

Format for submissions

Enabling market evolution: Market Operation Service Provider 10-year roadmap – consultation paper

Submitter	Lee Mauger, Kiwi Collaborative
Contact	Lee.mauger@kiwicollaborative.com
Publication	We are happy for this submission to be published in full.

About this submission

Our perspective is that of a party building consumer-side energy technology, rather than an incumbent participant. We are interested in the MOSP arrangements only insofar as they determine what is buildable in New Zealand over the next decade — and, at present, we think they determine rather a lot of it.

Summary of our position

- We support simplifying and modernising the data interfaces. This is the more important of the Authority's two proposals and we think the paper somewhat undersells it.
- We are not persuaded by the case for consolidating the MOSP contracts, and we think the competition argument may run in the opposite direction to the one the paper advances.
- We support the centralised authorisation, peer-to-peer transfer architecture at 8.11, and recommend it be specified in latency tiers.
- We do not support a central meter data store on the evidence presented, and agree with the Authority's own concerns at 8.12–8.13.
- The Authority, not a contractor, should own the data standard. And it must not diverge from the Consumer Data Right.
- The 2027 round should be limited to no-regrets changes. Structural consolidation and any CMDS decision should wait for the CDR standards and the Authority's own digitalisation roadmap.

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?	We support the Authority's intent to reduce the friction of changing the MOSP systems. We are less persuaded that reducing the number of contracts is the change that achieves it, and we think the competition argument may run the wrong way. The consolidation case needs to be tested in both directions Three of the four roles in scope (WITS, clearing and reconciliation) already sit with a single provider. Merging them into one wholesale settlement contract does not obviously create competitive tension at re-tender; it may instead create a contract whose switching cost is the entire settlement stack at once, and therefore an incumbent that cannot practically be displaced. Larger contracts may attract more bidders. Larger contracts also raise the cost and risk of ever changing supplier. Both effects are real, and the paper only argues the first. We ask the Authority to publish its analysis of the entrenchment risk alongside the scale benefit, tested against the section 15 objective, before committing to consolidation. The binding constraint is who owns the interfaces, not how many contracts there are

Questions	Comments
	In our view the pace of change is not primarily limited by contract count. It is limited by the fact that the systems, schemas and interfaces are effectively the providers' assets, so every change is a commercial negotiation conducted from a position of low contestability. Contract consolidation does not fix this. It concentrates it. We recommend the following be built into the 2027 contracts regardless of how many there are: • The Authority owns and publishes the data model, schemas and interface specifications. MOSPs operate them. Data standards must not be vendor intellectual property. • Data and configuration portability, with exit and transition obligations that are periodically tested rather than merely contracted. • Pre-agreed change rate cards, so the cost of change is knowable at tender rather than negotiated later from a monopoly position. • Severable scope, so modules can be re-tendered independently without reopening the whole contract. • Defined off-ramps and break rights where a provider cannot meet an emerging requirement within an agreed period. With these in place, contract length matters much less, and the Authority can safely pursue the scale it wants. Without them, no contract length is safe: the industry's pace of change will continue to be set by the capabilities of legacy platforms and the commercial position of their operators.
Q2. What do you think of the Authority's view of the future of MOSP services? What else should the Authority consider?	We support the direction, and we specifically support the architecture described at 8.11: centralised trust, authorisation and addressing, with standardised peer-to-peer data transfer, rather than a central store. We think that is the right call. A central intermediary cannot meet the latency requirements that emerging use cases have, and should not try to. Three points to sharpen it. 1. Design for latency tiers, not a single data pipe Market data is not one product. If the datahub is specified without distinguishing these tiers, it will collapse to the lowest common denominator, which is scheduled file transfer, and the fastest-moving use cases will simply route around it. • Settlement-grade — accuracy and auditability are paramount; latency in hours or days is fine. Current arrangements are broadly adequate. • Operational / market-signal-grade — price and grid condition; latency needs to be seconds. Currently poor (see below). • Control-grade telemetry — local, sub-second, device-to-device. This should not traverse a market intermediary at all. Fast control loops belong in the home, responding to locally measured conditions. The market's job is not to deliver sub-second data; it is to ensure the standards and price signals exist for a local controller to act on. 2. The problem with price data is delivery latency, not price frequency Under real-time pricing, dispatch prices are already produced at roughly five-minute intervals. The gap is that they reach third parties late — EMI's real-time feed has long been reported as running materially behind what is

