

Our Energy submission re: Multiple Trading Relationships

1. Our Energy welcomes the opportunity to submit on the Electricity Authority's Multiple Trading Relationships consultation paper.
2. We have previously submitted that the multiple trading relationships project is integral to addressing issues impacting the sector as a result of rapidly changing technology and consumer expectations, such as:
 - 2.1. increased customer choice;
 - 2.2. support of local generators;
 - 2.3. strong communities;
 - 2.4. reduced risk of mass grid defection in the long term; and
 - 2.5. better overall system resilience.
3. We have not addressed each of the specific questions that the EA asks in its paper. We instead provide some general comments, which we hope are constructive for the EA's thinking on the potential changes.

General comments

4. Enabling multiple trading relationships and consumer access to energy data are interdependent issues. Given various regulatory reviews in other countries and industries, it seems highly likely that time will shortly be called on the electricity sector internationally around data access for consumers and their right to share it with third parties. Enabling multiple trading relationships will therefore encourage market participants to prepare for the inevitable.
5. We expect some submissions to argue that the status quo is working well and competition in the sector is healthy, so there little or no need for change. Such submissions should be rejected as anti-competitive and antithetical to the long-term interests of current market participants and consumers.
6. A feature of other competitive markets is that consumers can generally access the services of multiple suppliers without needing to 'switch'. With the right rules and/or principles in place, today's technologies can overcome any real or imagined barriers to enabling multiple trading relationships.
7. Increased numbers of retailers and relatively high smart meter penetration have undoubtedly led to a variety of tariff/pricing options being made available to consumers. On the surface, this may be an efficient outcome. We see the enabling of multiple trading relationships as a form of 'sunshine' that will help ascertain to what extent the benefits of any efficiencies are being shared with consumers.

8. More importantly for the sector though, attitudes and behaviours towards adoption of new energy technologies suggest that consumers are starting to notice that what may be considered efficient is not fair or just. If choice, control, simplicity and transparency are not provided as a given, consumers can and will seek out alternative solutions.
9. Next steps in terms of enabling multiple trading relationships should now move towards encouraging 'agile' experimentation approaches rather than more consultation. Assuming the EA concludes that such changes could provide long-term benefits for consumers, we think it is necessary to test different models and services that might exist under a multiple trading relationships environment.
10. By setting the right parameters and incentives for small-scale projects and real-world tests of potential changes, we do not expect the EA to have trouble in finding market participants, third parties and consumers willing to participate.

About Our Energy

11. Our Energy is a Wellington-based software-as-a-service venture with a vision of putting communities at the heart of the digital, decentralised and decarbonised energy systems that are rapidly evolving here in New Zealand and around the world. Our first product, Lemonade, will enable users to buy, sell and gift clean, local energy within their communities - in effect, creating virtual local energy markets.
12. No part of this submission is considered confidential. We welcome further engagement with the EA as it considers these and other potential changes.

Our Energy Limited

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