

Market Operation Service Provider 10-year roadmap

Next steps

Summary

Sharing and governance arrangements for market operations data need updating

The Electricity Authority Te Mana Hiko (Authority) will investigate modernising the data sharing and governance arrangements supported by current market operation service provider (MOSP) contracts. MOSPs provide essential infrastructure and services to the wholesale and retail markets.

Alongside this work, we plan to review all current electricity information exchange protocols (EIEPs) to ensure they are appropriately specified for a more digitalised electricity market.¹

We will advance data modernisation before considering structural reform of MOSP services further. Our first step will be to understand the incremental benefits to industry and consumers any changes would bring.

We are also in the process of re-tendering our MOSP contracts.² The renewed contracts are intended to be in force from July 2027 and to include expectations that MOSPs will modernise data interfaces and transfer processes to support the growing need for timely and efficient data transfers.

We have been looking at modernising MOSP arrangements

In June we published the *Enabling market evolution: market operation service provider 10-year roadmap* consultation paper. This consultation sought feedback on potential medium- to long-term changes to MOSP arrangements to enable a more efficient and adaptable market infrastructure.

The feedback received was broadly supportive of modernising the MOSP services. The need to update and standardise market data sharing infrastructure and governance was supported, as was the need to align with MBIE's work on the open data for electricity standards.

The strongest difference in opinion concerned structural reform of the MOSP roles themselves. Most submissions advocated for updating the data sharing arrangements first, then assessing the need for structural reform and the incremental consumer and industry benefits it may bring. The majority of those who supported structural reform disagreed with the wholesale settlement manager proposal.

We have taken on board this feedback and decided to focus on modernising data sharing arrangements ahead of considering structural reform of the MOSP services. Only once a clear net benefit of consolidating existing services or developing new ones can be demonstrated will we proceed with that work.

We will ensure our efforts integrate well with other related initiatives

Separately, we have been considering the potential impact of increased digitalisation across the power system and this led to the publication of the digitalisation system map in July 2026.³ The system map describes the initiatives, activities and developments needed across the industry to adapt to a digital future, while delivering net benefits to consumers.

The Ministry of Business, Innovation & Employment (MBIE) has started development of the open data for electricity regulation and standards, also known as the consumer data right (CDR).⁴ The final form of these standards will impact consumer data sharing arrangements between participants and will likely impact the implementation of any further reform by the Authority.

Next steps

We will support modernisation of existing data interfaces following the start of the new MOSP contracts from July 2027 and integrate any necessary changes to the EIEPs.

¹ Electricity Authority: [Electricity information exchange protocols](#)

² Gets.govt.nz: [Market Operation Service Providers \(MOSP\) Services - 2027 RFP](#)

³ Electricity Authority: [‘System-wide map’ to help guide electricity sector’s digital future](#), 8 July 2026

⁴ MBIE: [Open electricity | Ministry of Business, Innovation & Employment](#)

Starting in Q4 2026 and working through to Q2 2027, we will develop a programme for assessing the need for further modernisation. This work will be progressed through engagement with stakeholders and our advisory groups, where appropriate.

Key outputs of this work will be:

- issues and options analysis
- a decision framework for implementation of modernisation steps
- development of a CBA framework.

Subject to FY27/28 prioritisation, we expect to start public consultation and design work in Q3 2027, and to complete this design work before the end of 2028.

Authority staff will continue working with the MBIE CDR standards team. Once the CDR standards for electricity have been published, we will start a review of the EIEPs and associated data sharing arrangements.

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1. A long-term view of the market operation services

- 1.1 In June 2026, we consulted on our initial thoughts on the long-term development of the roles and systems provided by our market operation service providers (MOSPs).
- 1.2 The consultation sought feedback on suggestions for potential changes to MOSP arrangements over the next 10 years.⁵ This was released alongside the MOSP re-tender documents to allow potential respondents to the tender to understand the Authority's views for the future of the services.

The power system is changing

- 1.3 Increasing uses of, and faster access to, market data is being driven by a more digitally enabled power system. Especially because of smart meter installation, the quantity and frequency of data available has risen steeply in the last few years. The very high rates of smart meter installation have enabled the growth of innovative retail offerings – such as free power hours and peak / off peak domestic tariffs. As well, the costs of collecting, processing, storing and sharing data have fallen markedly. This opens up potential for wider uses for existing data.
- 1.4 To use this data effectively, the underlying market structures need to enable the timely and secure sharing of data between service providers, participants and consumers. Modern data sharing platforms and governance will enable innovation in both retail offerings and distribution network management, potentially providing a more reliable and affordable electricity system in the longer term.

