

9 June 2026

Submissions
Electricity Authority

By email: distribution.feedback@ea.govt.nz

Code Review Programme #7

Meridian appreciates the opportunity to provide feedback on the Authority's consultation paper on a set of proposed minor changes to the Code.

This submission comments on four of the proposed changes. Meridian has no comment to make on the remainder of the proposed changes.

CRP7-010: Multi-brand billing obligations

Meridian strongly supports the proposed amendment to the better plan check and plan catalogue obligations due to come into effect on 30 October 2026 to clarify that these obligations can be applied at a retail brand level. We are grateful for the Authority's attention to this matter.

CRP7-004: Extend participant audit to include use of EIEPs

The Authority proposes a new clause in Part 16A, Subpart 5 to extend the reconciliation participant audit to also require a reconciliation participant to "ensure that the auditor carrying out an audit audits the reconciliation participant's processes and procedures in relation to the sharing of information the reconciliation participant is required to share in accordance with an EIEP, including the timeframes and manner in which that information is shared."

It is not clear to Meridian that the reconciliation participant audit is the right mechanism to enable the Authority to monitor whether participants are using EIEPs correctly and consistently. The reconciliation participant audit is intended to support certification of a reconciliation participant through scrutiny of reconciliation processes under Part 15 of the Code. However, the scope of this audit is now proposed to increase to cover obligations on retailers that have nothing to do with reconciliation processes. If broader (i.e. non-reconciliation) obligations are to be included in this audit then those elements should not be a factor in determining certification of a reconciliation participant, nor should they be a factor in determining the timing of the next reconciliation participant audit.

Use of the reconciliation participant audit to monitor whether EIEPs are used correctly could also result in only partial monitoring since it is retailers that use EIEPs and not all retailers are reconciliation participants. Retailers should reasonably expect equitable monitoring and audit burden and anything to the contrary could distort retail competition and perversely incentivise retail business structures that enable avoidance of audit or monitoring burdens.

In Meridian's opinion, it would be more appropriate for the Authority to consider a targeted mechanism for monitoring of EIEPs, rather than bolt it onto an existing but unrelated audit process.

CRP7-006 Require action when insufficient load to certify metering

The proposed process for when there is insufficient load to certify metering could ultimately result in an obligation on traders to electrically disconnect an ICP or metering installation within 5 business days of receipt of a notice. This is not a minor change. It will require retailers to develop new processes to manage the requirement and may require retailers to amend their terms and conditions if necessary to enable such a disconnection right. These costs may be material for some retailers and have not been considered in the Authority's qualitative cost benefit analysis. The balance of costs and benefits needs to be considered more fulsomely before proceeding with the proposal.

CRP7-008: Process for updating the registry and reducing distribution charges for non-supply

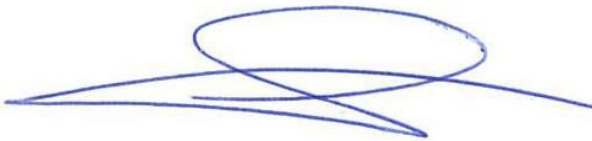
Meridian is comfortable with the proposed solution to "Problem 1" in the consultation paper, i.e. granting distributors discretion to pass on a reduction in charges outside the next billing cycle but still within three months of the day an interruption ends.

However, Meridian is less convinced regarding the merits of the proposed change to clause 9.10(b) of Schedule 12A.4, Appendix A. The existing drafting of that clause reflects the operational parameters of the registry in respect of Active/Inactive status updates. Meridian's understanding is that when a power outage occurs the registry applies the change in status of the ICP to Inactive from the start of the following day. This enables settlement processes to still occur in respect of an ICP with a partial day of consumption on the day of an outage. In Meridian's opinion, the reduction in distribution services charges should continue to reflect these existing registry processes.

Granting discretion for distributors to choose between two different methods of applying a reduction in charges will also lead to inconsistencies and operational inefficiencies.

Please contact me if you have any queries regarding this submission.

Nāku noa, nā

A handwritten signature in blue ink, consisting of a large loop at the top and several horizontal strokes below it.

Sam Fleming
Head of Regulatory Affairs