

Electricity Industry (Exemption No. 359 (Paua to the People Limited)) Exemption Notice 2025

The Electricity Authority gives this Notice in accordance with section 11 of the Electricity Industry Act 2010 ("Act") to enable Paua to the People Limited to participate in a trial involving multiple trading relationships, facilitated by Ara Ake, which is aimed at reducing energy hardship for a defined group of vulnerable New Zealanders ("trial").

The trial enables participating generators to contribute their generation to specified consumers. This works by providing for the trial participants to operate outside the wholesale market and reconciliation processes and requirements in the Electricity Industry Participation Code 2010 ("Code") to enable them to provide for the deduction from the consumption amounts of participating consumers an amount that corresponds to the generation that is contributed to them.

Notice

1. Title and Commencement

- (1) This Notice is the Electricity Industry (Exemption No. 359 (Paua to the People Limited)) Exemption Notice 2025.
- (2) This Notice comes into force on the day after the date it is notified in the *New Zealand Gazette*.

2. Exemption

- (1) In respect of the ICPs in the trial, Paua to the People Limited (Paua to the People) is exempted from complying with the clauses of the Code listed in Table 1 in the manner in which those clauses ordinarily apply (where there is a single ICP identifier); and
- (2) For the purposes of the trial, Paua to the People is exempted from complying with the Code clauses listed in Table 1 in the manner in which those clauses ordinarily apply (where there is a single ICP identifier) in respect of no more than 50 residential ICPs located in the balancing area BALAREACOUPG that are notified to the Electricity Authority; and
- (3) Unless specified otherwise, Paua to the People is exempted from complying with the Code clauses listed in Table 1 in the manner in which those clauses ordinarily apply (where there is a single ICP identifier), provided that it complies with those Code clauses subject to and in accordance with the terms and conditions contained in Part 3 of this Notice.

Table 1: Code Clauses Which Paua to the People is Exempted From Complying With in the Manner in Which Those Code Clauses Ordinarily Apply (Where There is a Single ICP Identifier)

| No. | Code Clauses |
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| 1. | Clause 10.7(5)(a) |
| 2. | Clause 10.14 |
| 3. | Clause 10.24(a) |
| 4. | Clause 10.33A |
| 5. | Clause 11.18 |
| 6. | Clause 9(1)(c) of Schedule 11.1 |
| 7. | Clause 9(1)(f) of Schedule 11.1 |
| 8. | Clauses 14.2, 14.3, 14.4, 14.5 and 14.7 |
| 9. | Clause 15.4 and 15.5 |
| 10. | Clause 2 of Schedule 15.3 |

3. Terms and Conditions

Paua to the People is exempted from complying with the Code clauses listed in Table 1 in the manner in which those clauses ordinarily apply (where there is a single ICP identifier), provided that it complies with those Code clauses subject to and in accordance with the following terms and conditions:

Table 2: Terms and Conditions That Apply

| No. | Code Clause(s) to Which the Condition Relates (if Applicable) | Terms and Conditions |
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| General Terms and Conditions | | |

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| 1. | | <p>In this Notice:</p> <ol style="list-style-type: none"> a. "Primary ICP identifier" refers to the consumption ICP identifier; and b. "Secondary ICP identifier" refers to the export ICP identifier. |
| 2. | | For the purposes of Paua to the People's participation in the trial and as the context requires references to the singular may include the plural, and vice versa. |
| 3. | | Paua to the People will deal only with Counties Energy Limited as the distributor for the purposes of the trial. |
| 4. | | Paua to the People will deal only with a metering equipment provider (MEP) for the purposes of the trial if the MEP has been granted an exemption for the same purpose. |
| 5. | | For all ICPs that are intended to be part of the trial, Paua to the People will confirm that the ICP number complies with all applicable terms and conditions in this Notice. |
| 6. | | <p>Other than the metering installation in ICPs 1099586733CN849 and 1099585373CN40D, only the following metering installations will be used in the trial:</p> <ol style="list-style-type: none"> a. a meter that is a Category 1 meter; and b. a meter that is not bridged; and c. a meter that complies with the Code; and d. a meter that will not require recertification during the trial; and e. a metering installation that does not have unmetered load or shared unmetered load. |
| 7. | | <p>If Paua to the People discovers that a metering installation does not comply with Condition 6, Paua to the People will:</p> <ol style="list-style-type: none"> a. notify the Electricity Authority within 30 days. In its notification to the Electricity Authority, Paua to the People will state if the metering installation was removed from the trial at the time of the notification; and b. notify Counties Energy Limited so Counties Energy Limited can recombine the ICPs and decommission the secondary ICP identifier; and c. notify the MEP responsible for the ICP. |
| 8. | | Paua to the People will notify the Electricity Authority immediately of any issues arising from the trial that the Electricity Authority may need to address urgently. |
| 9. | | Paua to the People must ensure the consumption retailer at each ICP involved in the trial is aware of the trial. |

