Improving retail market monitoring: clause 2.16 information notice Appendix B Format for submissions

Submitter:

Response - Left Aligned	Question - Right Aligned.
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Q1. What are your views on the Authority's description of the current issues with its monitoring of the retail market?

Are there any additional issues we have not included?

Q2. The Authority is proposing that retail market monitoring should be through one consolidated, mandatory request, collected on a consistent basis, that is proactively published, cost- effective, and fills identified information gaps. What are your thoughts on this proposal?

The authority must retain the right to investigate issues and be able to seek any information possibly relevant and as required to properly and fully investigate any matter.

Asking the right questions annually is a useful approach to essentially inspecting in and encouraging compliance on points not currently well adhered to as well as flagging issues deserving further consideration.

Q3. What are your views on the Authority's proposal that a new Clause 2.16 notice is the correct tool to improve retail market monitoring?

Its an approach which has merit to try and review and measure its effectiveness - and again review the question.

In the context of a rapidly dynamically evolving marketplace which is at times running on the fringe of capacity
I question whether the frequency of annual survey is sufficient or does it design in delays that might slow down the Authorities ability to respond to fulfil its roles and responsibilities?

It seems to me the cost to participants is more around ensuring systems can generate the required data, the frequency is run reports is less of a cost.

Reporting every 4-6 months might be more appropriate for the current market.

Q4. What are your views on the ICPs the proposed notice applies to, and do you believe the proposed notice should apply to any other group of ICPs?

The process of auditing the accuracy of the information in the registry based on my experience seems inadequate and insufficient for reconciling invoices with the registry with meter configurations creating opportunities for participants to manipulate consumers to pay more on electricity than they intended or needed to.

Q5. (For retailers) What is your definition of mass market? Will the request for account managed small businesses capture all the small businesses that fall outside your definition of mass market?

Q6. (For retailers) What method would you prefer to use to submit your data? Improving retail market monitoring: clause 2.16 information notice

Q7. Do you have any feedback on the proposed notice (Appendix A)?

Yes.

Distributor information level data will assist interpretation of HHR data, for example when there is ripple control equipment signal failure will affect HHR data over the affected periods, and without the distributor fault / exception information how will exception data be interpreted?

Number of quotes issued and types (new connection, altered tariff, new metering configurations) might also inform the "market activity front" where change may be occurring.

Seeking advice of metering configuration changes.

Number of errors made and errors reversed. (Recognised errors vs the unrecognised probably not reportable)

Regarding provision of HHR data

- details of the manner consumers are advised of the availability of the data,
- the routes to access the data (e.g. URL's, email addresses, details of the process) and
- performance data around provision of data,
- number of requests,
- average time to provide data within specification,
- number of requests outstanding after 5 days, and
- statement of the specification of data provided.
- Also period of data held.
- Objective measures of customer satisfaction with data provision requests is relevant.

There is no mechanism detailed how to seek new ideas from consumers in the evolving smart market, how to advance more efficient energy use from the grid / generation resource. For example how would the EA know that a new night ripple control period of 4:30 to 07:00 ("ON" for only 2.5 hours in 24 hours) would save the maintenance power drawn, the cost to the consumer (potentially 33% of the hot water heating cost saved), the generation lake levels, and make no difference to the consumer living in a normal hours pattern – as most consumers don't need hot water in the small hours of the night, only when they get up.

Q8. (For retailers) Would you be able to provide the information requested in the proposed notice backdated to 1 January 2018? If not, what is the earliest date from which you could provide the requested information?

Q9. What are your views on how the information requested in the proposed notice would meet the Authority's statutory monitoring of competition, reliability, and efficiency in the retail market, and domestic and small business consumers' outcomes?

What information do you think is needed to meet the Authority's statutory monitoring requirements?

Q10. Do you believe the benefits of the Authority having this information outweigh the costs? If not, why?

The authority must have sufficient information to perform its role and ensure the code is fully followed, and not partially, which questions the point of aspects of the code if its not followed? Alternatively aspects of the code not being asserted may be better removed. Only when it is recognised more information is received than can be used productively can it be determined whether too much is being sought. It may be a retrospective confirmation. Significant computing power and IT resource will be required to analyse the data sought. What is the available IT resource to analyse the information? Storing information for future analysis is a respectable purpose to preserve the data in the meantime.