Questions	Comments
	available in WITS. For a household optimiser, a price that is fifteen minutes old is not a price signal; it is history. This is an in-scope, low-cost, contractual fix. We recommend a publication latency SLA on the relevant MOSP: dispatch prices published via a low-latency push or streaming API within seconds of production, with published performance reporting and remedies. This is one of the highest-value things the 2027 contracting round could deliver. 3. Local network conditions are not published by anyone, and that is the real gap Nodal prices exist at grid exit point level. Nothing tells a household, or its agent, what the low-voltage constraint, voltage headroom or available export capacity at their ICP is right now. Some EDBs are moving in this direction individually, in inconsistent ways. This is not a MOSP product today, and it is the single piece of information most needed to make consumer flexibility useful rather than merely disruptive. We recommend the future datahub carry a standardised grid-condition and export-headroom feed, sourced from EDBs and the system operator, specified once nationally rather than 29 times. Access should not be gated on participant status Price and grid-condition APIs at node and ICP level should be free and open to any party, including a household's own controller or an agent acting for it, not restricted to Code participants. If access requires participant status, the only viable optimisation products will be those built by incumbent retailers, and the Authority will have chosen a market structure by accident. We are not asking the Authority to resolve the wholesale/retail boundary in this consultation. We are asking that the MOSP architecture chosen now does not foreclose it. Concretely: avoid designs in which data access is coupled to participant status. If grid and price information is not accessible and adaptable enough, the rational response for capable households is to reduce their reliance on the grid in order to get the flexibility they need. That is a poor outcome for everyone, and worst for the consumers who cannot afford to follow them, as network fixed costs fall on a shrinking base.
Q3. What factors should the Authority consider when investigating the need and benefits of a CMDS?	We agree with the concerns the Authority raises at 8.12 and 8.13, and on the evidence available we would go further: we do not think a CMDS is justified, and we think the alternative identified at 8.13 captures most of the benefit at a fraction of the cost and risk. 1. Decide what kind of data store it is before deciding whether to build it Settlement-grade data and control-grade telemetry are different products with different requirements. A CMDS that tries to be both will be too slow for control and over-engineered for settlement. In practice a CMDS can only be the former — in which case its benefits are administrative (deduplicating retention and archival across retailers, MEPs and the reconciliation manager) rather than enabling. That is a legitimate benefit, but it should be weighed as an efficiency measure, not as an enabler of future use cases, because it will not enable them. 2. The storage problem is largely already solved in the Code Clauses 11.32ED and 11.32EE already entitle an authorised agent to the most granular consumption data a retailer holds, going back two years. What is missing is timeliness, format consistency and ease of access — not a central warehouse. Consistent with 8.13, we recommend the Authority

Questions	Comments
	review the communication protocols and the Code and contract-mandated retention and archival requirements first, and treat a CMDS as a residual question once that is done. Fix the protocol; do not build the store. 3. The binding constraint is the meter, not the store New Zealand's smart meters are, in practice, not consumer-accessible. The distinction between HAN-capable and HAN-functional meters was criticised by the Parliamentary Commissioner for the Environment more than a decade ago and the gap has never been closed. The consequence is visible in the market today: the most advanced use cases in New Zealand require the customer to install a second, customer-side meter to obtain real-time data, gathering it independently of the meter already on their wall. That is duplicated cost, no interoperability, and it is available only to households who can afford it. A CMDS does nothing about it. The highest-leverage and lowest-cost intervention available to the Authority is to require a consumer-accessible local data interface on new and replacement meters — the Netherlands' P1 port and the UK's Consumer Access Device are the obvious precedents. This costs very little per meter, rides the existing replacement cycle, and unlocks the entire class of real-time home optimisation use cases that a CMDS cannot serve. We would rank this well above a CMDS in value for money. 4. Apply an option-value test, not a static business case A CMDS is a large, long-lived sunk asset whose value declines to the extent that the home itself becomes the source of real-time consumption data — which is the direction the technology is travelling, over exactly the ten-year horizon this roadmap covers. The right question is not whether it pays back under today's assumptions, but how much regret is incurred if those assumptions move. On that test, deferral is cheap and commitment is expensive. We recommend any CMDS decision be deferred until the Consumer Data Right technical standards are settled and the Authority's digitalisation roadmap is published.
Q4. What other examples of data sharing arrangements should the Authority consider?	We have two structural points before the examples, because we think they matter more than the examples. 1. Who owns the standard? The Authority's preferred approach (8.10 to 8.11) is to contract a datahub manager to define standardised protocols and formats, having judged the Code change process too slow. We understand the reasoning. But the consequence is that standard-setting for New Zealand's electricity data landscape is delegated to a contractor. Once that happens, every future change to the standard becomes a commercial negotiation with an incumbent — which is precisely the constraint the Authority is trying to escape in this consultation. We recommend separating the standard from its operation: • The Authority owns and publishes the standard: versioned, openly documented, with a defined governance process and industry participation. • The datahub manager is contracted to operate the hub against that standard, and has no proprietary claim over it. There is a good domestic precedent for doing this outside the Code process without sacrificing speed: Payments NZ's API Centre, which developed and

