

Reference number(s)	026 - Excluding non-market-related meter registers
Relevant clause(s)	<p>Rows 23 to 31 of Table 1 of Schedule 11.4 – Registry metering records</p> <p>Clause 7 of Schedule 11.4 – Metering equipment provider to provide registry metering records to registry manager</p>
Problem definition	<p>At least one distributor is proposing to move to charging for distribution services on a ‘time of use’ basis. The distributor has asked an MEP to create new data registers on its AMI meters that reflect the time-blocks the distributor needs for its distribution charges. These time-blocks, and therefore the data registers, are different from the register(s) the traders on the distributor’s network use for customer billing and for submission information provided to the reconciliation manager.</p> <p>While developing the process for programming these new data registers into its AMI meters, the MEP has realised that any meter registers recording active energy (measured in kWh) must be recorded in the registry. At least one trader has advised the MEP it will incur a material cost to modify its billing systems to manage the additional data registers that will be recorded in the registry.</p> <p>Traders that are unwilling to make the system changes to accommodate the additional data registers will have to displace the meters at the ICPs they supply. They will use another MEP’s meters that do not have the additional distributor-only registers.</p> <p>The displacement of these meters will mean the distributor will not be able to get the data it needs to calculate its distribution charges, unless it pays for duplicate metering.</p> <p>This situation has not been an issue to date in New Zealand because distributors’ charging:</p> <ul style="list-style-type: none"> a) aligns with the metering data that traders already receive, and/or b) is based on metering data types not captured by the requirement to update the registry (such as kW maximum demand). <p>The obligation to update the registry with distributor-only registers recording active energy is an inadvertent outcome of the way the Code is worded. This is because the Code was written before it was contemplated distributors may want active energy data in time blocks that are different from those the trader uses for customer billing or for wholesale market reconciliation.</p>
Proposal	<p>The Authority proposes to amend the Code so that MEPs do not need to record in the registry any meter registers that are used solely for the direct billing of consumers by distributors.</p> <p>The Authority notes this proposal excludes any meter registers recorded in the registry and not used by some traders, if those registers are <u>not used</u> for distributor direct billing.</p> <p>For example, the trader at an ICP with an AMI meter might use only non-half hour data (eg, a UN24 register) for submission information and customer billing. However, the AMI meter will contain a half hour data register (known as a ‘7304 register’), which will be recorded in the registry.</p>

	<p>Under the proposal, the MEP responsible for the metering at the ICP would still have to ensure both the non-half hour register and the half hour register were recorded in the registry, even though the trader was not using the half hour register.</p>
Proposed Code amendment	<p>Schedule 11.4</p> <p>...</p> <p>7 Metering equipment provider to provide registry metering records to registry manager</p> <p>(1) A metering equipment provider must, if required under this Part, provide to the registry manager the information indicated in Table 1 as being "Required", in the prescribed form, for each metering installation for which it is responsible.</p> <p>(1A) <u>Despite subclause (1) a metering equipment provider is not required to provide to the registry manager the information indicated in rows 23 to 31 of Table 1 as being "Required", if the information is used only for the purpose of a distributor direct billing consumers on its network.</u></p> <p>...</p> <p>Insert in the fourth and fifth column of rows 23 to 31 of Table 1 of Schedule 11.4, after the word "Required", the words "(except where clause 7(1A) of this Schedule applies)".</p>
Assessment of proposed Code amendment against section 32(1) of the Act	<p>The proposed Code amendment is consistent with the Authority's objective, and section 32(1) of the Act, because it would contribute to the efficient operation of the electricity industry.</p> <p>It would do this primarily by:</p> <ul style="list-style-type: none"> • removing an unnecessary cost for MEPs, arising from their obligation to record metering data in the registry that is not used for reconciliation and settlement of the wholesale electricity market • removing an unnecessary cost for traders, arising from their billing systems managing the additional metering data recorded in the registry • removing unnecessary costs on participants, and ultimately consumers, arising from the unnecessary displacement, or duplication, of metering installations at points of connection where a distributor wishes to bill consumers directly using information that traders' systems cannot accommodate. <p>The proposed Code amendment is also expected to have a positive effect on competition, by reducing the cost faced by some traders in winning customers. In the absence of the proposed amendment, traders whose systems cannot accommodate the additional meter register data in the registry would face costs associated with replacing a potential customer's metering installation(s).</p> <p>The proposed amendment is expected to have little or no effect on reliability of supply.</p>
Assessment against Code amendment principles	<p>The Authority is satisfied the proposed Code amendment is consistent with the Code amendment principles, to the extent they are relevant.</p>

Principle 1: Lawfulness.	The proposed Code amendment is consistent with the Act, as discussed above in relation to the Authority's statutory objective and the requirements set out in section 32(1) of the Act.
Principle 2: Clearly Identified Efficiency Gain or Market or Regulatory Failure	The proposed amendment is consistent with principle 2 because it addresses an identified efficiency gain, which requires a Code amendment to resolve.
Principle 3: Quantitative Assessment	Please refer to the assessment of costs and benefits in section 3 of the consultation paper.
Regulatory statement	
Objectives of the proposed amendment	The objective of the proposal is to avoid industry participants incurring unnecessary costs because of an outdated requirement for all meter registers recording active energy to be recorded in the registry.
Evaluation of the costs and benefits of the proposed amendment	Please refer to the assessment of costs and benefits in section 3 of the consultation paper.
Evaluation of alternative means of achieving the objectives of the proposed amendment	The Authority has not identified an alternative means of achieving the objectives of the proposed Code amendment.