

# Improvements to industry switching processes

Via email: [policyconsult@ea.govt.nz](mailto:policyconsult@ea.govt.nz)

## 1 Introduction and overall position

Mercury appreciates the opportunity to comment on the Electricity Authority's technical consultation covering improvements to industry switching processes. Mercury supports the underlying objective of this work, which is to modernise these processes.

Mercury's previous concerns in the June 2025 consultation regarding multiple trading relationships (MTRs) have been largely addressed by the Authority's decision not to progress MTR Code amendments at this time, and alternatively allow for innovation and information gathering via a regulatory sandbox. Mercury's view is that this a pragmatic approach.

This submission will focus on:

- > Implementation timing.
- > A small number of comments on the drafting.

## 2 The implementation timeframe should be 18 months

Mercury supports an 18-month implementation period. Industry participants cannot realistically commence system changes until the registry functional specification and associated file formats have been finalised. Mercury has reviewed the submission by the Electricity Retailers and Generators Association of New Zealand (ERGANZ) on this consultation and agrees with the point made in ERGANZ's submission that the proposed 12-month implementation period is likely to be materially shorter in practice due to the time needed to finalise the functional specification and associated file formats.

The changes should also be considered alongside the significant implementation efforts currently underway and planned to meet other industry changes, including:

- > Better Billing requirements.
- > Half-hour reconciliation changes.
- > EIEP14A requirements.
- > Expected open electricity/CDR implementation activities.

Mercury has practical concerns about the reliability and promptness with which meter readings will be available from MEPs within the proposed switching timeframes. Meeting these timeframes is likely to require system changes for both MEPs and retailers, and Mercury's experience delivering the time-of-use requirements indicates that changes of this nature take considerable time to implement across the industry. This reinforces our view that an 18-month implementation period is appropriate. In addition, Mercury is concerned that where readings are not available from MEPs within the required timeframes, sites will increasingly be released on estimated readings. This may increase the volume of replacement reads, which may work against the Authority's objective relating to switching accuracy. Mercury encourages the Authority to also consider this as part of determining the final implementation timing.

Overall, Mercury supports ERGANZ's recommendation that implementation timing be linked to the publication of the final specifications and file format and design.

## 3 Comments on Code drafting

Mercury has the following comments on the Code drafting:

- > **Clause 18A – mandatory acceptance of switch withdrawals.** The June 2025 consultation proposed a five business day response period for mandatory withdrawal acceptance requests (see para 4.43(p)), however the drafting makes the response period one business day. One business day is a significant tightening of compliance obligations. Mercury queries whether this was intentional, or if it would be better drafted as a five business day response period. If this change was intended, Mercury considers this is sufficiently material to warrant further consultation.
- > **Paragraph 5.10/CS file timeframe.** Paragraph 5.10 in the consultation refers to exceptional circumstances where a trader cannot provide a CS file within two business days. However, paragraph 5.9 and the proposed drafting appear to reference a three business day timeframe. Mercury recommends that the Authority clarify the timeframe. Our preferred timeframe is three business days.

## **4 Conclusion**

Nothing in this submission is confidential and it can be released in full. You are welcome to contact me to discuss any of the topics covered in this submission.

Nāku noa, nā

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