

Enabling market evolution: Market Operation Service Provider

10-year roadmap – consultation paper feedback

Submitter	Jade Software Corporation (NZ) Limited
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Questions	Comments
Q1. What else should the Authority consider when reviewing our MOSP arrangements? Are there other aspects of the services we should consider changing and why?	Jade appreciates the Authority's thoughtful work in developing a long-term vision for MOSP services and agrees that modernisation is both timely and necessary. In particular, we agree that the sector's continued reliance on legacy file-based interfaces, and the absence of standardised data and security protocols, impose avoidable cost and risk on participants and constrain the pace of change. We are excited about the potential to bring about transformational change through digital initiatives. We see strong potential in the direction outlined, particularly the focus on improved data access, simplification, and support for future market innovation. At the same time, we believe there is an opportunity to broaden the scope of the review to ensure the long-term MOSP structure is robust, future-proof, and capable of supporting the evolving needs of consumers, retailers, distributors, and emerging flexibility providers. While contract consolidation may reduce administrative overhead, it does not automatically reduce system complexity or improve industry efficiency. We believe that several important considerations warrant deeper exploration: Architectural coherence Consolidation reduces the number of contracts, but not the number of systems, data sources, or integration points. The underlying complexity of the MOSP ecosystem is architectural, and addressing this directly will unlock greater long-term benefits. Governance and audit controls Current MOSP separation provides natural checks-and-balances. For example, the Registry's independence ensures that the entity responsible for settlement cannot unilaterally alter reference data. Any consolidation should be accompanied by a clear governance and audit framework that preserves these safeguards. Cybersecurity concentration risk Reducing the number of MOSPs through consolidation would reduce the interface attack surface but concentrate the consequence of a single compromise, so any consolidated role should carry a strengthened assurance regime (certification, independent audit, resilience and recovery standards).

	Innovation pathways We strongly support the Authority's intent to foster innovation. MOSP contracts could incorporate structured innovation tiers or sandboxes with proportionate regulatory oversight, enabling: • testing of new data products • controlled exposure to selected participants • structured transitions to production Transition costs Migration, dual-running, re-certification, and participant onboarding costs may exceed anticipated benefits. International experience shows that transition costs for major electricity market reforms can be substantial and often exceed initial expectations. The UK's Market-wide Half-Hourly Settlement (MHHS) programme required extended testing, additional readiness time, new governance structures, and five separate transition timetables spanning multiple financial years. The MHHS example demonstrates that transition complexity is high even when only changing settlement processes and would be significantly higher when restructuring MOSP roles. For this reason, transition cost and transition risk must be central considerations in any MOSP procurement or consolidation strategy. We recognise the challenge of balancing reliability with innovation. The sector requires stable market operations while enabling new paradigms such as flexibility markets, CER/DER visibility, and consumer mobility. MOSP contracts should support both stability and innovation.
Q.2. What do you think of the Authority's view of the future of MOSP services? What else should the Authority consider?	Jade is supportive of the Authority's intent to evolve MOSP arrangements and agrees that change is needed to better serve the sector. We offer the following constructive observations on specific elements of the proposal. Merger of the Clearing Manager and Reconciliation Manager roles We acknowledge that combining roles may appear to offer administrative efficiencies. However, we consider that maintaining separation will better support market integrity and long-term resilience. The Clearing Manager is a financial market function, while the Reconciliation Manager is a physical energy accounting function. These are distinct disciplines with different skill sets, regulatory obligations, and risk profiles. Merging them could: • introduce regulatory perimeter mismatch (AML/CFT vs physical data obligations) • reduce competitive tension by narrowing the pool of capable tenderers Maintaining separate procurements would allow a broader range of specialist providers to participate, increasing competition and