Our MOSP arrangements have not changed significantly since the 1990s

- 1.5 For the most part, historic functional roles were transferred to the early market arrangements in the mid-1990s.⁶ These early market arrangements were characterised by a relatively low number of participants and a common level of technological capability. Domestic consumption data was recorded monthly and there were relatively few electricity retailers.
- 1.6 Today's market has over 40 retailers, 24 of which retail in five or more distribution or embedded networks.⁷ Added to this, there are currently 15 audited metering equipment providers.⁸ Without a common data communication protocol and security standard, the potential complexity of requirements for participants to operate in the market is high.

The uses and usefulness of the underlying data has changed

- 1.7 Alongside the use of domestic half hour consumption metering by retailers, electricity distribution businesses (EDBs) have found the data useful in understanding the drivers for peak demand growth in their networks.
- 1.8 Some EDBs have been able to source near real-time consumption data for use in their network control rooms. Further, the ability of many smart meters to record power quality data (voltage and frequency for example) has enhanced EDBs ability to monitor and respond to faults in their networks. However, access to this data remains inconsistent.

⁵ Electricity Authority: [Enabling market evolution: Market Operation Service Provider 10-year roadmap | Our consultations | Our projects | Electricity Authority](#)

⁶ MBIE: [Chronology of New Zealand Electricity Reform](#)

⁷ An embedded or secondary network is an electricity distribution network that is owned by someone other than the local network owner. Embedded networks are typically used in commercial buildings, apartment blocks, shopping malls and airports.

⁸ Electricity Authority: compliance.ea.govt.nz/audit-register/MeteringEquipmentProvider

2. Submissions supported a review of the MOSP arrangements

- 2.1 We received 13 submissions from a wide range of stakeholders. We appreciate the detail provided and would like to thank submitters for taking the time to respond to our consultation:

TYPE	SUBMITTERS
EDBs	Counties power, PowerCo, Vector, Electricity Networks Aotearoa (ENA)
Software Providers	MiddleWare NZ, Axos Systems Ltd, Ackama NZ Ltd
Current MOSPs	Jade Software, Transpower, NZX
Other	Haast, Kiwi Collaborative, Electricity Retailers and Generators Association New Zealand

Submitters agreed on the need to modernise market interfaces

Submission summary

- 2.2 All submitters agreed that a review of the MOSP arrangements was warranted. There was consensus that updating data sharing architecture should be the primary focus of the work.
- 2.3 Submissions noted the constraint on innovation that the current diversity and age of data interfaces impose. With the increased volume and uses of data, direct machine-to-machine interfaces were needed to support efficient operation.
- 2.4 EDBs, Transpower, and ENA raised the need to include consumer and distributed energy resource (CER and DER respectively) data. Some EDBs suggested including consideration of both registry data, such as location, technology and capacity, and indications and control data in the updated arrangements.
- 2.5 Work has already been started on non-market data interfaces. The System Operator has started a consolidation of their Customer Portal and Data Exchange platforms. Future work will develop a single API for sharing non-real-time data and an interactive reporting platform.⁹
- 2.6 The need to ensure the timely access to data or develop service level agreements for the various MOSP roles and data providers was highlighted in several submissions.
- 2.7 There was consensus that any development of the data sharing infrastructure should be use-case driven and actively involve stakeholders.

Authority response

- 2.8 We agree with submitters' views that modernising data sharing architecture should be the priority.

Investigation of the datahub manager (DHM) role was generally supported

Submission summary

- 2.9 Ten submissions explicitly supported investigating the need and scope of the potential DHM role. One further submission supported the investigation, contingent on the DHM role being a central trust and interoperability platform rather than a central data repository.
- 2.10 Where submitters discussed standards, it was agreed that the Authority should own the standards and the DHM should be responsible for implementing them.

