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17 February 2026

Electricity Authority | Te Mana Hiko

By email to: policyconsult@ea.govt.nz

Tēnā koutou,

Evolving Multiple Trading Relationships and Switching – Supplementary Consultation

Unison Networks Limited (Unison) and Centralines Limited (Centralines) are consumer-owned electricity distribution businesses serving communities in Hawke's Bay, Taupō, Rotorua, and Central Hawke's Bay. We appreciate the opportunity to provide feedback on the Authority's supplementary consultation on evolving multiple trading relationships and switching. We strongly support initiatives that enable timely and efficient new connections to accelerate electrification and support economic growth. It is important, however, that any changes maintain cost-reflectivity, ensure fairness between new and existing customers, and provide regulatory certainty for all stakeholders.

As consumer-owned entities, we operate in the best interests of the communities we serve. Guided by our vision, and values, we strive to deliver economic benefits to both our customers and community shareholders, while championing a sustainable energy future. We are committed to maintaining the right balance between keeping electricity affordable and making strategic investments that secure the long-term reliability and resilience of our network. In all aspects of our operations, we place strong emphasis on meeting industry compliance requirements, ensuring we uphold all relevant standards. This approach not only supports New Zealand's transition to new energy solutions but also enables our communities to access cleaner, smarter, and more flexible energy options, now and for generations to come.

1. Executive Summary

This submission is in support of the supplementary proposal to enable Multiple Trading Relationships (MTRs) and to streamline the consumer switching process. We view these reforms as a positive step towards fostering a more adaptable, innovative, and consumer-oriented electricity market. These changes are aligned with the Authority's objectives of promoting competition, enhancing efficiency, ensuring a reliable supply, and delivering long-term benefits to consumers.

The revised proposal introduces targeted updates to the electricity registry specifically for managing MTR-participating ICPs. This approach intentionally supports a limited subset of consumers rather than the mainstream, reflecting the fact that current distribution-level uptake of MTRs is low (around 3%). In this context, it is important that the needs and costs of mainstream consumers are also considered. By avoiding changes at the meter-channel level and focusing on registry enhancements, the proposal improves the overall cost-benefit

outcome, minimises disruption for the majority of consumers not interested in MTRs, and enables benefits to be delivered to participating consumers sooner than previously planned.

We also support the proposed improvements to the switching processes. There is strong consensus within the industry that reducing problematic switches will improve the consumer experience and help to lower unnecessary administrative costs throughout the market.

2. Key Drivers for Support

2.1 Enabling Consumer Choice and Distributed Energy Resource (DER) Participation

The supplementary proposal advances consumer choice by allowing separate contracting for load and generation. This structure establishes a more transparent and flexible commercial framework for DER, such as solar photovoltaic systems, batteries, electric vehicles, and aggregation services. Under this model, consumers gain the ability to optimise their outcomes by selecting providers best suited for each service, rather than being restricted to a single retailer for all energy needs.

This increased flexibility is particularly important for the growth of new market offerings, including battery aggregation, virtual power plants, and peak-response products. Innovation requires the capability to contract independently from a household's primary load retailer. The revised design creates a durable foundation for such developments, enabling progress in the sector without limiting the possibility of evolving toward more advanced MTR arrangements in the future.

2.2 System Efficiency, Resilience, and Investment Deferral

Analysis indicates that incentives for battery deployment and coordinated peak-response initiatives can deliver system-wide benefits. These include reducing peak demand, lowering reliance on thermal peaking generation, and deferring the need for additional network investment. Even at modest adoption levels within the breakeven thresholds identified in the cost-benefit analysis, gains can be realised where battery capacity is strategically deployed during periods of system stress.

From a network planning perspective, this approach is consistent with least-cost investment principles and supports the use of non-network solutions where they are efficient and deliver clear benefits for consumers.

2.3 Competition, Innovation, and Consumer Experience

By reducing barriers to entry for aggregators, specialist generation traders, and innovative retailers, the introduction of MTRs has the potential to enhance competition beyond the scope of traditional retail offerings. We agree that the revised proposal appropriately targets MTR participation for consumers who actively choose it, thereby avoiding unnecessary cost burdens on the broader market while still fostering an environment where innovation can develop over time.

