

Electricity Industry (Exemption No. 358 (Counties Energy Limited)) Exemption Notice 2025

The Electricity Authority gives this notice in accordance with section 11 of the Electricity Industry Act 2010 ("Act") to enable Counties Energy 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. 358 (Counties Energy 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, Counties Energy Limited 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, Counties Energy Limited 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, Counties Energy Limited 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 Counties Energy Limited 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
1.	Clause 10.23A
2.	Clause 10.31
3.	Clause 10.31C
4.	Clause 11.4(1)
5.	Clause 11.5(3)
6.	Clause 11.31
7.	Clause 1(1) of Schedule 11.1
8.	Clause 3 of Schedule 11.1

3. Terms and Conditions

Counties Energy Limited 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
General Terms and Conditions		

1.		<p>In this Notice:</p> <p>a. "Primary ICP identifier" refers to the consumption ICP identifier; and</p> <p>b. "Secondary ICP identifier" refers to the export ICP identifier.</p>
2.		For the purposes of Counties Energy Limited's participation in the trial and as the context requires references to the singular may include the plural, and vice versa.
3.		Counties Energy Limited 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.
4.		For all ICPs that are intended to be part of the trial, Counties Energy Limited will confirm that the ICP number complies with all applicable terms and conditions in this Notice.
5.		<p>Other than the metering installation in ICPs 1099586733CN849 and 1099585373CN40D, only the following metering installations will be used in the trial:</p> <ul 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.
6.		<p>If Counties Energy Limited discovers that a metering installation does not comply with Condition 5, Counties Energy Limited will:</p> <ul style="list-style-type: none"> a. notify the Electricity Authority within 30 days. In its notification to the Electricity Authority, Counties Energy Limited will state if the metering installation was removed from the trial at the time of the notification; and b. notify Paua to the People Limited; and c. notify the MEP responsible for the ICP.
7.		Counties Energy Limited must ensure the consumption retailer at each ICP involved in the trial is aware of the trial.
8.		<p>Counties Energy Limited 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>

9.		Counties Energy Limited must ensure that customer agreements:
		<ul style="list-style-type: none"> a. include agreement to participate in the trial b. advise the customer that the 'customer appointed agent' is not covered by Utilities Disputes c. provide termination terms that allow the consumer to withdraw from the trial without penalty, fee or a long notice period.
10.		Counties Energy Limited must not net across trading periods.
11.		If Counties Energy Limited has removed a secondary ICP identifier from the trial for any reason, it must: <ul style="list-style-type: none"> a. return the ICP to compliance with the Code under the primary ICP identifier before the secondary ICP identifier is decommissioned; and b. set the secondary ICP identifier status to 'decommissioned'; and c. notify the Electricity Authority in writing within 5 business days of the site being removed from the trial, with reasons as to why the secondary ICP identifier was removed from the trial.
12.		Counties Energy Limited will notify the Electricity Authority immediately of any issues arising from the trial that the Electricity Authority may need to address urgently.

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

13.	Clause 10.23A	If a metering installation involved in the trial is to be decommissioned in accordance with clause 10.23A, Counties Energy Limited will ensure that the secondary ICP identifier is removed before the metering installation is decommissioned.
14.	Clause 10.31 and 10.31C	<p>For the purposes of the trial, the words "trader trading at the ICP" in clause 10.31(2)(a) and "trader" in clause 10.31C(2)(d) will be read in the plural to include both a consumption trader and an export trader at an ICP.</p> <p>Counties Energy Limited will not connect a new ICP identifier to its network until both a consumption trader and an export trader are confirmed for each ICP identifier in the trial.</p> <p>Counties Energy Limited will not disconnect the primary ICP identifier or the secondary ICP identifier in the trial until it has advised the consumption retailer, export retailer and the Electricity Authority that it intends to disconnect the primary ICP identifier or the secondary ICP identifier.</p>

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

15.	Clauses 11.4(1), 11.5(3) and clause 1(1) of Schedule 11.1	Counties Energy Limited may read references to "an ICP identifier", "an ICP" and "each ICP" in clauses 11.4 and 11.5 in the plural for each ICP in the trial to reflect that there are two ICP identifiers for each point of connection.
16.	Clause 11.31	Counties Energy Limited will provide information for both ICP identifiers at an ICP if it receives a request from a customer in accordance with clause 11.31.

17.	Clause 3 of Schedule 11.1	<p>Counties Energy Limited will disconnect an ICP in the trial at the request of the consumption retailer but not at the request of any other retailer.</p> <p>Counties Energy Limited will notify the consumption retailer at an ICP (except if disconnection was requested by the consumption retailer), any other retailers at the ICP, and the Electricity Authority if it needs to disconnect an ICP in the trial for any reason. This condition does not prevent Counties Energy Limited from otherwise disconnecting an ICP for a bona fide reason.</p>
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Reporting to the Electricity Authority

18.		<p>Counties Energy Limited 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 for the duration of the trial. 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"> a. the actual meter readings and the manipulated meter readings for each ICP identifier b. netted energy amounts for each ICP identifier in the trial (in kWh) c. evidence that consumption and generation has been reconciled correctly d. a table of the total UFE for the balancing area, for each month, starting 13 months before the trial starts.
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19.		<p>To allow the Electricity Authority to assess the implications of the trial regarding policy development relating to multiple trading relationships and the Code, Counties Energy Limited 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 Paua to the People 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 Counties Energy Limited considers relevant.
Termination		
20.		<p>If Counties Energy Limited 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. this exemption will provide a limited degree of regulatory relief to Counties Energy Limited so that it can participate in the trial;
- e. the Electricity Authority is satisfied that exempting Counties Energy Limited is not necessary for the purposes of achieving the Electricity Authority's objectives under section 15 and/or better achieves the Electricity Authority's objectives than requiring compliance because:
 - i. the exemption will have no effect on the Electricity's 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 Electricity Authority's ability to promote reliability of supply;
 - iii. the exemption supports the Electricity Authority's ability to promote the efficient operation of the electricity industry by informing potential Code changes in an innovative area of policy design;
 - iv. the exemption will have no effect on the Electricity Authority's ability to protect consumers in their dealings with participants;
 - v. the exemption enables the trial, which is aimed at improving competition;
 - vi. the trial involves an innovation that can be tested with a limited number of ICPs in a small geographic area of New Zealand;
- f. 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
- g. 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