

Use of System Agreement Monitoring Programme

Information disclosure by Northpower (Updated 10 September 2019)

1. Purpose

Appendix A of an Information paper published by the Electricity Authority dated 11 September 2012 entitled “Standardisation of distribution arrangements – model use-of-system agreements” outlines the monitoring programme being implemented by the Electricity Authority in relation to adoption of more standardised terms and conditions relating to the provision for distribution services. A component of that programme is the information the Authority requires to be published on each electricity distributor’s website in respect to the current Use of System Agreements.

2. Background

At the time of the industry reforms that commenced in 1998, Northpower initially entered into a Use-of-System Agreement (UoSA) with the single incumbent retailer. This UoSA was utilised as a template for other retailers who commenced trading on the Northpower network in 1999 and 2000.

In 2005, the former Electricity Commission published a Model Use-of-System Agreement (MUoSA) which was the result of several years of industry consultation. Northpower utilised this 2005 MUoSA in negotiations with major retailers to derive an updated UoSA for the Northpower network. Three of the major retailers were successfully signed up on new UoSA’s derived from the 2005 MUoSA. Unfortunately, negotiations with two other retailers already trading on the Northpower network broke down when staff changes within the retailer organisations halted the process.

The UoSA’s derived from the 2005 MUoSA were utilised as templates for signing UoSA’s with new entrant retailers.

3. Next steps

In 2012, the Electricity Authority published an updated MUoSA. In cooperation with a group of North Island distributors, Northpower prepared a new UoSA derived from the 2012 MUoSA and commenced negotiations with one of the existing retailers to update from their current UoSA to a new UoSA. Although negotiations with the existing retailer are ongoing, eight new-entrant retailers have subsequently signed up on the Northpower UoSA which was derived from the 2012 MUoSA. Northpower’s intention is to offer the new UoSA to all existing retailers, once it has been signed with one existing retailer.

4. Current UoSA’s status

The following table records details of Northpower’s current UoSA’s with electricity retailers supplying consumers on the Northpower network in the form specified in A17 of Appendix A of the Electricity Authority’s paper.

Retailer	Signed	Form of agreement	Origin of agreement
Body Corporate Power Limited	July 2018	Interposed UoSA. Includes provision for some direct contracts.	UoSA derived from the 2012 MUoSA for the new entrant retailer.
Contact Energy Limited	January 2008	Interposed UoSA. Includes provision for some direct contracts.	Updated UoSA derived from the 2005 MUoSA to replace the original UoSA dating from network/retail separation.
Ecotricity Limited	September 2015	Interposed UoSA. Includes provision for some direct contracts.	UoSA derived from the 2005 MUoSA for the new entrant retailer.
Electric Kiwi Limited	June 2016	Interposed UoSA. Includes provision for some direct contracts.	UoSA derived from the 2005 MUoSA for the new entrant retailer.
Flick Electric Limited	November 2017	Interposed UoSA. Includes provision for some direct contracts.	UoSA derived from the 2012 MUoSA for the new entrant retailer.
ForOurGood Limited	July 2019	Interposed UoSA. Includes provision for some direct contracts.	Model Use of System Agreement 2016
Future Energy New Zealand Limited	May 2018	Interposed UoSA. Includes provision for some direct contracts.	UoSA derived from the 2012 MUoSA for the new entrant retailer.
Genesis Energy Limited	September 2007	Interposed UoSA. Includes provision for some direct contracts.	Updated UoSA derived from the 2005 MUoSA to replace the original UoSA dating from network/retail separation.
Meridian Energy Limited	December 2006	Interposed UoSA. Includes provision for some direct contracts.	Updated UoSA derived from the 2005 MUoSA to replace the original UoSA dating from network/retail separation.
Mercury NZ Limited	December 1999	Interposed UoSA.	Original UoSA dating from the time of network/retail separation.
Nova Energy Limited	June 2013	Interposed UoSA. Includes provision for some direct contracts.	UoSA derived from the 2005 MUoSA for the new entrant retailer.
Pioneer Energy Limited	April 2017	Interposed UoSA. Includes provision for some direct contracts.	UoSA derived from the 2012 MUoSA for the new entrant retailer.

Plus Energy Limited	April 2017	Interposed UoSA. Includes provision for some direct contracts.	UoSA derived from the 2012 MUoSA for the new entrant retailer.
Powershop New Zealand Limited	June 2016	Interposed UoSA. Includes provision for some direct contracts.	UoSA derived from the 2005 MUoSA for the new entrant retailer.
Prime Energy Limited	October 2015	Interposed UoSA. Includes provision for some direct contracts.	UoSA derived from the 2005 MUoSA for the new entrant retailer.
Pulse Energy Alliance LP	December 2009	Interposed UoSA. Includes provision for some direct contracts.	UoSA derived from the 2005 MUoSA for the new entrant retailer.
Simply Energy Limited	November 2007	Interposed UoSA. Includes provision for some direct contracts.	UoSA derived from the 2005 MUoSA for the new entrant retailer.
Switch Utilities Limited	November 2016	Interim Agreement	Pending finalising the 2016 UoSA
Trustpower Limited	November 1999	Interposed UoSA and a separate RMSA for direct contracts.	Original UoSA and RMSA dating from the time of network/retail separation.

UoSA = Use-of-System Agreement; MUoSA = Model Use-of-System Agreement; RMSA = Reconciliation & Metering Services Agreement