⁹ Transpower: [System Operator Strategy 2026](#)

- 2.11 Several submitters provided examples of overseas change programmes that both supported updating the MOSP arrangements but also highlighted the risks of overly ambitious scope and timeframes for implementation

Authority response

- 2.12 We acknowledge the prevailing view of submitters that any DHM role should be a central trust and operability platform, not a central data store.
- 2.13 As noted in submissions, care must be taken in designing and implementing such a service as requirements complexity has a high probability of leading to implementation cost and timeframe overruns.

Cyber security must be a consideration in any new arrangements

Submission summary

- 2.14 It was acknowledged that combining existing MOSP roles will reduce the number of potential cyber vulnerabilities. However, this should be balanced with the potential concentrated impact of a single successful attack. If any future consolidation of MOSP roles were to happen, cyber security arrangements would have to be appropriately scaled to mitigate over-all risk to the market processes supported.
- 2.15 Submitters also highlighted the need to consider resilience and disaster recovery requirements when developing future MOSP arrangements. This is particularly relevant should any combining of MOSP roles be proposed.

Authority response

- 2.16 We agree that cyber security arrangements must be scaled to the potential risk to orderly market operation and participant and consumer impact. The current MOSP tender round includes updated cyber security requirements, and we would consider any changes to these requirements as the services evolve over the subsequent contract terms.

Need to complement open data for electricity standards

Submission summary

- 2.17 There was strong sentiment that any data sharing standards should align with the open data standards for electricity currently being developed by MBIE. Authority staff are working alongside the MBIE project team.

Authority response

- 2.18 The Authority agrees on the importance of aligning implementation requirements and will endeavour to minimise duplication where possible. A key impact will be the specification and use cases associated with the EIEPs.

Change decisions must be based off a robust cost-benefit analysis

Submission summary

- 2.19 All submissions called for any changes to be supported by a robust CBA and decision framework. Concerns were raised that a roadmap would lock-in the form of future change without opportunity to reassess the assumptions underpinning the change.

- 2.20 All submitters highlighted the need to consider participant costs in any CBA and consider the impact of parallel regulatory changes on participant systems. “Change fatigue” was a particular concern raised in submissions with the implementation of the open data for electricity standards coming soon.

Authority response

- 2.21 We agree that a robust CBA must underpin any change decisions. Before embarking on any material change programme, the Authority would engage with stakeholders to develop and test our assumptions and seek insights on participants costs and benefits. This would include use case development and implementation prioritisation.

3. Opinions were divided on several aspects of the proposal

Need for, and form of, MOSP consolidation

Submission summary

- 3.1 Those submissions that supported consolidation of some MOSP roles were divided on the form and timing of that consolidation. Several saw structural reform of the MOSPs as something to only be considered if interface modernisation did not produce the desired improvements in operational efficiencies. Others saw some consolidation as a natural step in simplifying participant interfaces and aligning similar MOSP functions under a single provider.
- 3.2 The form of any future consolidation was another point of difference between submissions. Most saw a natural separation between physical reconciliation and financial clearing roles of the MOSPs. As such, several participants disagreed with the proposed consolidation of the reconciliation and clearing manager roles. The reconciliation and registry roles were seen as complementary, subject to a clear benefit of consolidation being demonstrated. There was limited support for the wholesale settlement manager role considered in the consultation.
- 3.3 Those that opposed consolidation noted the natural checks and balances between the roles that existed due to the separate nature of the contracts. Concerns were also raised that consolidating contracts could lessen future competition for the roles as only larger companies would be able to tender. Long-term, there were concerns this could lead to entrenched providers delivering the services permanently.

Authority response

- 3.4 We acknowledge submitter concerns regarding potential loss of competition and future entrenchment of service providers. But as noted earlier in this paper, the current MOSP services have been largely fulfilled by their current providers since their inception. We will use the information provided by the current tender round to inform any future consolidation plans.
- 3.5 Given the scale of change already discussed regarding the data sharing infrastructure, we will not make any decisions regard MOSP structural arrangements at this point.

Need for a central meter data store (CMDS)

Submission summary

- 3.6 Few submissions supported a CMDS as the logical next step in enhancing the MOSP services. Some supported an investigation into the potential benefits of a CMDS, but only after the implementation of common data standards and a modernisation of the data interfaces.
- 3.7 Those that opposed a CMDS mainly thought that the data interface modernisation would solve many of the issues that a CMDS would address. There were also concerns that the project would be complex

and costly to implement with significant risk of cost and timeframe overruns. As highlighted earlier in this paper, examples of overseas centralisation projects were cited as examples to study and learn from.

