control and introduces unacceptable safety risk. Allowing multiple physical points of connection to sit behind a single ICP introduces ambiguity as to what has been isolated and what remains energised. In practice, this creates a conceivable scenario where:

- A technician could isolate an ICP believing all supply has been disconnected
- A second, associated point of connection remains live; and
- The technician proceeds under a false assumption of safety.

This is not a theoretical scenario. It represents a direct example and pathway to serious harm. The potential consequence is electric shock or fatality.

In an operational environment where safe isolation depends on certainty and verification, introducing ambiguity of this nature materially increases the risk of human error. In Vector's view,

introducing a Code amendment that increases the likelihood of such outcomes is inconsistent with good electricity industry practice and should not proceed.

The proposal also complicates outage management and restoration. Where multiple points of supply linked to a single ICP are connected to different feeders, phases or transformers, the sequencing of isolation and restoration becomes less certain. This creates additional operational risk and further undermines established safe working practices.

#### Operational and system impacts

This proposal would also have significant and far-reaching impacts on industry systems and processes.

The ICP is the primary organising construct across:

- Billing and invoicing systems
- Geospatial and connectivity models
- Outage management systems
- Registry data structures and
- Network pricing frameworks

These systems have been developed on the basis that each ICP represents a single, discrete point of connection with consistent physical, electrical and commercial characteristics. Allowing multiple points of connection under a single ICP would require extensive reconfiguration of these systems. This would involve:

- Redesigning data models and system architecture
- Modifying pricing and cost allocation processes
- Reworking outage and restoration logic and
- Introducing additional layers of validation and reconciliation.

These changes are not minor or negligible. They would introduce both material upfront implementation costs and ongoing operational inefficiencies. In addition, the proposal would degrade data integrity. The current framework provides clear mapping between location, connection, metering and consumption. This framework underpins network planning, outage response, settlement accuracy and customer transparency. Combining multiple connection points under a single ICP will erode that clarity and reduce the usefulness of this data across multiple functions.

#### Regulatory assessment

Vector does not consider the CRP7-005 proposal meets the Authority's Code amendment principles as:

- The problem definition is not sufficiently evidenced or quantified
- The proposed solution is disproportionate to the issue identified
- The costs and risks have been materially understated.

The proposal also introduces a subjective test based on what is “*practical in the circumstances*”. This creates regulatory uncertainty and will likely give rise to ongoing disputes between participants regarding when multiple connections may be aggregated and when they can’t. This is inconsistent with the objective of having clear, predictable and enforceable Code obligations.

An alternative approach that improves customer experience when multiple related connections exist, can be addressed without modifying the ICP construct. Retailers already manage multiple ICPs under a single customer account. A more targeted and proportionate solution would be to introduce a registry-based mechanism allowing ICPs associated with the same consumer to be linked. This would deliver the intended customer benefits, including improved switching and billing visibility, without undermining the physical, operational and safety integrity of the current framework.

## **Conclusion**

Vector supports the Authority’ objective of improving the clarity and efficiency of the Code. However, CRP7-005 represents a fundamental change that introduces material safety risk, significant system impacts and regulatory uncertainty. The benefits of the proposal are limited and can be achieved through much less intrusive alternatives, as we have suggested above.

Vector strongly recommends that CRP7-005 does not proceed and welcomes further engagement with the Authority and other industry participants to develop alternative approaches that improve customer outcomes while maintaining safety, system integrity and operational efficiency.

Yours sincerely



**Monica Choy**

Senior Regulatory & Pricing Partner

## Code review programme #7 submission form

<b>Submitter</b>	<b>Monica Choy</b>
<b>Organisation</b>	<b>Vector Limited</b>
<b>Proposal number</b>	<b>CRP7-005</b>

<b>Questions</b>	<b>Comments</b>
Q1. Do you agree the issue(s) identified by the Authority need attention? Any comments?	The proposed amendment is a disproportionate response to what appears to be a relatively narrow issue and should not proceed in its current form. This is especially so because less intrusive alternatives are available, including a registry-level mechanism to link ICPs under a single customer account, as outlined above.
Q2. Do you agree with the objectives of the proposed amendment? Any comments?	No. Although improving customer experience is a legitimate objective, this proposal is neither an appropriate nor proportionate way to achieve it. It would weaken a core safety and operational construct, with material system impacts and added regulatory uncertainty.
Q3. Do you agree the benefits of the proposed amendment outweigh its costs? Any comments?	No. The limited benefits identified are outweighed by material safety risks, significant system and process changes, implementation costs, and ongoing operational inefficiencies.
Q4. Do you agree the proposed amendment is preferable to any other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objectives in section 15 of the Electricity Industry Act 2010.	No. A preferable option is to retain separate ICPs and introduce a registry-based mechanism to link ICPs associated with the same consumer, delivering customer visibility benefits without undermining safety or operational integrity.
Q5. Do you have any comments on the drafting of the proposed amendment?	Yes. The drafting should avoid subjective concepts such as what is "practical in the circumstances", which would create uncertainty and likely disputes. If the proposal proceeds, clearer and more objective criteria would be required.
Q6. Do you have any further comments on the proposal?	The proposal is a fundamental change, not a minor or technical amendment. In Vector's view, it should not proceed unless and until the Authority has undertaken a

	much fuller assessment of safety, operational, system and cost impacts.
Q7. Is any part of your submission confidential? If yes, please explain which part, why it is confidential and provide a publishable replacement (refer paragraphs 1.10 to 1.12 of the consultation paper)	No. This submission is not confidential.