22 October 2026

Bluecurrent
Level 2
111 Carlton Gore Road
Newmarket
Auckland 1023

Simon Wakefield
Infrastructure Branch
Commerce Commission
Wellington

By email: infrastructure.branch@comcom.govt.nz

Dear Simon

Feedback on the Open Letter – Local Lines Networks

Bluecurrent welcomes the Commerce Commission's open letter and supports its vision for the electricity distribution sector.

1. Bluecurrent welcomes the Commerce Commission's (the Commission) open letter, *Local lines networks: achieving better outcomes for consumers now and in the future* (the Open Letter), dated 10 September 2026. The Open Letter is a timely encouragement for electricity distribution businesses (EDBs) to consider more efficient and innovative solutions that deliver network and consumer benefits as New Zealand transitions to a highly electrified future.
2. We broadly support the Commission's indicative vision for the electricity distribution sector, where EDBs are:
    - Delivering core network operations well;
    - Having strong commercial arrangements in place; and
    - Building capability for the future.
3. As a smart metering and data services provider, we are highly mindful of the critical role our services play in enabling EDBs to help achieve the Commission's vision. Data generated by smart meters provides the digital foundation that enables EDBs to 'cut through' the increasing complexity of the modern electricity network, allowing them to make informed investment and operational decisions that support network efficiency and resilience, and energy affordability.

Bluecurrent's partnerships with EDBs enable them to deliver core network operations well.

4. Bluecurrent partners with a growing number of EDBs for the provision of network operation and power quality data services that enable EDBs to deliver core network operations well. Bluecurrent now provides power quality data from more than a million smart meters in New Zealand to the EDBs we work with.[1] We deliver a suite of network services that includes our network operational data (NOD) service, Network Load Control, and Outage Management.
5. Our NOD service – a distinct service requiring significant investment – provides greater network visibility particularly at low-voltage (LV) level where most of the transformations in the energy transition are expected to occur. We are now delivering this data at a frequency of up to every 15 minutes with a 5-minute frequency in development. NOD supports increased network hosting capacity and better asset management and network orchestration.
6. Several EDBs are benefiting from Bluecurrent's NOD service, exemplifying that the market for network data services is working. They include, among others:
    - **Powerco** – In 2025, Bluecurrent signed a five-year agreement with Powerco to provide access to smart meter data for around 250,000 meters on Powerco's network. Powerco uses

[1] https://bluecurrent.co.nz/news/a-million-meter-milestone-for-new-zealands-electricity-networks

granular data to inform investment decisions as people look to electrify more of the appliances they use, and add more solar panels and batteries.[2]

- **Aurora Energy** – Bluecurrent partnered with Aurora Energy in 2025 where more than 60,000 Bluecurrent smart meters provide daily power quality data for the first time to help Aurora plan its future network investment. Aurora is at the forefront of the transition from traditional to intelligent networks that respond in real time, which is critical to creating a smarter grid and supporting widespread electrification.[3]
- **Top Energy** – Top Energy is the latest EDB to sign up for Bluecurrent's NOD service, in September 2026. Through its partnership with SmartCo, Top Energy is leveraging smart meter data to support network planning and operational decision making. Bluecurrent's NOD service expands this visibility to 75% of customer connections across Top's network.[4]

7. We note the Commission's observation that "while some EDBs are putting in place clear initiatives to meet future challenges. . .these efforts do not appear to be systematic across EDBs".[5] As such, we support the Commission's clear expectation in its Reasons Paper for EDBs' price-quality path regulation for 2025-2030 (DPP4):

> . . .Through our application of default price-quality regulation, we expect EDBs will:
>
> Better understand their network by purchasing low voltage monitoring data in DPP4. This data is important as it will enable better asset understanding and management decisions on network capacity and consumer safety.[6]

8. Furthermore, we strongly endorse the findings of the Electricity Authority's (the Authority) *2025 Metering Pricing Review*, which supports the Commission's above expectation regarding EDBs' procurement of LV monitoring data:

> Overall, the review did not identify any material concerns with respect to proportionality, fairness or transparency, and the observed price being charged to distributors for consumption and power quality data from smart meters. We conclude that **the price being charged for this data is reasonable** for now.[7] [Emphasis added]

9. We support collaboration between EDBs and third parties and standardisation that help EDBs deliver their core network operations well whilst avoiding costly new physical network investment or expansion. In our September 2026 submission on the Ministry of Business, Innovation and Employment's (MBIE) consultation on options to improve the efficiency of EDBs, we stated that:

> Bluecurrent supports collaboration and standardisation where these address a clearly defined problem and deliver demonstrable system or consumer benefits. This includes, for example, removing barriers to network connection for consumer energy resources (CER) so their benefits can be unlocked cost-effectively and in a timely manner.
>
> We support interoperability and common standards that enable EDBs, metering service providers, and other industry participants to deliver services at low/least cost, which contribute to energy affordability. We believe priority should be given to the development of standards that make it easier for industry participants and consumers to meaningfully participate in the electricity markets of today and those emerging, e.g. development or adoption of appropriate data exchange and IT standards and protocols.

