

Power to the People

Multiple Trading Relationships (MTR)

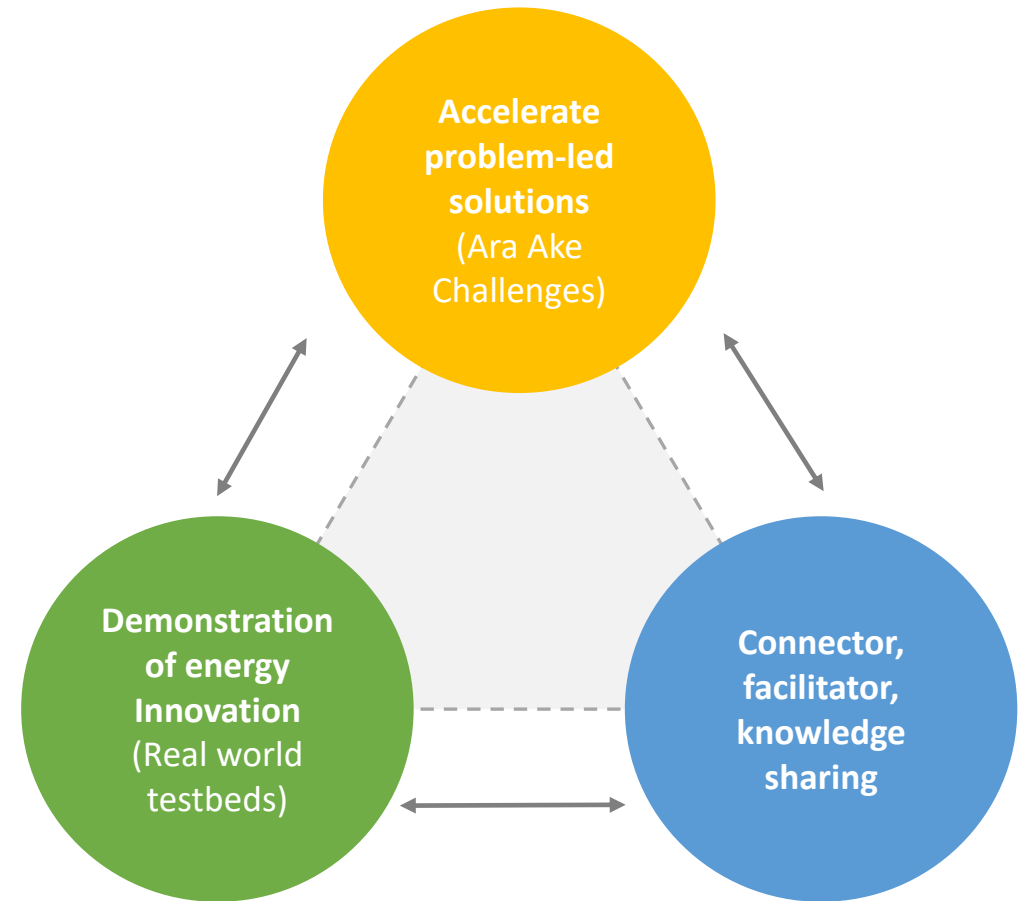
3 May 2022

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> Ara Ake

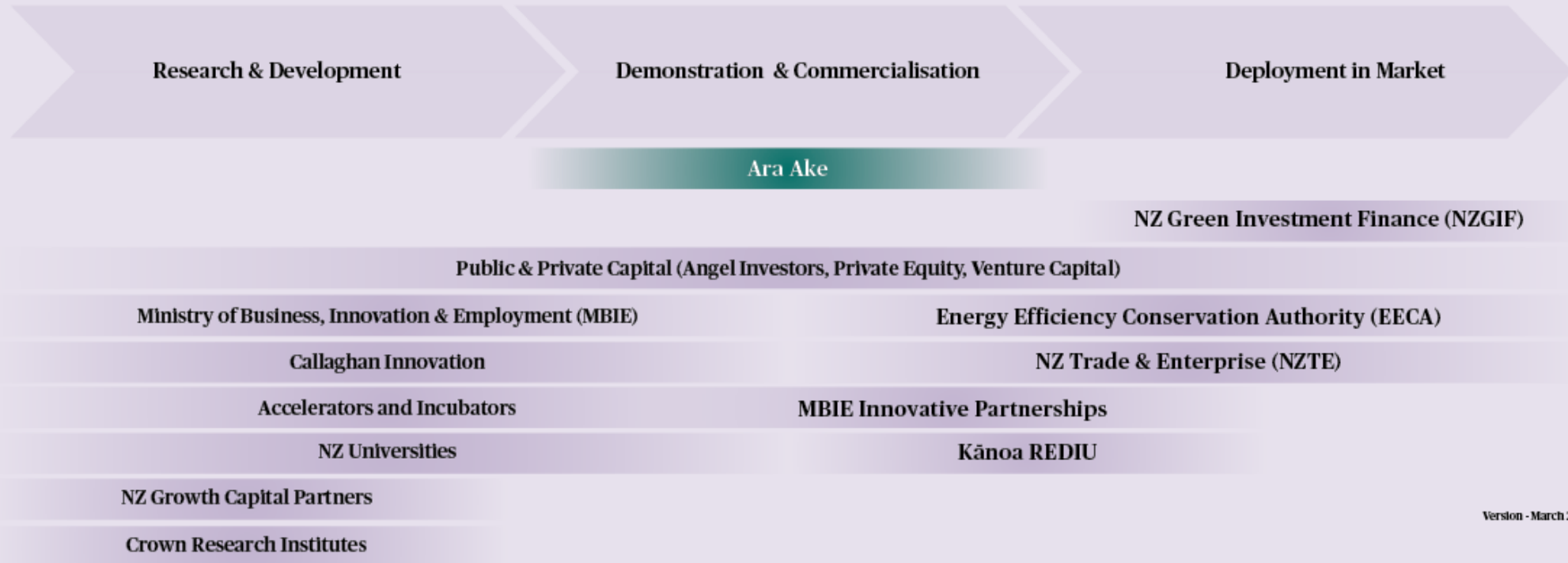
- ❑ Innovative solutions to address real problems
 - Facilitate and support pilot projects of new and emerging technologies
 - Help innovators find their first customer and access financial/technical support
 - Bring in offshore tech and expertise, unravel regulatory and commercial barriers
- ❑ Share knowledge and help connect the dots
 - Independent organisation that works with a range of agencies = policy and regulatory coordination
- ❑ Focused on environmental, social and commercial benefits
- ❑ Whole of energy systems focused