	encouraging best-of-breed solutions. This approach is consistent with international practice (AEMO, PJM, ERCOT) and with established principles of segregation of duties in critical infrastructure. We believe that consolidation should not entrench any single provider, therefore roles should be established with open, published interface standards and clear exit and transition provisions, so the functions remain genuinely contestable at each procurement review point. Long-term MOSP structure: Trading Contracts Manager We agree with the Authority that the long-term MOSP structure should reduce fragmentation and improve data accessibility. In that spirit, we suggest consideration of an alternative model: a Trading Contracts Manager MOSP combining the Registry, Registry Hub/Data Hub, and CMDS. This structure centralises closely related functionality, enabling coordinated management of technical complexity and reducing the number of system interfaces. It would support faster, lower-risk implementation of innovation, market evolution, and Code amendments. Key benefits include: Strategic alignment • Supports the Authority's goals of modernising data interfaces and reducing fragmentation. • Creates a single accountable entity for consumer- and trader-related data flows. Unified data architecture • Eliminates bespoke bilateral data pipelines. • Provides one authoritative interface for trader, meter, and consumer data. • Enforces consistent standards for APIs, security, formats, and validation. Clear accountability A Trading Contracts Manager would manage: • ICP identity • trader relationships • meter data ingestion • consumption data quality • CDR access • third-party data requests • switching processes • CER/DER visibility data Support for CDR A single, secure, consistent data access point is essential for CDR. This model naturally supports consumer consent
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	management, accredited third-party access, audit trails, and standardised APIs. Improved consumer mobility Supports automated switching, real-time pricing plan comparison, unified trader relationships, and real-time consumption feeds. CER/DER visibility and flexibility markets Enables ingestion of CER/DER data, real-time APIs, VPP support, multiple trader relationships, community energy networks, and DER forecasting. Reduced cybersecurity risk Consolidation would reduce interfaces, pipelines, authentication systems, audit domains, and attack surfaces however, any consolidated role should carry a strengthened assurance regime (certification, independent audit, resilience and recovery standards). Improved change management Fewer MOSPs and participants affected by Code changes, faster implementation timelines, and reduced coordination overhead. International alignment Consistent with UK NESO DSI, Australia CER Data Exchange, and EU Digital Energy Data Spaces. Registry Hub and Data Hub We support the Authority's direction and agree that Registry Hub and Data Hub functions are closely aligned. Grouping these roles in the intermediate term would be beneficial. CMDS is also closely aligned and we believe should be grouped with these functions. Integration standards and protocols We strongly support the Authority's focus on modernising data interfaces. To ensure long-term sustainability, we recommend continuation of existing initiatives plus further expansion to encompass: • a formal standards lifecycle framework • scheduled review cycles • sunset periods for deprecated formats • RESTful APIs and event-streaming interfaces • JSON/Avro schemas • OpenAPI specifications • a dedicated Integration Standards Body • mandatory interoperability testing • dual-running requirements during transitions We believe that standardised interfaces across all MOSPs would materially reduce the per-change cost and elapsed time of Code changes. Additionally, we suggest that the Authority consider implementing a funded continuous improvement mechanism
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	within MOSP contracts, so that modernisation in this area does not depend on ad hoc change requests. Including flex and DER providers in the Registry As flexible load, DER, VPPs, and aggregation become more prevalent, market participants will increasingly require visibility of parties responsible for controlling or trading load and distributed generation. We recommend expanding the Registry to include load aggregators as a participant role. This would: • reduce bilateral information exchange • support coordination between retailers, distributors, and aggregators • enable future market arrangements relying on flexible load and DER We acknowledge that this would require new Code provisions and careful design.
Q.3. What factors should the Authority consider when investigating the need and benefits of a CMDS?	Jade supports further investigation of a CMDS. The current decentralised data landscape imposes cost, complexity, and cybersecurity risk on retailers, EDBs, MEPs, and MOSPs — costs ultimately borne by consumers. Architecture is a critical factor. The Authority should evaluate both physical (centralised) and virtual (less centralised) models. A brief review of the relative benefits and risks is shown below. Both architectural options would require effective management of data: standards, accreditation, and audit. Option 1: Physical/centralised CMDS Benefits: • uniform data standards • high performance • simplified cybersecurity • reduced duplication • strong support for future market functions • improved switching accuracy • Authority oversight of MEP data management Risks: • high build and migration cost • industry-wide harmonisation required • potential resistance from MEPs and retailers • single point of failure without strong redundancy Option 2: Virtual CMDS Benefits: • lower upfront cost • leverages existing MEP investments • reduced disruption • organic scalability • avoids centralised failure risk • improved switching accuracy Risks: • performance bottlenecks

