

14 March 2023

By email: <u>Distribution.feedback@ea.govt.nz</u>

Electricity Authority - Te Mana Hiko Level 7, Harbour Tower, 2 Hunter Street PO Box 10041 Wellington 6143 New Zealand

Re: Consultation Paper - Issues Paper: Updating the Regulatory Settings for Distribution Networks (December 2022)

Thank you for the opportunity to provide a response to the Issues Paper: Updating the Regulatory Settings for Distribution Networks (December 2022) (the paper).

At Influx, we believe data can be transformational. Whether it's business innovation, cost savings, or invaluable rich insights that drive deeper relationships, data is at the heart of all we do. Our team specialise in creating meaningful access to data, as well as asset management, installation, compliance, and operations of our meter fleet.

Overall Influx is the third largest metering data services provider in New Zealand, the second largest in the commercial and Industrial metering sector and the largest provider of metering solutions to solar installations.

Through our metering Approved Test House and dedicated team of over 120 installers nationwide, we provide energy metering and data solutions for New Zealand's leading electricity retailers, electricity networks, solar providers, residential, commercial, industrial, embedded and customer networks. Together, we provide metering solutions and data to drive better outcomes for our shared industries, customers and communities.

Influx is community owned, we're a subsidiary of The Lines Company Limited, a King Country based electricity distribution business. The Lines Company is 100% owned by the Waitomo Energy Services Customer Trust.

Influx Energy Data Ltd

Level 2, SkyPoint Building Waikato Innovation Park 3 Melody Lane Hamilton 3216

E hello@influxdata.nz
P 0800 463 256

influxdata.nz



We believe Influx is uniquely placed to provide responses to the EA questions In the paper. Please feel free to contact Peter Kimber at peter.kimber@Influxdata.nz or 021 888 471 should you have any questions about this submission.

Basic Principles

Our response is founded on two core principles that we consider are fundamental to achieving an efficient and workably competitive market:

- 1. Data is a public good
 - a. Data underpins innovation, and shouldn't be constrained by prescriptive measures.
 - b. Access should be easy not for just current but for future participants.
 - i. Lower barriers.
 - ii. Lower participation cost.
 - iii. Lower bureaucracy, more bureaucracy favours larger incumbents.
- 2. All parts of the energy supply chain should be treated equally, including retailers distributors, and other parts of the energy supply chain.
 - a. Consistent service pricing.
 - b. Consistent service provision terms for all participant.

Nga Mihi,

Peter Kimber Head of Commercial Influx Energy Data Ltd

021 888 471

Influx Response to Submission questions

Question #	Question	Comment
Q1 (p30)	Do you see value in commissioning two separate reviews to look into the merit and practicalities of implementing the recommendations of the UK's Energy Data	Yes - two separate reviews will be needed however the focus of the first review should look at the alignment and context of UK's Energy Data Taskforce recommendations to the issues raised by the EA in this Issues paper.
	Taskforce around unlocking the value of customer actions and assets and delivering interoperability in a New Zealand setting?	It would seem that the UK's Energy Data Taskforce recommendations may not specifically address many of the issues highlighted in tables 2 or 3.
		The concept of a "digital spine" is important in terms of agreeing communication and interoperability standards between all participants.
		Reusing engineering work and standards from the UK Energy Task Force may speed up the approach for NZ.
Q2 (p33)	Does this capture the key data needs for distributors to make informed business decisions that will unlock the potential of distributed energy resources (DER) for the long-	Yes non-aggregated ICP level consumption and power quality data is needed by distributors as geographic spread and density variations make it prohibitive to deploy grid wide telemetering especially when ICP level metering data is readily available.
	term benefit of consumers? If not, what data is missing and what would it be used for?	Data should be provided at ½ hour resolution at least once per day where available. In the longer term, to help maximise asset utilisation and optimise DER contribution as the penetration of DER increases, probably 5 minute data in near real time may be needed.
		Distributors should be able to get all the data they require from MEPs without having to go via the Trader and this should be enabled under the code.

		There may be better ways of making this explicit and remove barriers. Rather than amending the templates it may be better to amend Part 10 Schedule 10.6 to specifically allow MEPs to provide data to other participants (including distributors and Flex Traders) under this section.
Q3 (p33)	Do you agree with the prioritisation of the key data needs for distributors? If not, why not and how would you suggest the priority is changed?	It would be good to see "High" priority items targeted within 1 to 2 years rather than 1 to 5 Influx feels that there needs to be more urgency. The industry has been discussing this for a decade and needs to move faster as we have lost a decade's worth of innovation. In terms of priority, Influx feels that there is benefit in making this a higher priority to provide access to data sooner. Networks are making significant investment decisions over the next 1-3 years and transparency earlier will help ensure they are optimised.
Q4 (p34)	Does this capture the key data needs for flexibility traders to make informed business decisions that will unlock the potential of DER for the long-term benefit of consumers? If not, what is missing and what would the data be used for?	The industry needs to make it easy for Flexibility Traders while not stifling innovation. Any data or information provided to them needs to be provided in a consistent format from across all networks. Rather than just ICP data it may be more appropriate to be provide the congestion signals related at each network element such as a feeder or transformer. An analogy could be drawn to SPD and the pricing and dispatch signals it creates. Similar models (be they less real time, complicated, or precise in nature) could be created for distributor networks to model power flows based on expected demand and signal DER usage. Another option would be for distributors to publish a statement of opportunities document signalling where and when NNA may avert network investment and contract Flexibility Traders to provide DER in response. Data Need 2: Yes – covers key needs.
Q5 (p34)	Do you agree with the prioritisation of the key data needs for flexibility traders? If not, why not?	Influx feels that there needs to be more urgency, across the board including making available data for flexibility traders. The sooner this data can be made available the sooner flexibility traders and the industry can start evolving and innovating around it. The sooner we start the sooner we start to see benefits.

