



13 September 2023

Commerce Commission
By email: infrastructure.regulation@comcom.govt.nz

Targeted Information Disclosure Review (2024) – Electricity Distribution Businesses

Meridian appreciates the opportunity to comment on the Commerce Commission's draft decision paper regarding the Targeted Information Disclosure Review for Electricity Distribution Businesses (EDBs).

Meridian is a nationwide electricity retailer, through the Meridian and Powershop brands. Meridian is also building a public EV charging network across New Zealand through our Zero brand.

Meridian is very supportive of the Commission's work to make the information disclosure requirements more effective and to ensure the requirements remain fit for purpose in a changing environment. We agree with the Commission that the energy sector in New Zealand is in the middle of a period of change, as New Zealand transitions to a low carbon economy. In addition, new technologies and climate change will necessarily change the way in which we deliver services. Improved information disclosure requirements will be of huge assistance to us as we adapt Meridian's business during the energy transition.

This submission will focus on the following areas:

- network constraints;
- work and investment on flexibility resources (non-traditional solutions);
- standardised pricing components.

Network constraints

To grow our EV charging network and help our industrial customers to electrify, it is essential that companies such as Meridian have access to good information about network constraints. This information can enable more efficient investments in charging infrastructure by helping to identify suitable locations. It can also inform business cases for industrial decarbonisation and electrification projects in different locations. We strongly support the draft decisions from the Commission to assist stakeholders in understanding EDB network constraints.

Currently, accessing information about network constraints is very difficult. Finding suitable locations with adequate capacity to accommodate new load can be a painstaking process whereby the party seeking to connect to a network needs to make individual connection requests for multiple sites, paying significant fees in each instance, to understand the relative capacity and constraints across a network. A whole-of-network view of capacity and constraint information would be far superior to the current piecemeal approach and would enable more efficient and effective decisions to be made about where to invest in new EV charging infrastructure or other electricity load. The current process is also undoubtedly a poor use of resources for EDBs. We are therefore very supportive of the Commission's proposals to require the disclosure of capacity and constraint information for each zone substation through easily accessible geospatial file formats.

Meridian's view is that it is essential that this information is disclosed at the level of connection. EDBs are currently required to disclose information at the zone sub-station level. However, disclosing more granular data is key to enabling charge point operators to better identify suitable locations and understand the EDB work required to set up a charge point. We would ideally like to see this information include cables and characteristics (such as capacity, cable size, material, number of ICPs connected).

We have detailed more information on the challenges in accessing network constraint information in our recent submission to the Electricity Authority on distribution pricing reform, available [here](#).

Work on flexibility resources

Meridian also supports the Commission's proposed changes to enable stakeholders to better understand how well each EDB is performing regarding its consideration and uptake of flexibility resources, to provide a cheaper or better-quality distribution service. Requiring EDBs to disclose any investigations on the potential for non-traditional solutions to be more cost effective than network upgrades will help to encourage EDBs to consider non-traditional

solutions. It will also increase transparency regarding how EDBs are procuring non-traditional solutions and whether competitive processes are being followed or there is a risk of preferential treatment for related party or self-ownership.

Standardised pricing components

Meridian is also highly supportive of the changes to information disclosure requirements to ensure stakeholders can better compare and analyse EDBs' prices, including the ability to assess cost reflective pricing.

A lack of consistency across EDB pricing has been challenging for Meridian, especially for the rollout of our Zero EV charging network. We note that in Drive Electric's recent submission to the Electricity Authority on distribution pricing, the range in capital contribution cost quotes received by one charge point operator ranged from \$127 to nearly \$160,000. Ultimately, Meridian would like to see more standardisation in pricing methods and components (as well as more consistent connection processes). In Meridian's opinion this would deliver efficiency gains for parties connecting to distribution networks and would benefit consumers in the long term. We have therefore encouraged the Electricity Authority to increase the regulation of distribution pricing methodologies. In the interim, the increased transparency requirements proposed by the Commission are likely to assist.

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



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