Q11. (For retailers) Do you currently provide the Authority with any of the data requested in the proposed notice through any other mechanism that would not be replaced by a new notice (ie, not the RFS notice, or voluntary information provided annually and quarterly).

Q12. (For retailers) What is the time and cost for you to put the processes in place to provide the data requested in the proposed notice initially and on an ongoing basis (noting the proposed two month implementation period)? What resources would this take? Please provide evidence to support any estimates where possible.

Q13. (For retailers) Do you collect customer or ICP level information on EV chargers? If so, what are the details of this information eg, whether the charger is a smart charger?

Q14. What are your views on the information the Authority intends to initially publish from the proposed notice, including the proposed level of detail?

Some data (e.g. HHR data) may be better released for approved secure analytical purposes only to request and verification of purpose and of course where consumer consent may have been sought and received in some cases particularly consumer driven.

Q15. What information do you believe the Authority should or should not publish? What level of detail do you consider appropriate for publication, and why?

Q16. (For retailers) What information requested through the proposed draft notice would you expect to mark as confidential under clause 2.21 of the Code?

Q17. What are your views on the privacy implications of this clause 2.16 notice and the methods we have outlined to manage these?

There seems an inconsistency between the statements:

"The Electricity registry does not contain ... any personal information about the consumer at the property. "1

and

"We will accordingly treat ICP level information received under this proposed request as personal information to ensure consumers are afforded the protections set out in the Privacy Act."

This inconsistency needs to be resolved bearing in mind the Privacy Act defines personal information—

(a) means information about an identifiable individual; (and)

It seems to me the registry contains information about an individual and consumers are entitled to their rights under the Privacy Act.

Q18. (For retailers) Do you foresee this notice creating any new issues or costs for you from a privacy perspective?

Q 19 Any other Comments?

Market Monitoring would involve independent Audit of the Utilities Disputes processes and decisions in various ways would be appropriate particularly to seek assurance the UDL function is fit for purpose and providing the right level of feedback to the Industry sufficient to influence industry practices to improve with current level of payments to consumers for poor industry behaviour for penalties which are unlikely to influence industry behaviour and are both disrespectful and insulting to consumers - and a strong disincentive for consumers to bother engaging with UDL instead for example just accepting paying more than they need to. For example the time to conclude complaints, Longest 3% to conclude complaints should be reviewed to understand what the issues were, and what can be learned about the market from those. What Industry practices should have and did and did not change?

Some complaints will involve several, sometimes multiple categories, how will those more prolonged complaints be reported and could the nature of some complaints be under-reported on account of over simplification?

How many complaints are not resolved and where relevant why did the consumer reject the commissioners recommendation - and are these indicative of wider issues the authority should be aware of and managing?

Does the proposed data capture complaints relating to intra retailer switching tariffs and also information related complaints relating to provision of, failure to provide, and provision of incorrect information? (and what decisions should follow such as staff training, standards of information provision, and plans structure)

¹ https://www.ea.govt.nz/industry/retail/electricity-registry/

Retail monitoring needs to take into account a variety of information sources, not just the data proposed.

It may be critical to receive early alerts of new issues in a dynamic evolving market.

Complaint monitoring and consumer market research are (or should be) part of the market landscape and needed to for example give further insights into how much generation consumers provide themselves which is not directly measured in HHR data, and which is currently not directly accessible from the data set.

Market research would be appropriate on consumer satisfaction on all aspects of the market e.g. satisfaction with retailers, commissioners, powerswitch etc.

What is the Consumer generation and storage capacity and how is that evolving over time? The True electricity consumption in New Zealand will be greater than measured because of home generation consumed at home is not exported to the grid and is not measured.

Should Stats NZ be monitoring the private generation consumption that is not exported to the grid, and that may reduce demand on the grid?

What medical conditions are accepted as relevant, is there a detailed guidance document full of examples setting the thresholds for concern. e.g. how is power used for a CPAP machine to treat sleep apnoea to be regarded?

Given the Authority exists to benefit consumers, how much consumer feedback is sought and heard vis-a-vis the Industry voice?