Q6	Do you agree that the Authority should amend	The template should be a fullback option, i.e. the preferred outcome is to put in place
(p37)	the Data Template to address the above issues to improve its workability? If not, why not?	structures that make data access easy.
	to improve its workability? If not, why not?	The ability to easily and efficiently transfer data to distributors and flexibility traders is critical. A simple approach may be to prescribe that it is a permitted activity listed in Schedule 10.6 of the code.
		Distributors should not need to seek approval of Traders before going to the MEPs for ICP data on their network. Also, while the data provided would generally be in one of the standard formats for Consumption and Quality, there should be no reason why the MEP and distributor or Flexibility Trader couldn't be mutually agreed any format and frequency at a cost they are both parties see as having value.
Q7	Are there other changes to the Data Template	The standard should be daily. The industry is already geared up for daily delivery of
(p37)	that would improve it and assist it to be a useful	information.
	mechanism for open access to data?	
		If the data template is seen as the most appropriate place to make changes to data provisions, then the changes should include the addition of Quality data. The minimum frequency could be monthly, but there should be nothing that prevents an MEP providing this data at a higher frequency should the Distributor and MEP agree.
Q8 (p38)	Do you agree that this is an issue? If not, why not?	Yes it is an issue – Distributors should be able to contract with MEPs directly. Seeking permission from many disparate traders creates an unnecessary barriers, extends the amount of time before complete data is available, and increases costs (negotiating with 30+ traders is expensive and consumes significant time).
Q9 (p38)	Should the Authority amend the Code to clarify that MEPs can contract directly and provide both ICP data to distributors (and flexibility traders) for permitted purposes? If not, why not?	Yes - MEPs provision of data to distributors should be prescribed as a permitted activity and listed in Part 10 Schedule 10.6 of the code or other places in the code that the EA deem appropriate
Q10 (p39)	Should the DDA Data Template be updated to include Power Quality Data? If not, why not?	Depending on the approach taken

		B. If the distributor has to seek the Traders permission then yes the DDA Data Template should be updated to include Power Quality Data
		There may be other value added data that networks are interested in which MEPs can now or in the future provide. Therefore, there needs to be a mechanism where the DDA Data Template can be easily and quickly extended.
Q11 (p39)	Do you think that the transaction costs associated with negotiating access to MEPs is a problem that the Authority should prioritise? If no, why not? If yes, do you think there is merit in developing a template to develop a default template to help reduce transaction costs?	The simplest, least cost option for MEPs would be to replicate/duplicate the daily data feeds that are currently provided to the trader. The incremental cost including a margin for this service is reasonable. There may be some development costs to systems for the MEP to be able to provide these additional Multi Party Data Access (MPDA) services which the MEP should also be able to recover.
		There are only a small number of MEPs, and the expectation is that the agreements between MEP and distributor would be similar. Hence, the transaction costs for negotiation should not be significant.
Q12 (p40)	Do you agree that MEP pricing for ICP Data (including Power Quality Data) and related data services is not unreasonable at this stage? If not, why not?	We believe that data services charged by Influx are reasonable and consider the development, IT overhead and additional incremental costs involved.
Q13 (p40)	Do you agree that MEP pricing for the provision of ICP Data to distributors (and other parties) could be more transparent? If not, why not?	Influx already provides details on our pricing schedules for the provision of ICP data to any other party (including distributors). While currently we mainly make these schedules available to Traders as they are mostly whom we contract with we are happy to provide to also provide this pricing to distributors. As per the Basic Principles set out at the beginning of this submission Influx provides consistent pricing for all customers for our AMI services.
Q14 (p40)	To support the transparency of pricing, standardisation, and equal access to data, do you think that the Authority should consider further implementing IPAG's Input Services recommendation that MEPs publish standard 'pay-as-you-go' terms open to all parties? If yes, why and what do you think this could cover? If not, why not?	As per the response to Q13 above, Influx already does, so has no problems with this proposal.

