

Format for submissions: Proposal for a single standardised reporting methodology for EIEP1 and delivery mechanism for EIEP5A

Submitter	Network Waitaki Limited
-----------	-------------------------

No	Question	Comment
1	Do you agree that in the interests of standardisation and efficiency we should mandate a single standardised EIEP1 reporting methodology for trader to distributor files for NHH ICPs? If not, please provide reasons.	Standardisation makes sense as it simplifies software updating processes. We prefer RM methodology but presently receive and handle all 4 methodologies.
2	If you agree that we should mandate a single standardised EIEP1 reporting methodology for trader to distributor files for NHH ICPs, do you agree that option 1 is the best option to implement. If not, please provide which of the Options 2 or 3 you prefer, and why?	<p>We have an interposed arrangement with traders. Our preference is for RM methodology. But we accept the status quo and understand RM may be harder than AB for start-up traders. We require accurate-over-time ICP-level volume data and we are not too concerned about how it arrives.</p> <p>We cannot comment on what is best for those with conveyance arrangements.</p>
3	As a trader, if you cannot currently provide replacement RM normalised files, please advise the estimated cost and time required to do so.	N/A

4	As a distributor, if your current system does not have the capability to process replacement RM normalised files (including at least a month 3 replacement file), or you have not commenced developing the capability, please advise the estimated cost and time required to do so.	No IT changes required for inbound files. We can receive and process RM files from traders, including the wash-ups.
5	Do you have any comments on the draft mark ups (attached as Appendices A and B) to EIEP1 and EIEP2 reflecting each of the three options?	<p>The comments are in the context of the Option 1 revision for EIEP1. The other options have the same issues, but at a different paragraph number.</p> <p>Fixed Charge Wash-ups</p> <p>Network Waitaki bills volume using aggregated GXP-level totals as defined by Reconciliation Manager process GR-040. We send EIEP2 format files to support volume billing. This is as described in the EIEP2 regulation’s description “<i>This protocol is particularly useful for distributors that calculate network charges based only on aggregate fixed and/or variable data provided by the trader or reconciliation manager</i>” using methodology “SUMRECN”. When washing up volume at month 3, 7 and 13 we produce revised billing and send revised “SUMRECN” EIEP2 files, because SUMRECN is how we bill and report volume.</p> <p>We use Registry data when calculating fixed charge billing, and this is calculated at ICP level and summed for the invoice. We send EIEP1 format files to support fixed charge billing.</p> <p>The draft EIEP1 regulated format at 34(e)(1) states that it will be mandatory for us to produce an invoice for “network charges” for the month 3 wash-up. The term “network charges” includes both fixed and variable charges. Our agreements with traders require us to send EIEP1 and EIEP2 files with our network invoices, to support billing lines. The effect of the drafting is to mandate a wash-up including fixed charges at month 3, and as a consequence, produce distributor-to-trader wash-up EIEP1 files for fixed charges. Even if nothing has changed.</p>

The wash-up process meets a functional need to correct industry energy settlements primarily for errors and approximation in estimated volume that can be refined and made more accurate after the passage of time. We have no issue with washing up volume. However, analysis of recent annual fixed price calculations indicates an average impact to network revenue of washing up fixed charges to be small, in the order of \$400 per annum, sometimes in our favour, sometimes in the retailers' favour. The changes for each retailer are similar, sometimes up, sometimes down. We presently do not wash up fixed charges on the basis of non-materiality. Although the software change to allow these wash-ups is not major, it would not provide any real value to our business.

The EIEP1 specification should be specific in the part regarding distributor obligations when receiving retailer wash-up files as to whether it is expected that fixed charges (i.e. those based on chargeable capacity and ICP-Days as recorded in Registry) are also to be washed up.

EIEP1: "the distributor must as a minimum process the files provided by traders and produce an associated wash-up invoice"

We have had volume wash-ups in the past ranging from few cents, right down to zero. Some accounting systems cannot produce \$0 invoices, and there is questionable merit in producing invoices or credit notes for a few cents.

There should be no requirement to produce a \$0 wash-up invoice.