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| 10. | | <p>Paua to the People must use an approved auditor to verify that reconciliation data has been accurately accounted for no earlier than 12 months after this exemption is granted, and no later than 16 months after.</p> <p>The audit must be submitted to the Electricity Authority within two weeks of the audit's completion.</p> |
| 11. | | <p>Paua to the People must ensure that customer agreements:</p> <ol style="list-style-type: none"> include agreement to participate in the trial advise that the customer that the 'customer appointed agent' is not covered by Utilities Disputes provide termination terms that allow the consumer to withdraw from the trial without penalty, fee or a long notice period. |
| 12. | | Paua to the People must not net across trading periods. |
| 13. | | Paua to the People must comply with the distribution agreement and provide EIEPs in the same manner as required for ICP identifiers that are not contained in the trial. |
| 14. | | Paua to the People must provide outage notifications to the consumers at the ICPs involved in the trial in the same manner as required for ICP identifiers that are not contained in the trial. |
| 15. | | Paua to the People must include an obligation in its agreement with its metering equipment provider that the metering equipment provider will not charge a duplicated meter/data lease/access charges for the secondary ICP identifiers in the trial. |
| 16. | | Paua to the People must use meter readings supplied by the metering equipment provider at the ICP, and follow the process and requirements set out to produce volume information as if the duplicated ICP identifiers were individual ICPs. |

Terms and Conditions Relating to Exemptions in Respect of Clauses in Part 10 of the Code

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| 17. | Clause 10.7(5)(a) | Paua to the People will work with the consumption retailer to gain access to the property if required. |
| 18. | Clause 10.14 | Paua to the People does not need to comply with clause 10.14 on condition that the process contained in the exemption for clause 9(1)(f) of Schedule 11.1 is carried out. |
| 19. | Clause 10.24(a) | Paua to the People is not responsible for ensuring there is metering at the ICP (this is because the relevant consumption retailer is responsible for metering). |
| 20. | Clause 10.33A | Paua to the People must not electrically connect or authorise electrical connection of the point of connection associated with their ICP identifier or initiate a disconnection (this is because the relevant consumption retailer is responsible for connections and disconnections). |

Terms and Conditions Relating to Exemptions in Respect of Clauses in Part 11 of the Code

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| 21. | Clause 11.18 | If, in accordance with clause 11.18, Paua to the People ceases to be a retailer in respect of an ICP that is part of the trial, it will notify Counties Energy Limited, and the Electricity Authority, and that ICP will cease to be part of the trial. |
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| 22. | Clause 9(1)(c) of Schedule 11.1 | Paua to the People is not required to populate the optional “Proposed metering equipment provider participant identifier” if it populates the ICP identifier as unmetered load. |
| 23. | Clause 9(1)(f) of Schedule 11.1 | <p>In order for the trader event to complete as an unmetered trader event, but require the provision of half-hour submission information to the reconciliation manager,</p> <p>Paua to the People must populate fields for the secondary ICP in the trader event in the registry as follows:</p> <ol style="list-style-type: none"> “Profile” field as “HHR” “Submission type HHR” field as “Y” “Submission type NHH” field as “N” “UNM Flag” field as “Y”. This is necessary for registry validation processes “Daily Unmetered kWh” field with “ENG”. This is necessary for registry validation processes “Unmetered Load Details – Trader” field with “Metered elsewhere”. |

Terms and Conditions Relating to Exemptions in Respect of Clauses in Part 14 of the Code

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| 24. | Clauses 14.2, 14.3, 14.4, 14.5 and 14.7 | Exemption only applies to the portion of generation that is being contributed to a consumer as part of the trial. |
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Terms and Conditions Relating to Exemptions in Respect of Clauses in Part 15 of the Code

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| 25. | Clause 15.4 and 15.5 | Exemption only applies to the portion of generation that is being contributed to a consumer. |
| 26. | Clause 2 of Schedule 15.3 | Paua to the People must use meter readings supplied by the MEP at the ICP, and follow the process and requirements set out within this clause to produce volume information as if the duplicated ICP identifiers were individual ICPs. |

