

## **Switching Technical Group (STG) meeting**

**13 February 2018**

**Electricity Authority, Level 7, ASB Bank Tower, 2 Hunter Street, Wellington**

### **MINUTES**

#### **Members present**

Ron Beatty (Electricity Authority, STG Chair)  
Andrew Baken (AMS)  
Campbell Wilson (Contact Energy)  
Malti Prasad (Flick Electric)  
Andrew Maseyk (Genesis Energy)  
Greg Matthews (Jade Software)  
Urvashi Vats (Mercury)  
Emma Prestage (Meridian Energy)  
Niu Nelson (Metrix)  
Bridget Eden (Pioneer Energy)  
Stefan Kirkwood (Powershop)  
Mike Kew (Pulse Energy)  
Howard Wood (Trustpower) – by phone  
Sean Campbell (Vocus)  
Tony McGeady (WEL Networks)  
Mike Bickers (Legacy Metering Group)

#### **Also in attendance**

Grant Benvenuti (Electricity Authority) – from 10.40am  
Nicole Gagnon (Electricity Authority)  
Michelle Heise (Electricity Authority)  
Saltanat Cole (Electricity Authority) – note taker

#### **The meeting opened at 9.43am.**

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#### **1. Welcome**

- 1.1 The Chair welcomed the attendees and ran through the housekeeping and emergency procedures.
- 1.2 The meeting attendees introduced themselves.

#### **2. Apologies**

- 2.1 The Chair advised the meeting of the apologies from Amy Kinmont (Nova Energy) and Markus Frey (Utilities Disputes) and of the email received from Markus containing the issues for consideration at the meeting.

### **3. Overview**

- 3.1 The Chair presented an overview of the STG Terms of Reference and objectives, Electricity Authority's (Authority) expectations including timeframe, the group's structure, the Chair's and members' responsibilities, channels to present and escalate issues relating to the group's and Chair's actions and what is in and out of scope for the group.
- 3.1.1 The Authority is aiming to submit an issues and options paper to the 28 June Board meeting. The Board paper needs to be finalised in May. The STG role is to assist the Authority in preparing this paper.
- 3.1.2 In response to questions asked at the meeting the Chair advised that
  - (a) the group will have an opportunity to see the Board paper after legal review and before it is submitted to the Board.
  - (b) the paper will remain an STG's document until the Authority's Board considers it at the Board meeting. After the Board meeting the paper becomes the Authority's document.
- 3.1.3 STG meetings are scheduled for 27 February, 13 March and 27 March. A lot of the group's work will be conducted in between the meetings by email.
- 3.1.4 The group appointment term is 6 months. It is envisaged that more meetings may be required in July-August 2018 if the Authority receives a large number of submissions to the issues and options paper and will require STG's assistance. Received submissions will contribute to determining whether an amendment to the Code, policy or another consultation will be required.
- 3.1.5 The Chair emphasised that the STG members need to have their 'industry hats' on when in meetings, need to prepare for meetings, avoid promotion of their businesses, have no media relationship roles, can openly discuss the raised questions in their businesses and seek advice from each other but should not disclose confidential or commercially sensitive matters at meetings. The Chair asked the group members to attend meetings in person as much as possible and, when unable to attend, to email their issues or views. The meeting quorum is 50% of the group membership and the members cannot bring stand-ins as each member has been appointed based on their own experience, knowledge and skills and any possible stand-ins have not. The Chair can invite non-members to attend meetings.
- 3.2 The meeting attendees enquired how other work conducted by the Authority will influence the STG's work, e.g. IPAG or SDFG decisions. The Chair suggested that the group should write to both IPAG and SDFG advising them of the work the STG is undertaking.

### **4. Brainstorm switching arrangements**

- 4.1 Andrew Maseyk led the session on the current switching arrangements and issues faced by the market participants.
- 4.2 The meeting attendees identified a number of problem areas:

#### 4.2.1 Trader switch:

- (a) Process based on trigger (flags, emails)
- (b) Number of transfers (files, supporting emails)
- (c) Switching accuracy/switch reads
- (d) Time to switch
- (e) Address data (fuel type)
- (f) Meter switch date
- (g) Cat 2 time of use (mass market)
- (h) Resolution process (withdrawals, winbacks and saves)
- (i) Wrong ICP valid withdrawals
- (j) Backdated move agreement
- (k) Unauthorised switch and withdrawal in error (by email from Utilities Dispute)

**Action 1:** The Chair to ask Utilities Disputes to provide stats on incorrect switches.

- (l) Revisit registry flags
- (m) MEP late nominations
- (n) Registry granularity (status and switch events)
- (o) Multiple events on the same day

#### 4.2.2 Distributor switch

- (a) Centralise distributor switch (process refining)

#### 4.2.3 MEP switch

- (a) MEP nomination/acceptance cancellation (tidy up nomination form)
- (b) Request nomination by MEP or allow work completion date pre-date nomination
- (c) Should event date be CS file date

#### 4.3 The meeting attendees considered if there are any quick fixes of the identified issues:

- (a) Removal of AN files as mandatory. In response to the Chair's question, the group submitted that sending AN file has value as it changes status but receiving AN file may not have any value.
- (b) Time of switch must be 1 day unless a particular date is proposed.
- (c) Allow the losing trader to update ICP status when the ICP enters the switch process.
- (d) Registry validation around status.

#### 4.4 There was a side discussion on the meaning of daily kWh and a suggestion that it should be by channel value and not as a sum of everything.

## 5. Discussion on the STG briefing document content

5.1 The meeting went through the questions raised in the STG briefing document.

5.2 Item 3.1 of the STG briefing - *Is the current switching process fit for purpose now or in the future? What suggestions would you make for any changes?*

In view of the earlier discussion at the meeting, the attendees made a decision to ignore this question for now.