	• inconsistent data quality • high cybersecurity complexity • high operational overhead At this stage, and without detailed functional requirements, a virtual CMDS appears to be the preferable option. We recommend more detailed analysis.
Q4. What other examples of data sharing arrangements should the Authority consider?	Potential use case examples for New Zealand include: Near real time sharing of ICP state change information including energisation, de-energisation, switching, DER, simultaneously pushed to affected participants as they happen. Certified half-hourly meter-level import and export data from accredited MEPs for the purpose of verification and settlement of flex services. NZ wide standardised machine to machine dispatch notices between EDB/Transpower and <i>registered</i> FSPs, complementing existing bi-lateral agreements, to enable competitive flex markets that can operate at scale. With respect to relevant examples outside of New Zealand, there are a number that it might be useful for the Authority to explore in detail including: • The Nordic Ediel/NMEG data-exchange framework, which provides standardised, machine-to-machine messaging for meter data, switching, activation, flexibility services, and situational awareness across multiple countries. • The UK NESO Data Sharing Infrastructure (DSI), which is developing a unified national energy data platform supporting real-time visibility, offshore hybrid assets, flexibility markets, and consumer-centric data access. • The UK's Market-wide Half-Hourly Settlement (MHHS) programme, delivered by Elexon, involving the migration of approximately 33 million meters to new settlement arrangements, major redesign of settlement timetables, and the introduction of new industry-wide data and governance processes. • The UK–Norway cross-border electricity data-exchange arrangements, which demonstrate harmonised operational data sharing, coordinated dispatch, and standardised interconnector data flows. • Nordic activation and flexibility market messaging standards, enabling competitive flex markets through standardised dispatch and activation signals. • The UK's Smart Metering Implementation Programme (SMIP) data-access model, which provides secure, audited, standardised access to meter data for retailers and authorised third parties — a strong analogue for a potential Registry Hub + CMDS architecture approach in New Zealand.

	In this submission Jade has expressed support for several new initiatives. Please see below how international deployments lend credibility to these initiatives: • Unified national data standards (Nordic Ediel-approach) • A consolidated Data Hub + CMDS (UK DSI-approach) • Standardised DER activation and flexibility messaging (Nordic) • Moving toward more granular data, modernised interfaces, and unified data-exchange frameworks is technically feasible (UK MHHS model) • Real-time meter data ingestion (UK SMIP) • Mandatory interoperability testing (Nordic) • Unified consumer data access (UK CDR model) It should also be noted that some of the international examples referenced are not yet proven, rather are in pilot or proof of concept status. International jurisdictions typically differ in various respects ranging from commercial to operational so caution is required before concluding that what works in one jurisdiction will work in another. The real value lies in adapting international approaches to the NZ Code, the participant structure and the 29 distribution networks.
Q5. What else should the Authority consider in planning and scheduling changes to the MOSP services?	Although this submission recommends against consolidating the Clearing Manager and Reconciliation Manager roles, while supporting consolidation of Registry, Data Hub, and CMDS functions, these positions are not in conflict. The key distinction lies in the nature of the functions being combined. Clearing and Reconciliation operate in fundamentally different domains — one financial, one physical — and their separation provides essential governance, audit, and risk-management safeguards. In contrast, the Registry, Data Hub, and CMDS perform closely related data-centric, consumer-centric, and trader-centric functions that share common data models, integration patterns, and operational dependencies. Consolidating these data-oriented roles would improve architectural coherence, reduce duplication, and strengthens data quality without compromising financial integrity or segregation of duties. In short, we support consolidation where functions are naturally aligned and mutually reinforcing, and we recommend maintaining separation where functions are distinct and where independence is critical to market integrity. We also encourage the Authority to sequence change deliberately, including agreeing and embedding common integration and security standards first, then consolidate roles, supported by dual-running and staged migration windows to protect market continuity.