Q15	Do you agree that distributors' visibility of the	Yes – to enable the distributor to best model the potential impacts of DER on their system. Also
(p41)	location, size, and functionality of DER needs to be improved within the next 3–7 years to support network planning? If not, why not?	to then pass on this information to Flex Traders
Q16 (p41)	Do you have any views on the type and size of DER that needs more visibility?	N/C
Q17 (p41)	The Authority acknowledges that definitions of 'real-time' vary, please explain what real-time data means to you.	Many industrial process orientated operational systems can have more than 15000 scada points being delivered within 3 top 5 seconds of real time depending on scan times. This could be said to be real time.
		In terms of electricity market and metering with current technology employed by most MEPs today (cellular communication and system development ¹ costs aside) it would be possible to get to 5 minute near real time resolution data.
Q18 (p41)	Do you agree that access to 'real-time' consumption and Power Quality Data won't be needed for at least five years?	Depends on each distributors, or even network element situation then there could be some use cases that would benefit from near real time data now from a distributor perspective. Realistically it would be probably a minimum of a year for distributors to have the systems and process to be able to start accepting power quality data. The sooner that power quality data can be provided the sooner distributor can start incorporating its use into their AMP and signalling opportunities for DER and NNA.
Q19 (p42)	Do you agree that flexibility traders' access to ICP data must be improved so they have the same level of access as distributors (and retailers), with whom they might be competing to provide contestable services? If not, why not?	As mentioned in responses to questions 4 and 5 above it is Influx's opinion that ICP data alone is not the best option for Flexibility trader and the management of DER. However we agree that same information should be provided to all competing so as to provide contestable services.
Q20 (p42)	Do you think the Authority should prioritise modifying the Data Template, so that flexibility traders can use it, or should the Authority prioritise amending the Code to clarify that MEPs must provide ICP data directly to	As mentioned in responses to questions 4 and 5 above it is Influx's opinion that ICP data alone is not the best option for Flexibility trader and the management of DER. If this is the chosen route

¹ Data storage and transfer capabilities

	flexibility traders and distributors for a set of permitted purposes without the need for retailer permission? If neither, please explain why.	The EA should prioritise coming up with a data model that would meet the needs of Flexibility Traders to be enable the contracting and dispatch DER at the right places and at the right times to meet the need of distributors without a whole lot of post processing and modelling. Otherwise if ICP data is the chosen route than the Authority should prioritise amending the Code to clarify that MEPs must provide ICP data directly to flexibility traders and distributors for a set of permitted purposes without the need for retailer permission.
Q21 (p43)	Do you agree that flexibility traders need access to granular current and likely future congestion data on distribution networks within the next 1–3 years?	It should be a priority to put requirements in place for this information to be shared with flexibility traders and anyone with an interest so that any benefits can happen sooner rather than later. This would probably be better provided in a prescriptive approach that requires distributors to provide information on current and expected constraints in a standardised (single line by element) format.
Q22 (p43)	Are there any other issues preventing distributors from providing granular current and likely future congestion data?	
Q23 (p44)	Do you agree that visibility of the location, size and functionality of larger DER needs to be improved within the next 3–7 years to help understand the drivers of network congestion, what DER is 'controllable', and what services could be offered to owners of DER? If not, why not?	
Q24 (p44)	Do you have any views on the type and size of DER that flexibility needs to have improved visibility?	
Q25 (p44)	Do you think that the Authority, instead of a DER registry, should consider amending the registry data fields and /or requirements to improve DER visibility?	Influx agrees that the registry should be expanded to be the single source of the truth.
Q26 (p44)	Do you agree that the Authority should prioritise work on addressing the other issues outlined in this chapter?	No, the priority needs to be to lift this will form base level current state pedigree information that would go into modelling and therefore needs to be delivered within the next 2 to 3 years rather than the low priority described in the paper
Q27 (p44)	Do you agree that flexibility trader access to real-time congestion and ICP data won't be needed for at least five years?	The market should start with what is available and then look to evolve as market needs develop.
		We believe MEP have the best infrastructure to support these evolving market needs.

Q28 (p46)	Do you agree that model privacy disclosure terms are appropriate? If not, why not?	Model personal information disclosure terms should be mandatory and consistently applied across the industry to enable data to be shared efficiently and safely.
		An alternative could be a requirement for all parties (Retailers, MEP's, Distributors flexibility Traders (Market Participants)) as recipients of personal information to give a declaration that they have the appropriate controls and safeguards in place to protect and manage personal information to a required Standard of Care to meet the Information Privacy Principles ² .
Q29 (p46)	Do you agree that model privacy disclosure terms would facilitate data access? If not, why not?	Yes. However the application is important and should be consistent and mandatory to enable the efficient transfer of information.
Q30 (p46)	Do you see any practical issues with this proposal?	Workability – make it as simple as possible for parties to be able to share data
Q31 (p46)	Should the Authority create model terms for distributors and MEPs as well given the range of data being collected through smart meters? If not, why not?	Model terms seems an inefficient way of doing it due to one to many relationship. All market participants should be bound by a Multilateral NDA to enable efficient data exchange.
Q32 (p46)	Would the industry find it helpful for the Authority to conduct workshops on privacy preserving/minimisation techniques?	Yes. This would be helpful for new participants and smaller business starting out in the Electricity industry such as flexibility traders.

² Note we would expect there to be and Audit function around this to ensure parties that may receive ICP data have and are abiding by their privacy declarations.