

14 September 2026

Operational Policy Team
Electricity Authority
By email: policyconsult@ea.govt.nz

Tēnā koe,

Amendments to ensure decommissioning processes are practical and accurate

We welcome the opportunity to respond to the Electricity Authority (**Authority**)'s technical consultation on proposed code amendments to improve industry switching processes.

Powerco supports the overall direction of the proposed amendments. We consider the proposed distributor switching arrangements are generally workable and should improve the administration and visibility of distributor switching events. There are aspects of the proposed metering and decommissioning provisions which would benefit from targeted changes to better reflect operational practice while maintaining the Authority's policy intent.

Our summary observations are:

Distributor switching arrangements

- Powerco supports the proposed distributor switching amendments, subject to any new requirement to identify ICPs connected to network extensions should only apply prospectively.
- Retrospective compliance would require costly investigation and creation of new information for existing ICPs, with no clear benefit to consumers.
- The proposed changes appear workable and should improve the administration and visibility of distributor switching events.

Metering and decommissioning processes

- Meter removal and network decommissioning are separate activities that are often undertaken by different parties on different dates.
- The Code should allow the actual decommissioning date to be recorded without requiring reversals of registry transactions.
- The proposed provisions in Schedule 11.4 should be reviewed and amended if necessary, to enable an ICP to be decommissioned before meter removal where this reflects the actual physical decommissioning date.

Timestamp requirements for decommissioning status change

- Powerco supports the use of timestamps where they provide a clear market benefit.
- However, clause 12A should be amended so that decommissioning status change events require only a date rather than a specific time.
- This would achieve the intended outcome while avoiding unnecessary system and process changes.



We comment on these observations and respond to the Authority's questions in the attachment.

We also support the Authority's decision not to progress MTRs to the next stage. Facilitating a regulator-involved sandbox to quantify the costs and benefits available from options and inform the case for future regulatory change is a proportionate response to the issues raised in consultation.

This submission does not contain any confidential information. We are always keen to meet with the Authority to discuss and develop the ideas in our submissions. In the meantime, if you have any questions or would like to discuss the points we have raised, please contact Irene Clarke (Irene.Clarke@powerco.co.nz).

Nāku noa, nā,

A handwritten signature in black ink that reads "E. Wilson".

Emma Wilson

Head of Policy, Regulation and Markets

POWERCO

Powerco comments: Improvements to industry switching processes

1. Sequencing of decommissioning

Powerco supports the Authority's proposed amendments intended to improve the interaction between metering and decommissioning processes. However, we consider the proposed drafting should better recognise that meter removal and ICP decommissioning are separate events that may occur on different dates.

In practice, an ICP decommissioning may occur before a meter is removed. Under current processes, this can create difficulties recording the actual decommissioning date where a subsequent meter removal event has occurred. This may require participants to seek reversals of registry transactions before the correct decommissioning date can be entered.

The Authority should review, and if necessary amend, the proposed provisions to ensure an ICP can be decommissioned using the actual physical decommissioning date, regardless of whether meter removal occurs beforehand or afterwards. This would improve data accuracy and better reflect operational practice.

2. Timestamp accuracy

Powerco supports the Authority's broader objective of introducing timestamps for status change events where this improves market accuracy and supports more precise event sequencing.

However, we do not consider a specific timestamp is necessary for decommissioning events. Under proposed clause 12A, a decommissioning takes effect from the start of the following day. In these circumstances, the precise time at which the physical decommissioning occurred provides limited additional value for market processes.

Requiring a timestamp for decommissioning events would create implementation complexity and potential system changes for Powerco and our service providers, changes to field processes, changes to reporting arrangements, while delivering little additional benefit. We therefore recommend amending clause 12A so that decommissioning events require only a decommissioning date rather than a specific timestamp.

Minor redrafting could better distinguish decommissioning events from other status change events. When an ICP status is changed, the participant making the change should notify the registry of the event date and time of the status change, except for decommissioning events where only the event date is required. This approach would preserve the Authority's broader timestamp framework while recognising that decommissioning events take effect from the start of the following day and do not require time level precision.

We have provided suggested drafting in the table below.

3. Network-extension ICPs

Powerco agrees with the ENA that the proposed requirement to identify ICPs connected to network extensions should apply prospectively only. Powerco does not hold a complete structured dataset that identifies all historic network-extension ICPs, and there remains practical ambiguity about what should be treated as a network extension compared with privately owned reticulation or assets.