5.3 Item 3.11 - *Are acknowledgment of switch request (AN files) required?*

The attendees agreed that the answer to this question depends on the overall solution developed by the STG for switching arrangements. The answer is postponed until at least a strawman of the proposed process is developed, but there was agreement that otherwise the AN file should be voluntary on all switch types. It was also agreed the AN file is not currently providing any value.

5.4 Item 3.16 - *Can emails to back up notice of withdrawal (NW files) be engineered out?*

The attendees proposed to design the process to provide as much additional information as possible, add a text field that can contain customer information as the registry can lock this portion of the file down for confidentiality, use other forms of communication e.g. retail notes in EIP hub or retain the status quo.

It was suggested that more meaningful definitions of the withdrawal codes will help avoid the need for additional information exchange.

It was mentioned that timeframe can make a participant non-compliant even in cases when it benefits a customer and suggested to introduce either:

- a) percentage in the switch completion time requirements or reasonable exceptions clause; and/or
- b) remove the connection with the audit frequency.

As there are often cases of backdating it was suggested that the time limit should be 2 months from the actual processing and not from the event date.

**Request 1:** The attendees ask the Authority to consider establishing a contact list for switching. Such list will be populated by participants themselves and be visible to all registry users, e.g. email group.

**Request 2:** The attendees ask for a list of participants' codes and key contacts to be added to the registry.

5.5 Item 3.22 - *In MI or TR switch ICP switch process, should the gaining trader determine who should complete the switch?*

The group proposed that:

- a) losing trader completes a switch

- b) a specific date in NT file must be honoured and if the date is not specified, then a default time frame in accordance with the current Code wording is used.

5.6 Item 3.29 - *Rationalise switching timeframes (same requirements for each switch type)*

The group discussed the following options:

- a) align with the gas switching process which contain very prescriptive time limits
- b) agree an event date definition and make processing time xxx days from the event date, i.e. switch process must be completed within so many days after the event date
- c) allow for forward dating of switches.

5.7 Item 3.34 - *Revisit the requirement of meter read dates and reads in the Code to ensure that HHR data is correctly accounted for at the time of a switch*

The group considered that there is an issue with switch event meter readings where there are multipliers required to convert readings to volume information. The group suggested:

- a) for AMI metering installations, a midnight read provided by MEP should be used
- b) establishing rules for truncating meter readings for switching purposes.

5.8 Item 3.41 - *Consider an amendment to switch event meter readings to cover instances where a permanent estimate cannot be obtained despite best endeavours*

It was suggested that it is better to keep switch event meter readings as estimates rather than change the Code to say that they are permanent when the readings are essentially still estimates. The Chair noted that these reads have permanence in the reconciliation system, and an estimate may only be used when the trader has had the ICP for less than 3 months. There should be a process to allow estimates where despite best endeavours, a permanent estimate cannot be created (eg house burnt down and trader was not able to get two meter readings in order to create a permanent estimate).

5.9 Item 3.47 - *Consider barriers to data availability, meter replacement or reprogramming at the time of an ICP trader switch*

The group proposed the following as current barriers: retailer is not considered current until the switch is completed, accumulated not interval data, MEP delivers data from the date before the notification to both traders, midnight data for AMI meters.

The group commented that there must be an easier process to allow a change of meter to coincide with the switch event date which may include allowing a gaining MEP to change a meter on the instruction of a gaining trader if an NT files has been issued. This would require:

- a) modifications to the registry and MEP systems as MEPs do not currently receive NT files
- b) amending the NT file to include a gaining MEP field.

5.10 Item 3.51 - *Should registry validation be lifted to allow a trader to update an ICP identifier during the switch process?*

The group considered it a good idea for ICP status.

5.11 Item 3.56 - *Gaining trader switch process accumulating meter reading*

The group suggested amending the Code to allow the gaining trader to provide accumulated reads (cat 3 installation with cat 1 & 2 where “C” is followed with “Y” indicator).

**Action 2:** Vocus to provide examples on mixed time of use and non-time of use installations.

**Action 3:** The Chair to check the Code to see if this provision makes MEPs to act in such a way while it was supposed to apply to cat 1 & 2 AMI, not cat 3.

5.12 Item 3.60 - *Are there issues with the transfer of ICPs between distributors?*

The group agreed that there are issues with the transfer of ICPs and held a short discussion on the embedded network ICP switch process. The group discussed processing the distributor ICP switch process through the registry, including notification timeframe and formats, trader’s responsibility indication (flag), lapse period for distributor notification, retailer’s response time, retailer’s response options, e.g. accept/reject/decision pending, and absence of retailer’s response. It was suggested that 60 days lapse period plus 1 month notification should be adequate timeframe for the distributor to process the ICP switch.

5.13 Item 4.1 - *Is the switch event meter read change process understood and working as intended?*

The group members decided to take out item 4.6(e) of the STG briefing document and that the answer to 4.6(f) is yes as it provides a channel to get more information.

5.14 Item 4.8 - *Should a change to a switch event meter reading be able to be backdated if both traders agree (and the ICP has not since switched)?*

The meeting attendees suggested that the 4 month period can be extended if both retailers agree. It was suggested that in such cases the threshold should be increased, e.g. over 1,000 or as deemed reasonable by both retailers. The group mentioned that there may be a need to codify the notification period.

## 6. General business

6.1 The Chair promised that the Authority will circulate the draft notes from this meeting to the group members by Friday, 16 February and asked for volunteers to write up the suggested options, benefits and costs.

## 7. Next meeting: 27 February 2018.

7.1 Meeting closed at 4pm.