Submission on Evolving multiple retailing and switching – supplementary consultation

17 February 2026

1 Submission and contact details

Consultation	Submission on Evolving multiple retailing and switching – supplementary consultation
Submitted to	Electricity Authority
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Date submitted	17 February 2026
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2 Confidential information

There is no confidential information provided in this submission. This submission can be publicly disclosed.

3 Introduction

Wellington Electricity Lines Limited (WELL) appreciate the opportunity to further respond to the Electricity Authority's (EA) consultation on multiple retailing and switching. A robust consultation process is essential for market design and regulatory changes because it helps identify unintended consequences early and leads to better-informed decisions. Through this supplementary consultation, the EA has acknowledged the complexity of the original design, and simplified it to try and reduce costs based on submitters feedback. However, in this case, the revised MTR proposal has not addressed the key concerns on obligations that many submitters mentioned in their original submissions. Until these concerns are ironed out, it will be very difficult to support any kind of MTR design.

The new proposal has delayed the full cost implementation for the sake of a temporary option that introduces significant manual processes, trader-specific reconciliation steps, bespoke billing calculations, and overlapping responsibilities. It is starting to resemble an avoided cost of transmission (ACOT-style) administrative process, where generation is mapped against demand on a granular, customer-specific basis. This creates a highly complex, bespoke allocation framework that risks becoming an administrative and compliance burden for all participants, that ACOT reform sort to eliminate.

Appendix B Submission form

Evolving multiple trading relationships and switching – supplementary consultation

Name	Chloe Sparks
Organisation	Wellington Electricity

Questions	Comments
Q1. Do you have any comments on our revised proposal for MTRs?	Our most critical outstanding concern remains unresolved: the absence of complete and clear Code drafting. Industry legal advice (including Chapman Tripp's feedback) and ENA submissions highlighted that earlier drafting created compliance, liability, and enforceability risks. Clause 2.16 states that only minor changes to the Code amendments are anticipated, yet also notes that "further changes" are still under consideration. Without a full and final set of draft Code amendments, industry cannot accurately assess obligations, system impacts, or compliance costs. This is the single largest gap in the proposal. Further, the revised MTR model fundamentally changes how registry functions, traders, and MEP responsibilities operate, making precise and unambiguous Code drafting essential. None of the structural or legal concerns identified in our earlier submission have been addressed. Beyond this, the issues from our initial submission remain fully relevant. The new design has addressed only a narrow short-term cost concern, but in doing so introduces a different problem: as we previously warned, it will likely require another redesign of the legal and commercial framework in the future. The short-term nature of this approach risks unnecessary churn and cost. We also continue to disagree that the revised proposal delivers broad consumer benefits. The design appears likely to benefit only a very small portion of customers, specifically those with solar generation already actively engaged in the electricity market. The proposal should not be compared to the KO trial, which was purpose-built and explicitly targeted improving outcomes for households in energy hardship. The revised MTR design does not inherently support that objective.

Q2. Is there further information you can provide that may improve the evidence base for our assessment of (a) costs and/or (b) benefits?	(a) Costs Several areas continue to present significant cost uncertainty due to the lack of detailed Code drafting: • Solar rebate pathways remain unclear. It is not specified which trader EDBs should rebate solar generation to, and if the responsible trader relationship is used, rebates may be allocated incorrectly. This creates both billing risk and consumer-facing error risk. • Billing system changes will be substantial. The design requires new logic for allocating, validating, and reconciling MTR-related transfers. These are not minor configuration updates—they represent core system changes with corresponding testing, audit, and compliance implications. • Manual processes are embedded in the current design. These are error-prone, difficult to audit, and disproportionately costly because they apply only to a small subset of customers. This increases costs for all customers on the network. • Implementation risk and liability exposure remain unclear—with no Code clarity, system investments cannot be scoped reliably. (b) Benefits The proposal does not provide evidence of meaningful system-wide benefits: • Benefits appear to accrue almost exclusively to a very small number of solar customers already active in the market. • The proposal does not replicate or meaningfully support the objectives of the KO trial and should not be used as an analogue. • If enabling benefits for households in energy hardship is an intended outcome, the current design does not provide the mechanisms required to deliver this. Additional design work would be needed. Overall, the evidence for benefits remains weak, while the cost and risk profile is increasingly clear and material.
Q3. Do you agree the benefits of the proposed Code amendments are likely to outweigh the costs? If not, please explain why not.	We do not agree. 1. The incomplete Code drafting prevents an accurate assessment. The absence of full draft Code amendments means the industry cannot quantify obligations, compliance risk, or implementation costs. Until these are provided, any cost-benefit conclusion is premature. 2. Costs are likely to be high and borne by all customers. • Significant system changes • Ongoing manual processes • Increased reconciliation and billing complexity

	• Higher administrative overhead for a small number of affected customers These costs will ultimately be shared across the full customer base. 3. Benefits are minimal and concentrated. Only a small number of customers—predominantly existing solar generators—receive direct value. There is no demonstrated benefit for broader consumer groups, nor for customers in energy hardship. 4. The proposal does not create a scalable or future-proof MTR framework. It does not establish the optionality required for multiple-trader arrangements or a robust long-term MTR regime. Instead, it risks embedding short-term solutions that will require significant redesign. 5. The implementation timeline is unrealistic Even if the legal issues were resolved, an 18-month timeframe is too short. The revised proposal suggests it can be delivered sooner, but this is inconsistent with the depth of system change required. We support ERGANZ's view that a larger, structured trial is needed before any full market rollout.

4 Conclusion

At this stage, the proposal is premature. The legal foundation is incomplete, implementation costs are uncertain but likely high, the manual processes are unsustainable, and the benefits are narrow. Without a clear, fully drafted Code and a proper market-level trial, the benefits cannot reasonably be expected to outweigh the costs.