> Our role

Enable energy innovation to become commercially viable

Energy Innovation Value Chain (Funding/Finance & Services) in Aotearoa

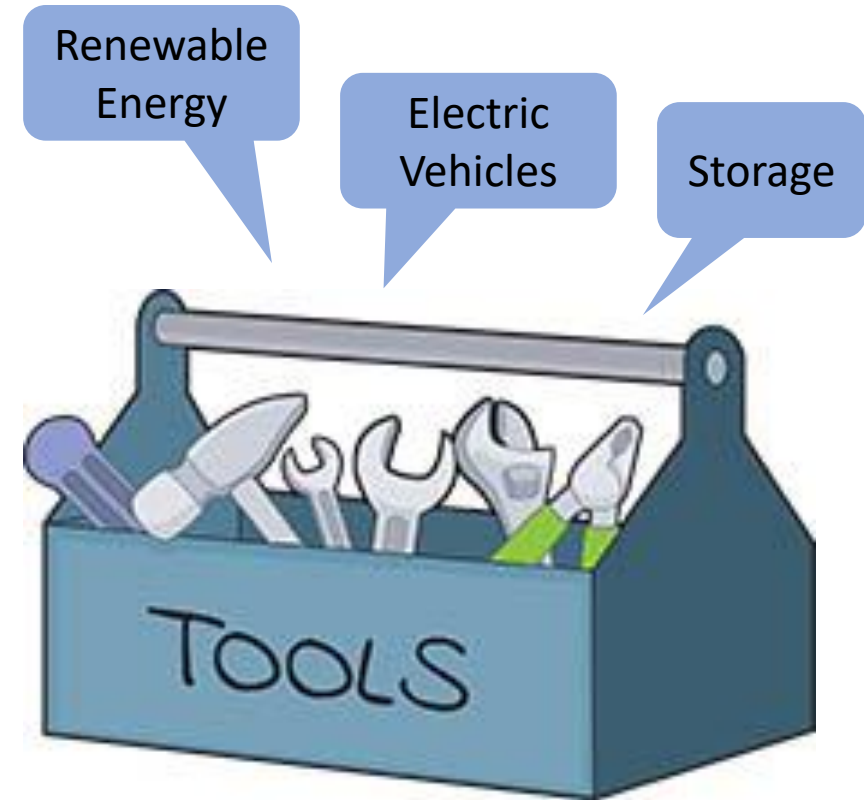
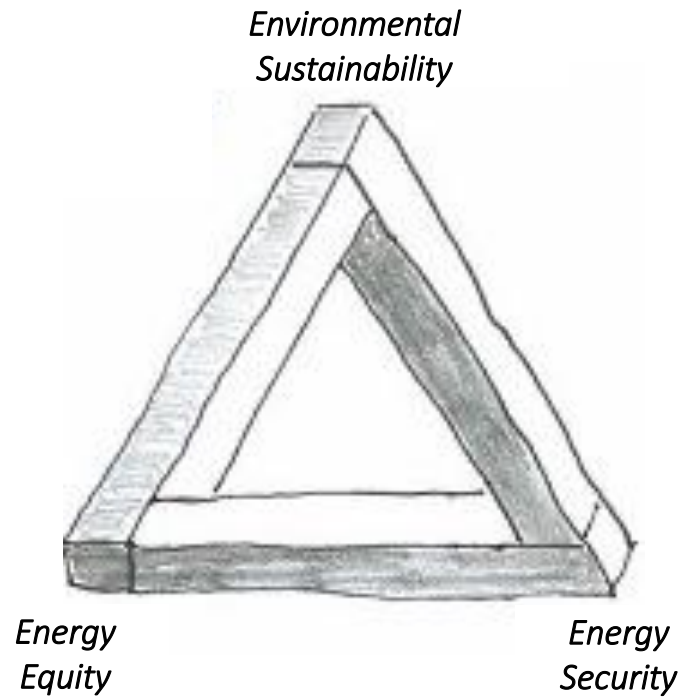