Reporting to the Electricity Authority

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| 27. | | <p>Paua to the People must provide the Electricity Authority with a monthly report (“monthly report”) due on the 20th business day of the month after the first ICP is switched into the trial, and on the 20th business day of every month after that. This will be one consolidated report produced in collaboration by all market participants granted exemptions in respect of the trial, and will include the information listed below for the previous month:</p> <ol style="list-style-type: none"> the actual meter readings and the manipulated meter readings for each ICP identifier netted energy amounts for each ICP identifier in the trial (in kWh) evidence that consumption and generation has been reconciled correctly a table of the total UFE for the balancing area, for each month, starting 13 months before the trial starts. |
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| 28. | <p>To allow the Electricity Authority to assess the implications of the trial regarding policy development relating to multiple trading relationships and the Code, Paua to the People will provide the Electricity Authority with a report every six months ("six-monthly report") beginning on the date which is six months after the date on which this Notice takes effect. This will be one consolidated report produced in collaboration with Counties Energy Limited and any other market participants granted exemptions in respect of the trial, and will include the information listed below:</p> <ul style="list-style-type: none"> a. the number of ICPs in the trial at the date of the six-monthly report; b. aggregated volume information for the total number of ICPs involved in the trial at the date of the six-monthly report; c. any issues that have occurred or were raised since the last six-monthly report relating to trial participants (including consumers and market participants granted exemptions in respect of the trial), Ara Ake, and any other market participants or observers not directly involved in the trial, and how these issues were managed; d. any information that may inform consideration of potential future Code changes, specific to the trial, or to multiple trading relationships more widely; e. a register which lists notifications from any other participant about the trial, including the substance of the notification and when the notification was received; and f. any other information that Paua to the People considers relevant. |
| Termination | |
| 29. | <p>If Paua to the People intends to terminate its involvement in the trial, it will give the Electricity Authority four months' written notice of such intention to enable the Electricity Authority to revoke this and any other exemption relating to the trial in accordance with section 11(4) of the Act.</p> |

4. Term

(1) This exemption expires on the earlier of the following:

- a. 30 June 2028; or
- b. the date on which the Electricity Authority determines that any breach of the terms and conditions of this exemption have not been rectified to the Electricity Authority's satisfaction within a reasonable timeframe; or
- c. the date indicated in a decision paper released by the Electricity Authority relating to multiple trader provisions; or
- d. the date on which this Notice is revoked by the Electricity Authority in accordance with section 11(4) of the Act.

5. Reasons for Granting the Exemption

(1) The reasons for granting the exemption are:

- a. the trial requires two retailers for each ICP involved in the trial;
- b. the trial requires two ICP identifiers for each ICP involved in the trial;
- c. the Code does not allow more than one trader at a single ICP or more than one ICP identifier at a single ICP;

- d. the trial requires participants to be able to sell electricity and account for it in a manner that is inconsistent with the requirements of the Code for electricity to be sold to the clearing manager and accounted for through a specified reconciliation method;
 - e. this exemption will provide a limited degree of regulatory relief to Paua to the People so that it can participate in the trial;
 - f. the Electricity Authority is satisfied that exempting Paua to the People is not necessary for the purposes of achieving the Authority's objectives under section 15 and/or better achieves the Authority's objectives than requiring compliance because:
 - i. the exemption will have no effect on the Authority's ability to promote competition for the long-term benefit of consumers, and may improve competition if the trial is successful;
 - ii. the exemption will have no effect on the Authority's ability to promote reliability of supply;
 - iii. the exemption supports the Authority's ability to promote the efficient
 - iv. operation of the electricity industry by informing potential Code changes in an innovative area of policy design;
 - v. the exemption will have no effect on the Electricity Authority's ability to protect consumers in their dealings with participants;
 - vi. the exemption enables the trial, which is aimed at improving competition;
 - vii. the trial involves an innovation that can be tested with a limited number of ICPs in a small geographic area of New Zealand;
- g. a five-year period will enable the Electricity Authority to obtain sufficient data to form a view as to the effectiveness of the trial and of multiple trading arrangements; and
 - h. granting the requested exemption meets the requirements in section 11(2) of the Act.

Dated at Wellington this 5th day of December 2025.

For and on behalf of the Authority:

ERIK WESTERGAARD, Acting Chair, Electricity Authority.