

Kia ora

I would like to pass on some brief feedback from Meridian on the Authority's draft guidance for distributor involvement in the flexibility services market. I was registered to attend the workshop on 25 June and would have provided feedback directly there but I was unfortunately unwell that week.

In short, Meridian strongly supports this initiative by the Authority. We consider guidance and/or regulation of distributor involvement in the flexibility services market to be critical for the development of a competitive market that enables innovation and maximises consumer benefits.

The draft guidance is timely as we continue to encounter examples where some distributors seem inclined to exclusively own and control flexibility services on their network and seem incapable of valuing the services that could be provided by other participants. This is not conducive to the development of a market.

We acknowledge the flexibility services market is nascent and rapidly evolving, therefore jumping to regulation could be challenging and limit adaptation over time. We hope that the Authority will work closely with distributors and encourage alignment with these guidelines as well as increased transparency. If the expected behaviours are not observed by the Authority over time then regulation (e.g. ring fencing and/or corporate separation and arms' length rules such as those in Australia) should remain an option to be considered by the Authority.

We have little to say on the substance of the draft guidelines because the principles look excellent to us. We encourage the Authority to quickly finalise and implement this guidance.

Ngā mihi

Sam Fleming (he/him) – Manager Regulatory and Government Relations
Meridian Energy Limited
Level 2, 98 Customhouse Quay
Wellington
M.