Version - March 2022

Multiple Trading Relationships

Why?

> Customer-centric low carbon transition





https://www.youtube.com/watch?v=J6KL_qM-LSI&t=1s

Multiple Trading Relationships

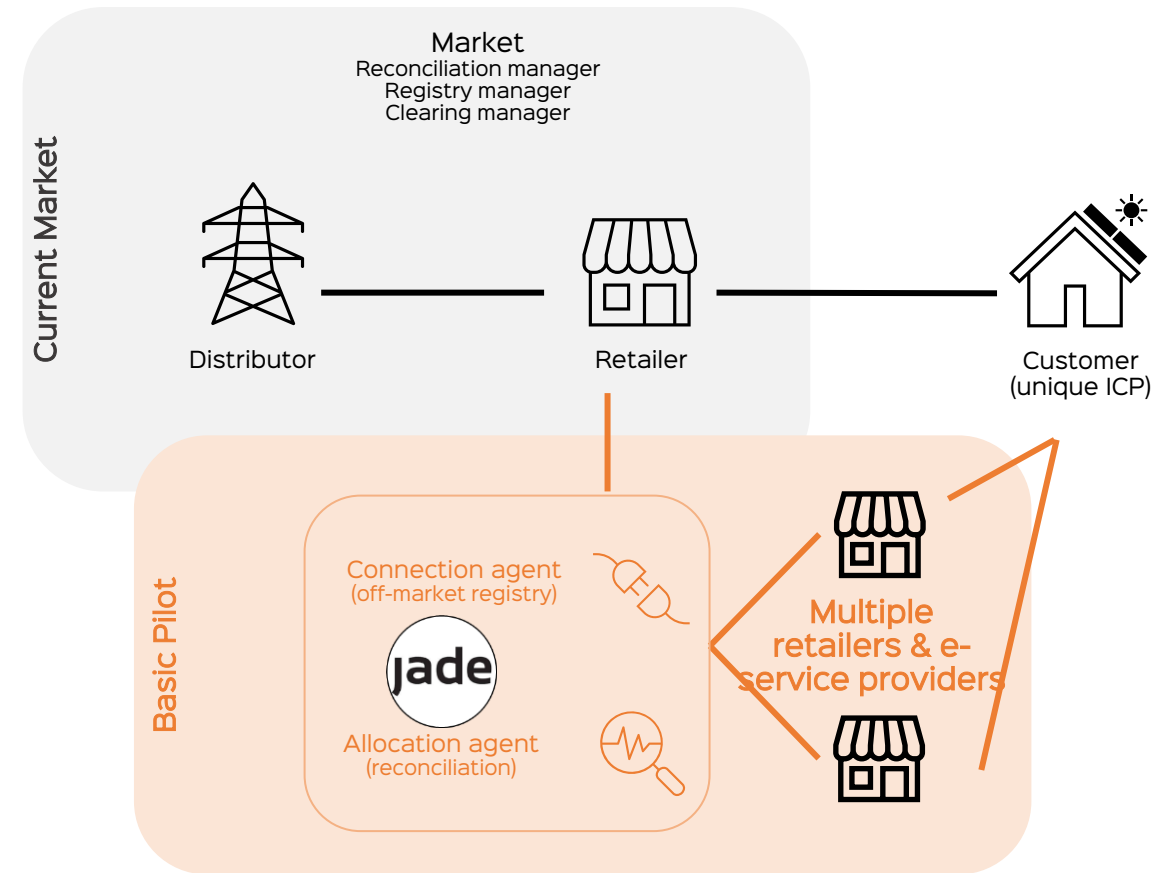
How?