With regard to the same clause, if a trader sends an EIEP1 revision file to a distributor, there is a requirement for the distributor to process it and produce a wash-up invoice. There is nothing to stop a trader producing a replacement file each month, and nothing to stop this process at month 24. It is also possible for a trader to apply to the reconciliation manager for a special revision cycle, be refused, but send the replacement EIEP1 file anyway.

Producing a wash-up invoice outside the ordinary reconciliation manager wash-up cycles should be optional; i.e. able to be deferred until the next standard revision. Requiring a back-stop wash-up at month 24 would be acceptable if traders sent replacement files after month 13.

As-billed methodology for HHR?

EIEP1: *“The billing and volume information for HHR ICPs contained in EIEP1 files provided by traders must be in accordance with the as billed reporting methodology.”*

We do not see why HHR information is being mandated “as billed”. If the trader bills other than on an end-calendar-month cycle (e.g. weekly, fortnightly or “always bill on the 20th”) then this data will not align with that submitted to the RM or presented in EIEP3 files. We would prefer that HHR data should use the RM methodology given that EIEP3 data is present and spans the full month.

EIEP1 Field definition, file type.

ICPMMAB will cease to exist. If our comment above is followed, ICPHHAB would also cease to exist.

EIEP1 Protocol specifications 8(b):

ICPMMAB will cease to exist. We also think ICPHHAB should cease to exist. Similarly, Example 3.1.

EIEP2 Protocol specifications 8(a)

We believe SUMHHAB should cease to exist because we do not believe AB is a correct rendering for HHR ICPs. Paragraph 8(a) under Options 2 and 3 also references SUMMMAB which will cease to exist.

Other comments

EIEP1 File status.

It is noted that file type X will only be valid in the context of part-replacement of month zero files. ‘R’ has been mandated for wash-ups.

Distributor to Retailer wash-up to support billing

There is a design flaw with both EIEP1 and EIEP2 when sent from distributors to retailers, to support wash-up invoices. File types I, R and X are defined: I is initial. R is complete replacement and X replaces only the lines present in the X file.

When washing up, the invoice/credit note is for the delta, which is neither I, R or X.

		<p>For example: Initial billing calculated \$400K; wash-up calculates \$410K, invoice is for \$10K. Both R and X types want to replace the prior data, not amend it. If the distributor sends a R (or X) type for \$410K this does not explain the invoice. If the distributor sends a R (or X) type for \$10K then the retailer does not see the \$410K if they execute a line-for-line replacement.</p> <p>We have worked around this by re-defining X file type in the context of distributor to trader wash-up, being an adjustment of prior data rather than a line replacement i.e. the delta. This does not match the wording of the regulation.</p>
6	<p>If we decide to implement one of the options, do you agree with setting 1 April 2020 as the implementation date, subject to a minimum lead time of 12 months from when we issue the decision paper? If not, please advise what you consider to be a more appropriate implementation date and lead time, and why.</p>	<p>We have one software change related to tidying up the use of the 'X' file type in conjunction with wash-up SUMRECN files.</p> <p>We have a further software change if fixed price wash-ups become mandated as a side-effect of mandating month 3 wash-up of "network charges".</p> <p>Yes, agree with 1 April 2020.</p>
7	<p>Do you agree that in the interests of standardisation and efficiency we should mandate a delivery mechanism for EIEP5A planned service interruption information, instead of retaining the status quo? If not, please provide reasons.</p>	<p>The status quo works for us. There will probably be a cost to change to another mechanism.</p>
8	<p>If you agree that we should mandate a delivery mechanism, do you agree with our preferred option. If</p>	<p>Options 1, 2 and 3 could work for us. We do not support option 4 as we are contractually bound to produce EIEP5As.</p>

	not which of the Options 1, 2 or 4 do you prefer, and why?	
9	If we mandated a delivery mechanism as for Options 1 to 4, what system costs would you incur? Please list the costs for each option.	<p>1: Minimal</p> <p>2: Minimal</p> <p>3: As per 2</p> <p>4: Depends on the structure and complexities of the file. If similar in content to EIEP5A (i.e. the 5 slots per detail line) then not more than \$5K. The issue is that this is \$5K we do not need to spend other than for regulatory compliance as we already have a mechanism that works and meets our contracted obligations.</p>

