



22 October 2024

Electricity Authority  
By email: [retaildata@ea.govt.nz](mailto:retaildata@ea.govt.nz)

## **Improving Retail Market Monitoring: Amended information notice and updated analysis – Consultation Paper**

### **Meridian supports the amendments to the proposed information notice**

Meridian appreciates the opportunity to provide further comment on the Electricity Authority's work on improving retail market monitoring. We acknowledge the depth of engagement the Authority has had with retailers on the amended notice to date, and commend the Authority's efforts to improve the workability of the notice. These efforts have made a significant difference.

### **Accuracy remains a challenge for some data**

Meridian appreciates the Authority's acceptance of accuracy challenges for retailers. While the Authority specifically mentions historic and half-hourly data, we think it is worth calling out accuracy challenges in respect of the following categories as well:

- **Load Control** is relatively difficult to determine as the tariff alone is not enough to say whether load control applies to the ICP. We expect that we would therefore use registry information to answer this question for each ICP. However, this will not be fully reliable as the customer may have altered the situation, for example by removing their cylinder, without the registry being updated.
- **Import and Export Lines Charges** will need to be estimated in many cases. The mismatch between billing period and period for calculation of lines charges creates difficulty, and the industry may need to work with the Authority to ensure this is provided in a consistent and comparable manner.

## **Suggestions ahead of implementation**

Meridian wonders whether it would be useful to undertake a “test-run” exercise ahead of the first data provision, whereby all retailers provide, for example, 100 ICPs worth of data in accordance with the proposed notice. This may provide a chance for format, content, and IT issues to be ironed out both on the retailer and Authority ends. Meridian would be supportive of this exercise if the Authority would find that process useful.

Further, we have found Appendix E to be a useful resource and think it would further assist implementation if the retailers could be provided with a worked example of the table proposed to be used to answer Questions 2 – 9 of the retailer aggregated questions. Is this something that can be readily provided?

## **Risk of data breaches**

Finally, we note that the concentration of personal information in the data provided to the Authority may increase the risk of (and impact of) a significant data breach at some point within the data transfer chain. We trust that the Authority is confident that its IT systems can safely and securely handle the enormous volumes of data entailed by the request.

## **Concluding remarks**

This submission is not confidential and can be released in full. I can be contacted to discuss any of the points made.

Nāku noa, nā



James France

**Legal / Regulatory Counsel**

## Appendix A: Responses to consultation questions

| Questions  | Comments  |
|--|---|
| <p>Q1. Are there any further adjustments you think should be made to amended clause 2.16 notice in <b>Appendix A</b> that would improve workability and cost for most retailers?</p> | <p>Meridian does not have specific further suggestions for the notice at this stage. The need for unforeseen workability tweaks may arise during implementation.</p>  |
| <p>Q2. Are there any changes you think should be made to the notice to better prepare for a possible Consumer Data Right in the electricity sector?</p>                              | <p>This question is difficult to answer at this stage of development of the CDR. We would ask that the Authority work alongside MBIE to minimise the need for multiple significant IT implementations.</p>  |
| <p>Q3. Is there further information you can provide that may improve the evidence base for our assessment of (a) costs (b) benefits?</p>   | <p>Meridian has nothing further on this issue at this stage.</p>  |
| <p>Q4. Do you agree the benefits of the proposed information notice are likely to outweigh its costs? If not, please explain why not.</p>  | <p>Meridian continues to have reservations as to whether the benefits are likely to outweigh the costs, and we echo the content of our previous submissions.</p> <p>The volume of data that will be delivered to the Authority each month is considerable. Meridian remains skeptical that poring over the minutiae of this information will lead to tangible benefits for consumers – especially benefits which justify the increased costs of doing business as a retailer, and the additional barrier to entry for new retailers (and the development of new offerings) that this monitoring compliance represents. There is also an opportunity cost to the time the Authority will spend on this.</p> <p>Meridian’s concern is that the Authority’s approach is based on an assumption that there is value in second-guessing the expertise of retailers in the creation of new retail offerings. There is a risk that the Authority’s view of the “correct” way for retailers to be competing or innovating ends up stifling more innovative or efficient outcomes that</p> |

|   |  |
|---|--|
|   | the retail market would have arrived at independently if the Authority had not intervened in this manner.  |
| Q5. Do you think there are other ways the Authority can maximise the benefits of this data?   | Meridian has no further suggestions at this time.  |
| Q6. Do you agree that the privacy implications of the proposed data collection have been adequately considered and addressed? If not, please explain why not. | Meridian broadly agrees with the treatment of privacy implications. We note the heightened risk of data breach arising from this additional monitoring, as described in the body of this submission. |