

Code review programme #6 submission form

Please complete and return this form to provide feedback on [Code review programme #6](#).

Submissions are due by 5.00pm Tuesday 1 October 2024 to policyconsult@ea.govt.nz with 'Code review programme #6 consultation' in the subject line.

1. Code amendment proposals

Submitter	James France
Organisation	Meridian Energy
Proposal number	CRP6-02

Questions	Comments
Q1. Do you agree the issue(s) identified by the Authority need attention? Any comments?	<p>Yes. Meridian agrees with the issue identified by the Authority and considers that it is useful to clarify that Distributors and Traders can control the same load. Meridian has encountered argument around this issue in the past.</p> <p>We note further that, while this is no doubt beyond the scope of this code review amendment, further changes to the DDA or Code will be necessary to manage increased participation of Distributors in flexibility markets. Where Distributors are offering innovative Controlled Load Options, it is theoretically possible that both the Incumbent Distributor and Entrant Trader are controlling the same load for the same priority purpose: being market participation under S8.1(b).</p> <p>It does not appear to Meridian that there is currently any specific mechanism for resolving the priority in this circumstance beyond negotiated agreement between the Distributor and Trader.</p> <p>There may be scope for a Distribution System Operator (DSO) in this context, including to help manage any risk of double-counting reserve offers from both the Distributor and Trader in respect of the same physical load.</p>
Q2. Do you agree with the objectives of the proposed amendment? Any comments?	Yes.
Q3. Do you agree the benefits of the proposed amendment outweigh its costs? Any comments?	Yes.

<p>Q4. Do you agree the proposed amendment is preferable to any other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objectives in section 15 of the Electricity Industry Act 2010.</p>	<p>Yes.</p>
<p>Q5. Do you have any comments on the drafting of the proposed amendment?</p>	<p>Yes. Meridian notes that use of the term "parties" in the redrafted cls 5.4 and 5.5 may create issues.</p> <p>The previous terms "Entrant" and "Incumbent" must, by virtue of their definition in cl 5.3, have had control (or were seeking to have control) over Customer load for the purposes of cls 5.4 and 5.5.</p> <p>The term "parties" presumably refers to the Trader or Distributor regardless of whether they actually have control under cl 5.2 or 5.1 respectively.</p> <p>Disconnection (which is not "damage", but is arguably within the definition of "interferes") of a Distributor's Load Control System is possible where, for example, a Customer switches to an uncontrolled load option as part of changing retailers or plans and the Trader reconfigures the Customer's connection (the Trader may be putting their own control in place in the process, but this is immaterial).</p> <p>Previously, this disconnection of the Load Control System could not have been "interference" for the purposes of cls 5.4 or 5.5 because the Distributor was not "Incumbent" at the time of disconnection, the Customer having moved off the controlled option. However, arguably the new drafting gives the Distributor a right to non-interference with their Load Control System by virtue of being a "party" whether or not they are actually entitled to control load.</p> <p>This could be addressed by replacing the initial references to "party / parties" in cls 5.4 and 5.5 with "party / parties able to control load in accordance with this clause 5 and Schedule 8".</p>
<p>Q6. Do you have any further comments on the proposal?</p>	<p>No.</p>
<p>Q7. Is any part of your submission confidential? If yes, please explain which part, why it is confidential and provide a publishable replacement (refer paragraphs Error! Reference source not found. to Error! Reference source not found. of the consultation paper)</p>	<p>No.</p>

