

AUTHORITY 2015/16 WORK PROGRAMME

RETAIL RELATED PROJECTS

The RAG 2015/16 work plan

8 July 2015

COMPETITION • RELIABILITY • EFFICIENCY

THE ROLE OF THE RAG

Extract from the RAG terms of reference

The RAG was established to provide **independent advice** to the Authority on the **development** of the Electricity Industry Participation Code 2010 (Code) and **market facilitation** measures, focusing on the relationships between the **retailer, distributor and consumer.**

THE ROLE OF THE RAG

Extract from the RAG terms of reference

matters relating to;

- the retailer/consumer interface
- the retailer/distributor interface and the consumer/distributor interface
- the distributor/embedded generation interface
- advanced metering infrastructure
- priorities for developing:
 - the Code, especially in regard to **Parts 6** (Connection of distributed generation), **10** (Metering arrangements), **11** (Registry information management) and **15** (Reconciliation)
 - market facilitation measures in regard to retail market services

PROGRAMME: COMPETITION IN RETAIL MARKETS

Retail data project

Consider options to promote retail competition by improving access to retail data.

We are seeking to increase consumer engagement by making it easier for consumers to access and share data and information.

PROGRAMME: COMPETITION IN RETAIL MARKETS

Default distribution agreement

Previously called more standardisation of UoSA.

Look at making the MUoSA a default agreement.

The current wide range of UoSAs inhibit retailer entry and expansion. Some terms within UoSAs also inhibit retailer entry and expansion within particular networks.

PROGRAMME: COMPETITION IN RETAIL MARKETS

Stress testing for consumers

New project this year. Demonstrating spot price risk to consumers, especially residential consumers exposed to the spot market.

There needs to be an investigation of whether consumers (particularly residential consumers) on spot pricing are fully aware of the risks.

PROGRAMME: COMPETITION IN RETAIL MARKETS

Review of data requirements to enhance retail competition and efficiency

New project this year. Review of the data and data exchanges between participants.

Some stakeholders have indicated that efficient data exchange is a key issue for them.

PROGRAMME: EFFICIENT PRICING

Distribution pricing review

A review to investigate efficient distribution pricing arrangements.

We are reviewing the current arrangements in order to achieve better operational and investment efficiency in the distribution sector and the broader electricity market.

PROGRAMME: EFFICIENT PRICING

Why prices matter

New project this year. A paper describing the importance of electricity pricing for consumers.

Supporting all pricing work the Authority is involved with by describing the importance of promoting efficient pricing from a consumer perspective.

PROGRAMME: EFFICIENT PRICING

Review of Part 6 (distributed generation pricing principles)

New project this year. A review of Part 6 of the Code pricing principles, to ensure consistency and alignment with distribution pricing principles.

We will review the pricing principles to ensure that they are not preventing distributors from pricing and charging on a cost-reflective basis.