Questions	Comments
	has iterated the open banking API standards under industry governance. That model gives the Authority the responsiveness it wants without handing over the asset. 2. Do not let this diverge from the Consumer Data Right Retail electricity has been confirmed as the second designated sector under the Customer and Product Data Act 2025. Regulations are being developed, with Government decisions expected around the middle of 2026, and data holders expected to be sharing data under the new standards from around 2027 — the same year the new MOSP contracts commence. The consultation paper touches on the CDR only in passing. Two incompatible data-sharing regimes covering the same consumption data would be the most expensive avoidable mistake available to this sector in the next decade. It would also fall hardest on exactly the parties both regimes are meant to help: new entrants and third-party service providers, who would have to build to both. We recommend the Authority: • state explicitly that the datahub standard will conform to, and not fork from, the CDR technical standards; • name the joint Authority/MBIE governance mechanism that will hold that alignment over time; and • ensure the 2027 MOSP contracts hard-code nothing that pre-empts CDR standards that are still being drafted. 3. Examples not covered in the paper • IEEE 2030.5 / CSIP-AUS — Australia's common smart inverter profile, now the basis for DER telemetry and dynamic operating envelopes across the NEM. New Zealand has no equivalent. Trans-Tasman alignment is low-cost and would give New Zealand households access to a far larger compliant device ecosystem than we could ever generate with a bespoke national standard. • Netherlands P1 port and UK Consumer Access Device — mandated consumer-side local meter data interfaces, per our answer to Q3. • Green Button (US) — a long-running standard for consumer authorisation and transfer of consumption data, with useful lessons on what drives (and fails to drive) uptake. • OpenADR — standardised demand response signalling, relevant to the flexibility use cases the Authority is separately progressing. • Payments NZ API Centre — the domestic governance precedent, per point 1 above. 4. Resilience: a New Zealand-specific requirement the overseas models do not address New Zealand's exposure to extended natural disasters is materially different from the UK's or the NEM's, and neither of the models the paper examines addresses it. During recent events, neither emergency management agencies nor households had a standardised, machine-readable view of grid status and available power at a local level. We recommend the future datahub carry a standardised grid-status and emergency power availability feed, sourced from the system operator and

Questions	Comments
	EDBs, and consumable by NEMA, civil defence, lifeline utilities and household energy management systems. This is close to free to design in now and expensive to retrofit later. It also has a direct everyday benefit: it is the same feed that would allow household and community storage to support their local network during a prolonged outage rather than sitting idle behind an inverter that has no idea what is happening around it. If the Authority does not take a leadership position on this, it will not be built, or it will be built bespoke and at high cost by whoever can afford it.
Q5. What else should the Authority consider in planning and scheduling changes to the MOSP services?	1. Anchor the roadmap to a published target operating model The paper cites NESO's Sector Digitalisation Plan: a sixteen-action programme with an explicit register of gaps and owners. New Zealand has no equivalent. The Authority committed, in Our future is digital, to develop a system-wide view and a roadmap of actions to drive digitalisation across the electricity system. As far as we can tell that roadmap has not yet been published. Restructuring the MOSP contracts before that roadmap exists risks locking in an architecture chosen for commercial convenience rather than derived from where the system is trying to get to. Without a published target state, neither the Authority nor submitters can meaningfully assess whether the proposed MOSP structure takes us forward. We recommend the Authority publish the digitalisation roadmap and position this MOSP roadmap explicitly as a workstream within it, with the dependencies between them made visible. 2. Apply a no-regrets test to the 2027 round The CDR technical standards, the digitalisation roadmap, and the pace of CER uptake are all unresolved. In that situation the 2027 round should do only the things that are true under every plausible future: • Authority-owned data model, schemas and interface specifications. • Cyber security and information management uplift, as proposed at 9.3(b). • Data and configuration portability, with tested exit and transition obligations. • Pre-agreed change rate cards and severable scope. • Low-latency publication SLAs for market data, per our answer to Q2. And it should defer the things that are not: • Structural consolidation of the settlement roles — not urgent, and not obviously beneficial until the entrenchment risk in Q1 has been analysed. • Any CMDS decision — until CDR standards are settled and the digitalisation roadmap is published. Getting the interface layer and the ownership of standards right is urgent. Reducing the contract count is not. 3. Publish the decision triggers The paper says the Authority already monitors CER uptake, EIEP data request volumes and switching activity, and would accelerate the changes if the intermediate arrangements became a limiting factor on innovation. We suggest publishing the actual thresholds at which that would happen. This

Questions	Comments
	costs the Authority nothing, converts a stated intention into an accountable one, and gives both the market and prospective MOSP tenderers a basis on which to plan and invest. 4. Test each change against the section 15 objective We have tried to frame our recommendations against the Authority's statutory objective, and we would encourage the Authority to do the same when weighing them: open, Authority-owned interfaces lower barriers to entry and support competition; a standardised grid-status and emergency availability feed supports reliability; and avoiding both a duplicated CDR/datahub standard and a CMDS of declining value supports efficient operation. On our reading, contract consolidation is the one proposal in the paper whose contribution to that objective is least clear.