We support the proposed improvements to the switching process, especially those aimed at reducing problematic switches, enhancing information flows, and decreasing administrative friction. These changes are expected to deliver immediate benefits to both consumers and market participants, independent of the overall uptake of MTRs, and will contribute to greater confidence in the retail electricity market.

3. Key Risks and Issues Requiring Ongoing Attention

While we support the proposed Code amendments, careful drafting will be important to ensure obligations are clearly scoped to MTR-adopting ICPs, responsibilities are unambiguous, and alignment with existing distributor obligations and the Distributor Data Agreement is maintained. Clear transition and commencement provisions will also be important to support efficient, low-risk implementation.

Notwithstanding our support, there are several key risks and issues that warrant ongoing attention to ensure successful implementation and maintain confidence in the revised approach. These are outlined below.

3.1 Implementation Costs and Cost Pass-Through

The revised approach delivers meaningful cost reductions compared with the original proposal. However, the projected present-value costs remain material and expected to be passed through to consumers via retail and network charges. It is therefore important that the Authority continues to rigorously assess cost assumptions with industry participants, actively monitor implementation efficiency, and manage the risk of scope creep, which could otherwise erode the improved cost-benefit balance achieved by the revised design.

3.2 Uncertainty of Quantified Benefits

The Authority has been transparent in its treatment of uncertainty within the cost-benefit analysis. Realisation of the anticipated benefits is contingent on achieving a modest but meaningful level of residential battery participation in response to peak incentives. While these outcomes are considered plausible, they are not assured and will depend on product design, consumer awareness, and effective market coordination. Considering these uncertainties, we support a cautious and staged approach to implementation. This would enable learning from early adoption and reduce the risk of progressing to more complex MTR arrangements before there is straightforward evidence that benefits are being realised.

3.3 International Precedent and System Complexity

It is worth noting that similar proposals were not advanced in Australia and the United Kingdom due to less favourable cost-benefit outcomes. While New Zealand benefits from relatively high smart-meter penetration compared to other markets, Australia's higher DER penetration, together with good smart-meter coverage, provides a more supportive environment than New Zealand currently exhibits. These international experiences underscore the necessity for disciplined implementation and ongoing evaluation to ensure that system complexity remains manageable and that intended benefits are delivered effectively.

4. Distributor-Specific Considerations

From the perspective of distribution networks, the revised proposal is regarded as a proportionate and practical solution that aligns more closely with distributor obligations, operational systems, and regulatory incentives than the original MTR design. The sections below provide a detailed overview of key distributor-specific factors that should be considered for successful implementation.

4.1 Operational Practicality and System Integrity

The adoption of a registry-level MTR flag and channel-specific trader identification is considered significantly preferable to universal meter-channel reassignment. This approach ensures that changes are limited to ICPs that have actively opted into MTRs, thereby maintaining standard business processes for most connections. By reducing the scope of operational disruption, distributors are better equipped to preserve system integrity, particularly in relation to outage notification procedures and the assignment of responsibilities.

4.2 Billing, Reconciliation, and Data Flows

Distributor billing determinants, reconciliation inputs, and the application of loss factors are tightly integrated with current ICP-level processes. The revised proposal minimises the necessity for distributors to redesign billing interfaces or re-engineer data flows for ICPs not participating in MTRs. This decreases the risk of inefficient costs being distributed across all consumers. Furthermore, the proposal maintains a clear distinction between regulated distribution functions and competitive trading activities, supporting effective market operation.

4.3 Investment Signals and Regulatory Alignment

The revised approach is more consistent with distributors' obligations under the Commerce Commission's regulatory framework by avoiding substantial upfront system investments in anticipation of uncertain uptake. This supports prudent expenditure, mitigates regulatory risk, and provides distributors with the flexibility to adapt systems incrementally as MTR participation increases and benefits become evident.

4.4 Consumer Outcomes

Distributors have a vital role in managing consumer interactions during outages, connections, and switching events. The revised proposal's focus on clear responsibility assignment and robust notification processes fosters continuity of service and enhances consumer confidence, particularly for vulnerable consumers. This approach is also compatible with emerging use cases, such as social housing and energy-sharing trials, without introducing unnecessary operational or commercial complexity.