Authority response

- 3.8 We agree that any implementation decision for a CMDS should only follow the implementation of the data interface modernisation and an investigation into the incremental benefits that a CMDS would provide and the costs likely to be incurred by industry, including participants' own costs of change.

4. Need for market data work programme

- 4.1 Submissions provided a strong consensus that the Authority should consider modernising the data infrastructure ahead of structural reform of the MOSP services.
- 4.2 To that end, we intend to start development of a market data work programme to review and modernise market data interfaces and develop an assessment framework for future MOSP service changes.

Current MOSP tender round lays the foundation for modernisation

- 4.3 The proposed contractual arrangements for the future MOSP services have been updated to reflect a stronger focus on data interface modernisation and cybersecurity enhancements. These changes will help improve market services in the near term while we progress medium to long-term initiatives.
- 4.4 We are not planning to make significant structural changes to the MOSP services through at least the first 3-year term. This period will be used to develop use cases and cost benefit analyses of potential changes to the MOSP services. Any future structural changes will be subject to consultation and a demonstrated net benefit to consumers.
- 4.5 We agree with submission feedback that large scale change in the market data arrangements will need to be use-case led and subject to robust cost benefit analysis.
- 4.6 Our immediate focus will be on working with MBIE on the CDR standards. We have provided the data schema and taxonomy information from the EIEPs to use as a basis for the standards.
- 4.7 Following development of the standards, we will undertake a review of all of the EIEPs, including the recently updated EIEP13A, 13B, 14A and 14B.¹⁰ This review will focus on aligning data standards where appropriate. This will include data specifications, expected response times to data requests and transmission format specifications.
- 4.8 Alongside the EIEP review, we will work with industry participants to develop use cases for future data sharing arrangements and assess to incremental benefit of the DHM role.

Related initiative: our future is digital: system map

- 4.9 During the MOSP 10-year roadmap consultation, we published the *our future is digital: system map*.¹¹ This system map was the result of engagement on the *our future is digital* discussion paper,¹² supported by a series of public workshops through 2025.
- 4.10 The system map documents potential industry and regulatory actions that could be taken to enable a digitalised electricity system that delivers greater benefits for consumers.
- 4.11 The large number of actions that are intended to address data access, market settlement processes and data governance highlights the enabling role that efficient and modernised MOSP services must play.

¹⁰ Electricity Authority: [Authority unlocks more choice for consumers with new and improved data standards](#) | Electricity Authority 17 August 2026

¹¹ Electricity Authority: [‘System-wide map’ to help guide electricity sector’s digital future](#) | Electricity Authority

¹² Electricity Authority: [Our future is digital](#) | [Our consultations](#) | [Our projects](#) | Electricity Authority

- 4.12 Four of the short- and medium-term platform-focussed initiatives highlighted by the roadmap are key inputs or consequences of MOSP modernisation. These activities include:
- (a) use case development
 - (b) data sharing arrangements for existing and new use cases
 - (c) consumer data right implementation
 - (d) registry and reconciliation data transfer and validation process modernisation.
- 4.13 As discussed earlier, the consumer data right implementation is being undertaken by MBIE with Authority support. The remaining three actions are foundational actions for the MOSP modernisation work programme.

5. Next steps

- 5.1 Authority staff will continue working with the MBIE open data for electricity standards team. Once the open data standards for electricity have been published, we will start a review of the EIEPs and associated data sharing arrangements.
- 5.2 We will support modernisation of existing data interfaces following the start of the new MOSP contracts from July 2027 and integrate any necessary changes to the EIEPs.
- 5.3 Starting in Q4 2026 and working through to Q2 2027, we will develop a programme framework for assessing the need for further MOSP modernisation. This work will be progressed through engagement with stakeholders and our advisory groups, where appropriate. Key outputs of this work will be:
- (a) issues and options analysis
 - (b) a decision framework for implementation of modernisation steps
 - (c) development of a CBA framework.
- 5.4 Subject to FY27/28 prioritisation, we expect to start public consultation and design work in Q3 2027. We would expect to have completed this work before the end of 2028.