

27 June 2022

Commerce Commission

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**To whom it may concern,**

## Subject: Process and Issues/Draft Framework submission – SmartCo Limited

### 1. Introduction

- 1.1. SmartCo Limited is a joint venture company providing metering services for more than 250,000 urban and rural consumers across New Zealand. Our shareholders include Alpine Energy, Counties Power, Electricity Invercargill, Network Tasman, On Metering, The Power Company and WEL Networks.
- 1.2. We provide high quality smart meter services to energy retailers. We also offer energy distributors critical data and insights for optimal network planning, management and service delivery.
- 1.3. We appreciate the opportunity to make a submission to the Commerce Commission discussion document on Updating the Regulatory Settings for the “Part 4 Input Methodologies Review 2023” process and issues consultation paper.
- 1.4. We think it is timely to review network arrangements to ensure they are conducive to the efficient connection and utilisation of new technologies to secure resilient, reliable and cost-effective supply of electricity to consumers in New Zealand.

### 2. Our submission

- 2.1. We have chosen not to comment in response to individual questions and discussions within the consultation paper, EDBs are in a better position to comment on these. But instead, we have placed general comments on data issues that have a direct impact on EDB investments and should be taken into account in IMs.
- 2.2. EDB infrastructure is critical to the availability of electricity to consumers, the connection of renewable distributed generation, and the development of distribution system operator. It is hard to disassociate the development and maintenance of electricity networks from other electricity industry disciplines, as they are inter-related.
- 2.3. With the anticipated increase in electricity consumption that a low carbon economy causes, EDBs should be preparing themselves with network designs and operating methodologies that can maintain network and grid resilience, meet the demands of consumers and generators, and manage electricity demand and power quality on their networks. However, for this, EDBs need access to timely access to relevant information.

- 2.4. Without access to appropriate metering data, EDBs are unlikely to be in a position to develop effective non-network alternatives. Developing these alternatives is critical to developing New Zealand's decarbonisation and renewable energy goals, and providing long term benefit to consumers.
- 2.5. We have attempted to obtain retailer consent using bilateral agreements to provide metering data for EDBs that include information on outages, voltage, current, harmonics, reactive and active electricity flows. We have found obtaining approval from all retailers impossible. Retailers have concerns over privacy, data security and data use. It appears that the only solution is a regulated solution that provides EDB access to relevant information, but also includes obligations for the EDB to maintain privacy and security of information, and to ensure that information is only used for the purpose it is collected for. This could build on the data access requirements set out by the Electricity Authority in Schedule 10.6 of the Electricity Industry Participation Code 2010.
- 2.6. While access to relevant information is not necessarily an issue that the Commerce commission can regulate on, distributor access to critical metering data clearly impacts what a distributor may analyse and decide for developing non-network and/or network alternatives. There is a clear link between access to relevant information and EDB investment choices which the Commerce Commission can regulate on.
- 2.7. Clearly the timely access to relevant information spans regulators with the requirement existing under the Electricity Authority but the consumer benefit existing under the Commerce Commission.

### 3. Summary

- 3.1. We encourage the Commerce Commission to work in conjunction with the Electricity Authority on regulated EDB access to timely and relevant information to support ongoing development and operation of electricity networks.
- 3.2. EDB access to relevant information is necessary to support New Zealand's decarbonisation and renewable energy goals, and directly supports EDB investment in their networks.
- 3.3. Failure to provide this access will lead to sub-optimal consumer outcomes, this is not in accordance with either the Commerce Commission or Electricity Authority statutory objective.

This submission is not confidential. If you have any queries, do not hesitate to contact me directly at [guy.marquet@smartco.co.nz](mailto:guy.marquet@smartco.co.nz)

Yours sincerely



Guy Marquet  
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