

Format for submissions

Register content codes - 2017 operational review consultation paper
Submitter: Danny McManamon, Network Services Manager, Contact Energy

Question	Comment
<p>Q1. Do you agree the issues identified by the Authority are worthy of attention?</p> <p>If not, please explain why.</p>	<p>We agree that the issues identified are worthy of attention.</p> <p>It seems likely that with the increasing prevalence of smart meters and retailers able to bill from half hourly data, register content codes will become less and less relevant - potentially only being used to determine the presence or absence of load control.</p> <p>In the short to medium term however, most retailers and networks still require, to varying degrees, accurate register content codes.</p> <p>With this in mind, we suggest that the Authority prioritise a solution that has minimal cost and resource impact on participants, since the gains from the options suggested in this paper will not have a long term duration.</p> <p>Additionally, we note that there are a number of instances where distributors have created pricing categories based on register content codes (for instance, an uncontrolled price category for use with UN24) and it is not uncommon for there to be mismatches on the registry. This prevents retailers from providing customers with accurate pricing in an automated way, and we would suggest that if the authority is considering mandating code changes, that a requirement sit with networks to ensure, in a timely fashion, that their pricing categories are not in conflict with other registry data.</p>
<p>Q2. Do you agree that the proposed business requirements around period of availability and distributor's pricing information will support accurate application of register content codes and periods</p>	<p>While Contact supports, where possible, transparency and consistency amongst distributors' price schedules, we note that there may be practical barriers to a requirement that network's</p>

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<p>of availability for ICP based volume prices? If not, please explain.</p>	<p>produce a 1:1 mapping of tariffs to register content codes.</p> <p>It should be noted that both retailers and distributors depend on register content codes, but that retail and network pricing does not necessarily align – and should not be required to do so.</p> <p>For instance, a network may have two simple usage pricing options – an uncontrolled rate, and a controlled rate. A retailer may choose to offer customers the option of a Day/Night pricing plan. Assuming the customer had no load control, the retailer could have the meters configured to D16/N8 and attribute the networks uncontrolled rate against both registers.</p> <p>Another example may be a network where all variable usage is associated with the same tariff.</p> <p>At a high level, we would not like to see additional tariff codes with the same price created solely in order to facilitate a 1:1 relationship with register content codes. We would also not like to see networks objecting to retailers requesting legitimate register content changes on an ICP (e.g. UN24 to D16/N8) on the basis that the retailer’s preferred register content is not on the network’s schedule.</p> <p>However, we do agree that more transparency would be desirable. We suggest that a better solution may be:</p> <ul style="list-style-type: none"> • If networks have eligibility criteria regarding load control and/or time blocks, they should be required to provide this information as part of the pricing schedule (but at a level higher than register content code – for instance, specifying that a tariff is specifically for Fully Controlled load, or specifying that a Day tariff is only available for the period 7am to 11pm.) While this might seem to be a register content code, it does not preclude retailers from using other register content codes that fit the specified criteria, e.g. applying a peak/off peak set of register content codes.

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	<ul style="list-style-type: none"> Require networks to disclose more general information on load control and periods of availability, so that retailers understand what the networks ripple signals do. For instance, if most ICPs in a region have CN17 but an ICP switches into a retailer with CN19 – the retailer is unsure if this ICP is receiving a better service level than other ICPs or if it is an error.
<p>Q3. Do you agree with the Authority's preferred Option D which introduces generic register content codes for mass market TOU prices, and for consistency deletes existing customised codes that specify time blocks in the descriptions?</p> <p>If not, which option do you prefer and why?</p>	<p>Given our comments above, we consider the recommended option (option D) is probably the most practical at this point in time as the lowest cost/impact option to achieve simplification of the register content codes.</p> <p>However, we strongly suggest that further work and industry review go into the table shown in the appendix as we believe there may be some issues that need to be resolved. For instance:</p> <ul style="list-style-type: none"> We question the need for new tariff codes DCN and NCN which appear to be a replication of DC and NC While we would not necessarily have an issue with customised time period descriptions being removed from existing tariff codes so they can be applied more generically, we question the benefit of 1:1 replacements such as S being replaced with SR.
<p>Q4. If the Authority implements Option D, we propose to allow participants 6 months to convert from using the customised register content codes to the corresponding generic register content codes (mapping demonstrated in Appendix C).</p> <p>Would this be sufficient time?</p> <p>If not, please advise how much time would be reasonable.</p>	<p>Further comprehensive analysis should be undertaken to make sure the final list of codes is "fit for purpose" and as complete as possible before any decision is taken around implementation timeframe. The implementation should go in tandem with the requirement for distributors to provide the table mentioned in 2.41 (g) and the change to EIEP12 in 2.41 (h) which is currently out for consultation. Given distributors typically change prices 1 April each</p>

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	<p>year it may not be possible to implement such changes to coincide with a 2018 price change round. At least a 12 month timeframe would be more appropriate for the participant system changes resulting from a revised SD-020 to be completed and the Registry updated accordingly.</p>
<p>Q5. Do you agree that the Authority should progress a Code change to mandate that a distributor’s pricing information must contain certain information to assist consistent and correct application of register content codes and periods of availability for ICP based volume prices?</p> <p>If not, please explain why.</p>	<p>We would not like to see networks required to allocate register content codes against their tariff codes, as explained in our answer to Q2. However, as noted in that response we would be supportive of a code change requiring networks to disclose a slightly higher level of information.</p>
<p>Q6. Do you agree with the objectives of the proposed amendments?</p> <p>If not, why not?</p>	<p>We agree that there are issues with the current table and process for creating new register content codes and the proposal will go some way to achieving the objectives however we can also see merit in the suggestions we have outlined above as alternatives to some of the proposals. We can see no value in a default hours of availability as “0” when the Register Content is not specified by a Distributor.</p>
<p>Q7. Do you agree the benefits of the proposed amendments outweigh the costs?</p> <p>If not, please explain your reasons.</p>	<p>Most of the costs would be associated with the preferred option “D” would be related to updating “legacy” existing tariffs which would require analysis, meter reconfigurations and registry updates. This is a considerable amount of work – for example CN to NC to comply with the registry functional specification rather than the creation of “generic” register content to replace OOA – OOD TOU tariffs and it would be questionable as to whether the costs would outweigh the benefits such changes.</p>
<p>Q8. Do you agree the proposed amendments are preferable to other options? If you disagree, please give reasons.</p>	<p>Whilst Option D is the most practicable of the options presented we have outlined other suggestions that will help participants in implementing current or revised register content codes. Additional clarity will also help with the transition to any future developments in this area.</p>