Retrospective compliance would therefore require investigation and creation of new information for existing ICPs, with unclear regulatory value. We support the ENA's recommendation that the Authority either amend the drafting to make the obligation prospective only, or explain the specific problem retrospective identification is intended to solve and demonstrate that the expected benefits are greater than the implementation and compliance cost.

4. Responses to the Authority's consultation questions

Questions	Comments
Q1 Would you prefer an implementation timeframe longer than 12 months?	
Powerco considers the proposed 12 month implementation timeframe is generally achievable.	
Q2. Are there any parts of the Code drafting that, in your view, do not accurately reflect the provisional decisions outlined in this paper?	
Part 11 Registry information management	Powerco generally supports the proposed distributor switching amendments. However, we agree with the ENA that the drafting for Schedule 11.1 should not require retrospective identification of ICPs connected to network extensions. Any new reconciliation coding obligation for network-extension ICPs should apply prospectively only, unless the Authority explains the problem retrospective identification is intended to solve and demonstrates that the benefits justify the implementation and compliance cost.
Schedule 11.1 Creation and management of ICPs, ICP identifiers and NSPs	Powerco supports the Authority's broader objective of improving event sequencing and registry accuracy through the introduction of timestamps for status change events. However, we consider the drafting should distinguish decommissioning events from other status changes. Under proposed clause 12A, a decommissioning takes effect from the start of the following day. Recording the precise time at which the physical decommissioning occurred provides limited additional value for market or reconciliation purposes. However, it is likely to introduce additional operational complexity and may require changes to contractor processes, interfaces and supporting systems. Powerco recommends amending clause 12A so that a participant is only required to record a decommissioning date, rather than both a date and time, when changing an ICP status to "Decommissioned". Because decommissioned status takes effect from the start of the following day under clause 12A(2)(i), the precise time of the physical decommissioning event is not material. The requirement to record a time for a decommissioning event is also not necessary to support billing or charging outcomes. Powerco's system assessment confirms that recording a time as well as a date for decommissioning events would require changes beyond ordinary field recording practice. While Powerco's SAP instance can hold a time value, passing that data into Powerco's ICP management environment would require changes to the SAP-Salesforce integration, and

Questions	Comments
	Salesforce would require a field or other mechanism to store the time. This supports Powerco's view that requiring a timestamp for decommissioning would create implementation effort disproportionate to the limited market benefit. Proposed amendment: 12A Time of a status change (1) When the status of an ICP is changed, the participant that changed the ICP status must notify the registry manager of the event date and time of the status change (i) <u>the event date and time of the status change; or</u> (ii) <u>for a change to "decommissioned" status, the start of the day following the date the ICP was decommissioned</u> (2) When the status of an ICP is changed, the status change takes effect from the start of the trading period within which the change occurs.
Schedule 11.4 Metering equipment provider switching and registry metering records	Powerco supports the Authority's intent to decouple metering removal events from ICP decommissioning. However, we consider the drafting relating to metering and decommissioning events should be reviewed to ensure it accommodates situations where network decommissioning occurs before meter removal. In practice, meter removal and network decommissioning are separate activities that may occur on different dates and may be undertaken by different parties. The proposed arrangements should allow an ICP to be decommissioned based on the actual physical decommissioning date regardless of whether meter removal occurs before or after the decommissioning event. Without this amendment, participants may be unable to record the correct decommissioning date and may need to seek reversal of registry transactions to achieve the desired outcome. This creates unnecessary administrative complexity and can compromise the accuracy of registry information. Clause review/amendment We request confirmation that the proposed drafting (Schedule 11.4 clauses 3(e)(iii) and 5(2)), will allow distributors to record the actual physical decommissioning date irrespective of whether the meter removal occurs before or after the decommissioning event. If that outcome is not achieved by the current drafting, the provisions should be amended accordingly
Q3. Other feedback	
Powerco generally supports the proposed distributor switching arrangements. We note that some aspects of the process continue to rely on activities occurring outside the registry framework. While we do not propose any specific drafting changes, we encourage the Authority to continue exploring opportunities for further automation of distributor switching processes where this can reduce manual effort, improve process efficiency and maintain appropriate participant controls. We encourage the Authority to ensure that the final Code amendments continue to reflect operational practice and focus on information requirements that provide a clear market benefit. In particular, we consider the proposed amendments relating to decommissioning events could be streamlined as set out above. Powerco also supports the ENA's request for greater clarity about the circumstances in which the Authority may intervene in, stop, or reverse a distributor switch. Clear guidance would assist distributors to design systems and processes around the new automated arrangements and manage any residual operational risk.	