4.5 Implications for Default Distributor Agreements (DDA)

Implementation of the revised proposal will require careful consideration of any consequential changes to the DDA. While the revised, registry-based approach significantly reduces operational and system impacts compared with the original proposal, amendments to data responsibilities, information flows, and notification requirements may still be necessary to support MTR-adopting ICPs.

There is a risk that changes to the DDA, if not clearly scoped and aligned with existing roles and obligations, could introduce additional complexity or cost for distributors and other market participants. It is therefore important that any DDA changes are proportionate, clearly defined, and limited to only what is required to support the revised MTR design. Early engagement with distributors on proposed amendments, alongside clear guidance on implementation expectations, will be important to ensure consistency, manage compliance risk, and avoid unintended consequences for non-participating consumers.

We support an approach where DDA changes are developed in parallel with registry and Code changes and are subject to ongoing review as uptake and operational experience with MTRs evolves.

5. Conclusion

Support for the Revised Proposal

We support the Revised Proposal for the implementation of MTRs and the enhancement of switching processes within New Zealand's electricity market. The revised approach represents a balanced and proportionate progression that responds effectively to sector feedback. By refining the design, it delivers a more favourable cost-benefit outcome, minimises unnecessary operational disruption, and provides a credible foundation for innovation, increased competition, and improved consumer engagement.

Recommendations

We encourage the Authority to continue working closely with industry participants to validate cost assumptions and ensure projections remain grounded in real-world experience. Ongoing monitoring of initial uptake and realised benefits will be important. We also support a staged, evidence-led approach to any future expansion of MTR arrangements, allowing for incremental adjustments based on observed outcomes.

We acknowledge the Authority's responsiveness to industry feedback and the collaborative approach taken in developing the revised proposal.

Ngā mihi nui,

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Appendix B Submission form

Evolving multiple trading relationships and switching – supplementary consultation

Please email your submission to policyconsult@ea.govt.nz by 5pm, Wednesday 11 February 2026.

Name	
Organisation	Unison Networks Limited

Questions	Comments
Q1. Do you have any comments on our revised proposal for MTRs?	Unison Networks Limited and Centralines Limited support the Authority's revised proposal to enable Multiple Trading Relationships. We consider the revised, registry-based approach to be a pragmatic and proportionate response to earlier feedback, materially improving the cost-benefit balance by limiting changes to ICPs that actively opt in. The revised proposal better supports consumer choice, competition, and innovation while reducing implementation complexity and operational risk for market participants. From a distributor perspective, it preserves system integrity and existing processes for most consumers and is more consistent with prudent, staged investment. Overall, we consider the revised proposal to provide a sound foundation for enabling MTRs in New Zealand.
Q2. Is there further information you can provide that may improve the evidence base for our assessment of (a) costs and/or (b) benefits?	We do not have additional quantitative data to provide at this stage. However, from a distributor perspective, the revised, registry-based MTR design materially reduces implementation costs and operational risk compared with the original proposal by limiting system and process changes to ICPs that actively opt in. Further evidence on costs and benefits could be strengthened over time through monitoring of early implementation, including actual registry change costs, participant system impacts, and uptake of MTRs by consumers with distributed energy resources. Observing how battery aggregation, peak-response products, and improved switching processes perform in practice would also help validate assumptions in the cost-benefit analysis. We support the Authority taking a staged, evidence-led approach, using learnings from initial deployment to refine assumptions and inform any future expansion of MTR arrangements.

Q3. Do you agree the benefits of the proposed Code amendments are likely to outweigh the costs? If not, please explain why not.	The benefits of the proposed Code amendments are likely to outweigh the costs. The revised MTR proposal materially improves the cost-benefit balance by reducing implementation complexity and limiting system changes to ICPs that actively opt in, while still enabling meaningful consumer, competition, and system benefits. When considered alongside the improvements to switching processes, the amendments are expected to deliver both immediate efficiency gains and longer-term benefits through increased innovation and consumer choice. We support a staged, evidence-led implementation approach to ensure costs remain proportionate and that realised benefits are monitored before any future expansion of MTR arrangements.