> Context

- Currently, customers contract with a single retailer for electricity services at one installation control point (ICP).
- MTR aims to provide an electricity consumer with more choice, and the ability to contract with more than one supplier at a single location.
- More choice = services tailored to individual needs while also improving competition in the electricity sector.
- The touted benefits include reduced costs and reduced emissions.
- Currently, MTR is not allowed for under New Zealand's Electricity Industry Participation Code.

> MTR (off-market) pilot

- To provide the environment for MTR
- To understand more about
 - Capability and performance of electricity services in MTR environment
 - Impacts on customers, electricity networks and emissions
 - Business models for new electricity services



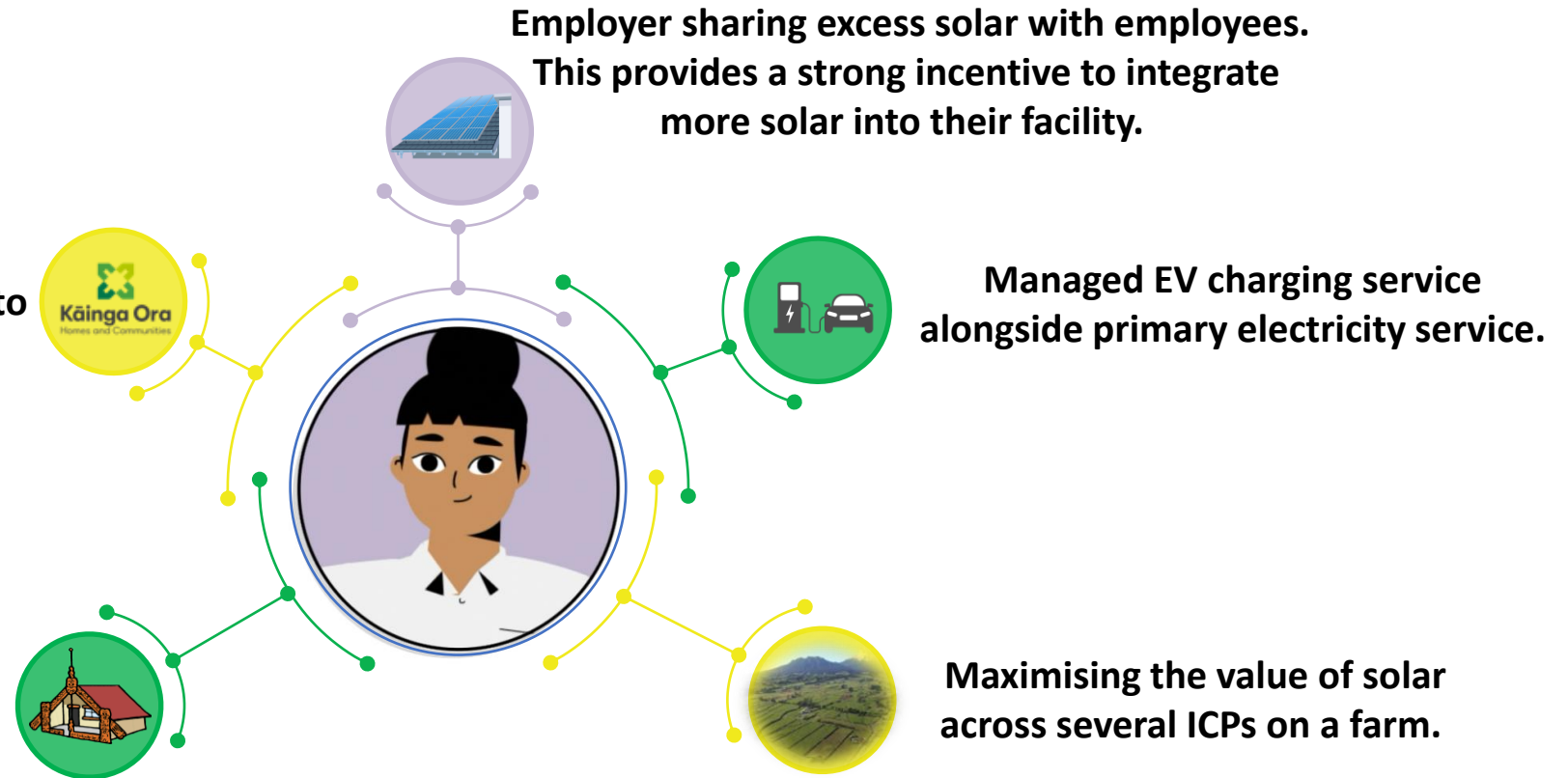
Multiple Trading Relationships

What?

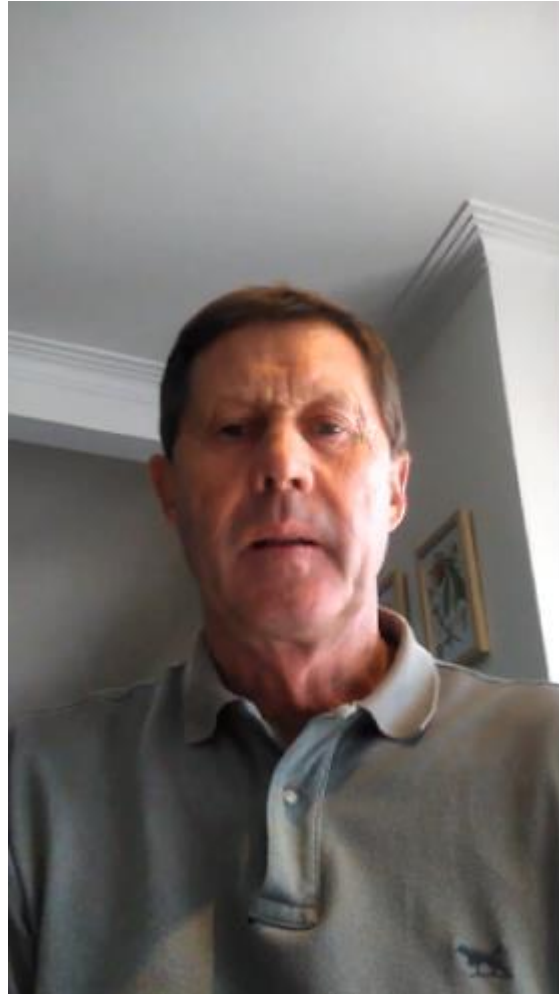
> MTR pilot - projects under development

Sharing energy between ICPs to reduce energy hardship. Many homes are unable to have solar installed on their roofs.

Māori Housing Renewable Energy Fund projects. Sharing energy between Marae and local houses.



> Maximising the value of the solar on farm



<https://www.youtube.com/watch?v=qQHnVetHlu0>



> MTR can support alleviate Energy Hardship

- For those that would like to share/gift their excess solar, under the current rules they are required to be on the same retailer
- This presents a significant barrier, as highlighted in the case of Kāinga Ora
- If MTR was enabled within the Code, users of electricity services (including those in energy hardship) would have more options available to them



> Next steps

- World-first MTR pilot project to go live on 10th May
- Establish more pilot projects to demonstrate different use cases
- Monitor and assess new business models, customer benefits, including energy hardship alleviation, and emissions profile
- Undertake a final analysis of the project mid-2023 for use by the Electricity Authority.

MTR Advisory Group



Thank you

www.araake.co.nz