10	Do you have any comments on the draft mark ups of EIEP5A reflecting Options 1, 2 and 3?	<p>1) There is an inaccurate assumption in the process that all outages start with the Distributor. It is possible for a MEP to initiate an outage (e.g. batched software update for their smart meters). 3rd party vegetation management contractors may have similar issues. In the current protocol, the MEP/vegetation contractor must ask the distributor to initiate an EIEP5A process and there is no clear way to signal the origin to traders.</p> <p>2) Refer to the field formats for detail lines, “Feeder” column, char (20).</p> <ul style="list-style-type: none"> a. It is not clear how this imparts any useful information to a trader or MEP. b. Both the feeder and transformer supplying an ICP can be transient and may depend on the switching configuration at the time. Also, we only know the configuration now; but not what it will be half-way through a series of outages which needs to reference the switching plan which can be subject to changes on the day. c. It is not possible to put anything meaningful in here e.g. “<i>CB402; T1145C</i>” is regulation-compliant, being the feeder code and the transformer number, but this information has doubtful benefit for a trader. An increase of the field size to perhaps char (50) would be useful, otherwise it could be removed. Our preference is to remove it. <p>3) 11.1 provides a time limit of 10 working days where Traders have the responsibility for informing consumers; 4 working days where Distributors have the responsibility. On our network, we currently have the responsibility for informing consumers. With the Health and Safety limitations on live-line work, most of maintenance work must now be carried out on de-energised lines. The primary aim is to ensure all affected consumers know in advance. It is possible for us to get a gap in workload, contact the small number of affected consumers, get agreement at short notice, and do the work; all within a few hours. If the consumers all know, all agree, and no-one is being impacted by having supply interrupted when inconvenient, then that is what all of this is trying to achieve. Imposing a minimum four working day mandatory advance notification regulated requirement can introduce inefficiency into our process by precluding work that was possible, at a time convenient for all, solely because 11.1 requires 4 working days’ notice to Registry.</p>
----	---	--

11	Do you have any comments on the draft registry functional specification?	<p><i>“A MEP may elect to... not receive planned service interruption information”</i></p> <p>This may need to be on a per-distributor basis, particularly when the MEP is also a distributor. They may not want to see their own interruptions but may wish to be advised about those on other networks where</p>
----	--	--

they have a presence.

“Business Requirements...Load of PLINT Information using Standard Batch Interface... A Distributor Event Number must not be reused; that is, if a Distributor Event Number already exists, and the planned service interruption has completed the entire file must be rejected.”

...if a Distributor Event Number already exists for that distributor, and the planned service interruption had completed...

The wording allows the file to be accepted if the service interruption has not completed.

Is this the intended purpose of a PLR, or is the intention to specifically allow the resending of a PLI (e.g. it should have been a PLS)?

We are also not sure “Event” is the correct nomenclature here. “Event” has specific meaning in the Registry Functional Specification starting at Chapter 1.6, such as the unique reference applied to each Registry update and visible in files such as PR-010 and PR-030. We are not sure the reference number for an outage plan is an “event” in that context. Something like “Planned Interruption Reference” may be more appropriate.

*“Web Service interface... To access ICP planned service interruptions;
1. A participant will poll the Registry supplying a logo, password...”*

We suspect what is needed is a “logon”.

“if no ICP supplied, impending planned service interruption information relevant to the requesting participant”

If the participant is someone large with a nationwide presence, not providing the ICP number would return huge amounts of entries. This is a web service; response time and volume are important. It may be useful for reducing timeouts and bandwidth to be able to scope this down by date range and/or distributor code.

