

Submissions
 Electricity Authority
 retaildata@ea.govt.nz

Improving retail market monitoring: clause 2.16 information notice

Octopus Energy is broadly supportive of the Authority’s proposal however we feel there will be a significant amount of time and effort involved in establishing the data extracts for the monthly submissions. We hope that the collection of this information results in positive action towards levelling the playing field between gentailers and independent retailers and improving outcomes for customers.

Submitter:

Octopus Energy New Zealand

Steve Young, Head of Data and Industry Operations

Question	Comment
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?	We agree that current data collection is inadequate for monitoring. Used correctly this type of data could highlight competition problems and customer harm including e.g loyalty or inertia penalty that a lot of customers are paying because they haven’t switched.
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?	Generally speaking we agree that a consolidated data request makes sense. However, as a smaller retailer with limited resources it is frustrating to commit significant time and effort every month to comply with the Authority’s information provision requirements and yet never see any tangible changes or action as a result of the data supplied. With the Authority proposing to collect even more data, it is important for the Authority to demonstrate that the data is being used for material improvement of the retail market.
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?	Octopus Energy New Zealand broadly supports the proposal. We are concerned with the amount of internal resources that will be required to implement the data provision.
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?	We believe that this type of monitoring by the Authority should initially be focussed on residential electricity customers and then extended to other segments if the data set is useful.
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?	While we don’t have a strict definition of “mass market”, almost all our held ICPs are either residential or small business and would fall into the groups covered by this request.
Q6. (For retailers) What method would you prefer to use to submit your data? Improving retail market monitoring: clause 2.16 information notice	Initial uploads via the Information Provision platform would be ok. Further down the track we would definitely prefer to automate the process either using APIs or Delta Sharing
Q7. Do you have any feedback on the proposed notice (Appendix A)?	In Table 1 (General) there is a column for “Line charges including discount” - we do not show the

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	<p>lines charges to consumers on invoices and currently do not hold this data at an ICP level. If you need this information we suggest including the Price Category Code and the Authority can source pricing from the Network.</p> <p>If what is required for Table 2 (Electricity Rate and Consumption) involves providing consumption for individual trading periods per day, per rate, per ICP (e.g. for Octopus that would be three rates per ICP - Peak/Off Peak and Night) - so for a single ICP that's 4,320 rows per month. How will the Authority deal with that much data from circa 2M ICPs? Half hour data is already supplied to the market - rather than requiring Retailers to supply it in another format, perhaps the Authority could use this market data and match this with pricing data supplied by Retailers.</p> <p>Depending on how the Authority intends to use the data from Table 5 (General Plan), this possibly requires additional rows as most plans have multiple rates (e.g. Time of Use bands) and rates vary by network and by meter configuration.</p>
<p>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?</p>	<p>Octopus Energy has been trading in Aotearoa since July 2021. We can provide consumption data back to that date. We would not wish to supply disconnection data or debt data historically as this would require significant manual effort and we have already provided much of this via the Retailer Financial Stress submissions.</p>
<p>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?</p>	<p>The information could certainly support monitoring of competition and would hopefully shine a spotlight on consumers who are paying the price for inertia or being penalised excessively with late payment and other fees.</p> <p>The consumption data and allied pricing data could be interpreted on a market level to understand how shifting consumption through time of use plans and other demand-side actions could make for a more efficient market.</p> <p>The data is also needed to analyse retail market competition issues such as predatory pricing and margin squeezes.</p>
<p>Q10. Do you believe the benefits of the Authority having this information outweigh the costs? If not, why?</p>	<p>This will depend entirely upon whether the Authority actually uses the data to effect material change on the market. If the data is used to inform policy decisions it would be beneficial.</p> <p>As previously suggested the Authority should ensure alignment of this data collection with the likely approaches for making data available under the consumer data right. While this legislation is yet to pass it would seem inevitable that it will. Ultimately it is data that will be required so we want to avoid the possibility of future duplication of effort.</p>
<p>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</p>	<p>No</p>

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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.	<p>The time required will be significant initially. While we have not undertaken a sizing of the project at this stage, previous work around positive credit reporting took several weeks of effort and what the Authority is requesting has a broader scope than that work.</p> <p>Once repeatable models are in place the ongoing requirements should be relatively low.</p>
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?	<p>We only collect information on EVSEs for those customers that opt into our "Intelligent Octopus" product - our residential demand response offering. When they onboard either their EV, or their smart EVSE we ask for:</p> <ul style="list-style-type: none"> • Make and model of the EVSE • Max charge rate (kW) <p>In addition, we will also ask for information on the vehicle being charged, this will be:</p> <ul style="list-style-type: none"> • Make and model of the EV • Max charge rate (kW) - note this is different to the max charge rate of the EVSE <p>We will then ask for their charge preferences, which they can update at any time:</p> <ul style="list-style-type: none"> • What state of charge they require the vehicle charged to • What time in the morning they require the charging to be completed by
Q14. What are your views on the information the Authority intends to initially publish from the proposed notice, including the proposed level of detail?	There may be some commercial sensitivity around the data identified in point 6.63 if published at a retailer level.
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?	Data such as customer arrears, Work & Income payments, and creditworthiness refusals should not be published at retailer level. It would be more appropriate at a market or regional level.
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?	None
Q17. What are your views on the privacy implications of this clause 2.16 notice and the methods we have outlined to manage these?	<p>Has the Authority considered its potential obligations under the proposed Consumer Data Right legislation? Arrears, payments, medical dependency and disconnection information at ICP level is highly personal and the Authority needs to carefully consider the purpose for collecting such data and how it will be used. Will a customer be able to opt out of having their personal usage data, arrears/payments data, etc shared with the Authority. There would likely need to be some mechanism in place whereby the data retailers provide to the Authority and any subsequent enhancement of this data by the Authority is able to be supplied to a customer.</p>

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Q18. (For retailers) Do you foresee this notice creating any new issues or costs for you from a privacy perspective?	We are likely to review and amend our Privacy Policy to be more explicit about the additional types of data the Authority is requiring. This will have a cost in terms of time and effort and will require communicating any changes to all customers.