		<p><i>“For a new dedicated web services, the participant supplies one or more filters of:... Outage identifier...”</i></p> <p>“Outage identifier” is not defined. The concept of a “Distributor Event Number” has been introduced earlier, perhaps this is the intended parameter? Note that this is not unique, and the distributor code is required to prevent a false positive match against the same event number on a different network. Use of this as a filter also assumes the outage identifier is known by the trader.</p> <p><i>“Display ICP Impending Planned Interruption Information”</i></p> <p>If showing PLR, then readers cannot see who is responsible for telling the consumer; only that the details have changed i.e. the difference between PLI and PLS can no longer be seen. What you actually have is four options i) PLI, ii) PLS, iii) revised-PLI or iv) revised-PLS.</p> <p><i>“All Planned Service Interruptions for ICP (indicative)” screen mockup.</i></p> <p>Include column for PLS / PLI origin.</p> <p><i>Page 7 field sizes</i></p> <p>Same comment as made earlier about feeder/transformer (i) what problem is this trying to solve? (ii) char (20) not big enough to provide anything meaningful anyway.</p>
12	<p>If we proceed, we intend to provide web services for planned outage information. Would you prefer a new dedicated web services for planned outage information or a new version of icp_details with outage information appended? See Appendix C for further information.</p>	<p>We have not considered the web services at this. What we have at present works for us.</p>
13	<p>Do you have any comments on the draft Code changes</p>	<p>Option 4 not preferred. However, we see no problem with the drafting for Schedule 11.1 provided that the method of informing Registry is by sending an EIEP5A file.</p>

	proposed for Schedule 11.1 reflecting Option 4?	
14	Do you agree that six to 12 months is sufficient lead time from the time the decision is issued to implement the proposed solution? If not, please advise what you consider to be a more appropriate implementation date and lead time, and why.	If not option 4, this is just a configuration change. Six to twelve months for option 4 is fine.
15	Do you agree with the costs and benefits of the proposed amendments? If not, why not?	We do not see the justification for option 4 over the others.
16	What are your costs associated with making RM normalised the single standard reporting methodology for EIEP1? Please provide details.	For trader to distributor: a) Probably in the order of one day's reconciliation time when our NM and AB traders cut over to the new format, to ensure we do not double-count or miss anything for Schedule 8 volume disclosure. We will also have some sunk cost in existing logic to handle mixed NM/AB that will no longer be needed. For distributor to trader: a) \$8-10K if the requirement to produce fixed charge wash-up files (as per 34(e)(1) in the Option 1 revision) is retained; nil otherwise.
17	Are there any other costs or benefits we have not identified?	A decision would be required regarding how to approach wash-ups across the RM transition, rather than letting each distributor and trader work out their own rules in an ad-hoc manner. The moment the new rules are in place, traders will have a requirement to produce month 3 etc. wash-up files but these will backdate into the time before they changed over from AB/NM/SP to RM. A grandfathering provision will be needed regarding periods prior for wash-ups. If there is a correction needed for volume in a statistical month four months before the changeover date from NM to RM, how is this change to be communicated by the trader to the distributor?
18	Do you agree with the objectives of the proposed	Yes

	amendment? If not, why not?	
19	Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?	Yes, but for us the saving is minor. We will still have to analyse the RM data we receive for sanity. For example, in 201802 it was apparent that most RM traders still have a portion of estimation in their data as reported volumes were higher than the Reconciliation Manager identified from process GR-040, and that was before line losses were added back to the EIEP1 values. RM format is not the answer for all issues, it just ensures that what we receive the same data set as the RM, and corrections are applied to the applicable consumption month when calculating the volume price.
20	Do you agree the proposed amendment is preferable to the other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.	Agree
21	If you prefer Option 4 over the other options, do you have any comments on the proposed Code drafting in Appendix D? If yes, please provide details.	Option 4 not preferred. However, we see no problem with the drafting for Schedule 11.1 provided that the method of informing Registry is by sending an EIEP5A file.
22	Do you agree the Authority's proposed amendments comply with section 32(1) of the Act?	Other than Planned Outage Option 4. Given that most have EIEP5A processes, changing this into a registry maintenance effort does not seem to match 32(1)(c).
23	Do you have any comments on the drafting of the proposed amendment for Option 4?	Option 4 not preferred. However, we see no problem with the drafting for Schedule 11.1 provided that the method of informing Registry is by sending an EIEP5A file.