---

[2] See https://www.powerco.co.nz/news/media/powerco-signs-network-operations-data-service-agreement-with-bluecurrent

[3] See https://www.auroraenergy.co.nz/news/media-releases-news/aurora-energy-and-bluecurrent-partner-to-unlock-network-data-visibility

[4] See https://bluecurrent.co.nz/news/a-million-meter-milestone-for-new-zealands-electricity-networks

[5] The Open Letter, page 1

[6] Default-price-quality-paths-for-electricity-distribution-businesses-from-1-April-2025-Final-decision-Reasons-paper-20-November-2024.pdf, page 28

[7] https://www.ea.govt.nz/documents/8309/Exploring_network_visibility_costs_benefits_and_value_-_Discussion_paper.pdf, pages 17 - 18

> The drive towards standardisation, however, should not prevent the emergence of pathways for advanced standards that support more customised services that meet consumers' unique needs or circumstances. We urge MBIE to avoid highly prescriptive or centralised approaches that could displace functioning commercial arrangements, unnecessarily require investment from many parties, or limit the adoption of more advanced standards. This would help avoid standardisation ultimately becoming 'a race to the bottom', but rather make it an enabler of the development of new and innovative services that benefit consumers.
>
> We encourage MBIE to ensure that regulatory frameworks and standards are developed with input from metering service providers and other relevant industry participants, rather than being designed solely by EDBs.[8]

We have strong commercial arrangements with EDBs that enable them to use our services to make informed business and operational decisions.

10. Bluecurrent's partnerships with EDBs are underpinned by robust commercial arrangements.
11. In our view, the benefits of smart meters – now widely acknowledged – are best delivered competitively. A competitive metering services market ensures that:
    - Technology 'lock-in' (which makes market exit for participants costly) and 'lock-out' (which prevents service providers who have better solutions from entering the market in a timely manner) are avoided.
    - Service providers focus on becoming better competitors and innovators rather than on regulators and regulatory compliance.
    - Customers do not pay for features or functionalities they do not require or desire, avoiding 'gold plating' of the service.
    - Delivery of the service only requires investment from the parties to the commercial agreement, who also bear the risks, rather than consumers or taxpayers.
12. The growing number of commercial arrangements reached between EDBs and metering service providers shows that the market for metering services, including data services for EDBs, is working and flourishing. This provides the impetus for continued product and service innovation in this market that ultimately benefits consumers.
13. In addition to the Electricity Authority's recent finding that the price being charged for metering data for EDBs is reasonable (mentioned in the previous section), the Authority made observations indicating a workably competitive metering services market. This negates the need for more prescriptive arrangements in this market. The Authority's additional observations include the following:

> . . .**metering equipment providers** *[are]* **negotiating and agreeing different contract terms that appear to suit distributors' needs.** [Emphasis added]
> . . .
> - the range of different contractual terms relating to intellectual property rights and ownership of data, between meter equipment providers and retailers, does not appear to cause any issues with distributors accessing power quality data at present, but we would want to see continued access to data for distributors
> - there were a range of opinions amongst distributors on some of the terms and conditions in the contracts, including the length of the contracts for meter data. We observed a range of contract lengths for meter data across meter equipment providers, as well as proposals for shorter trials. On this matter the market seems to be evolving. We want distributors to continue to be able to access data on reasonable terms

[8] Bluecurrent submission, *Options to Improve the Efficiency of Electricity Distribution Businesses*, Consultation by the Ministry of Business, Innovation and Employment, New Zealand, 22 September 2026, page 1

- meter equipment providers and distributors have views on the maturity and stability of the market for smart meter data. The contracts we reviewed contain exit/re-negotiation clauses in the event of regulatory change. We think these clauses should address any concerns about signing agreements for power quality data and the potential for future regulatory change making those contracts onerous
- in the contracts we reviewed, we note that the scope of the unlimited liabilities only relate[s] to losses arising from wilful breach or fraud, and breaches of confidentiality, intellectual property rights, and data use policies. We understand that some distributors believe that these liability terms impose significant costs to develop data storage environments and training systems to meet these contractual requirements. We haven't reviewed this matter in detail. However, we think that these concerns may reduce as distributors' systems and practices mature and the market for low voltage network data develops.[9]

14. In the competitive metering services market, market dynamics could quickly make any information outdated or inaccurate. In this regard, we suggest that the Commission ensure that information about ongoing EDB transactions with unregulated businesses such as metering service providers in the procurement of network data be clearly indicated as 'subject to ongoing commercial negotiations' where that is the case. Market transparency should be supported by timely and accurate information; for example, by fact checking time-sensitive information with the relevant parties before its publication.

Our partnerships with EDBs help them build capability for the future.

15. Bluecurrent is already working on 'what's next' to meet the rising expectations of customers navigating the transition to a highly electrified future. We are trialling our high-frequency and outage management services that provide even more granular network visibility and quicker response to supply and demand changes on the network, enabling the development of more innovative tariffs and flexibility services.

16. EDBs that are benefiting from Bluecurrent's high-frequency and outage management services include, among others:

    - **Vector and Northpower** – We are piloting our high-frequency data service with Vector and Northpower. This service delivers smart meter power quality data every 15 minutes (up to 96 times a day). High-frequency data provides unprecedented visibility of these EDBs' LV networks and supports more real-time orchestration on their networks.[10]
    - **Orion Energy** – Orion was the first EDB to sign up for Bluecurrent's NOD service in 2023.

      Orion is trialling our Outage Management solution, which integrates 15-minute smart meter heartbeats with real-time power quality monitoring. This gives Orion instant visibility into localised faults, brownouts, or single-property outages (and removes the need for householders to call their distributor when their property loses power).

      We are also currently in discussion with Orion on the various data service options for its future needs as part of its ongoing application to the Commerce Commission for a customised price-quality path (CPP) for 2027-2032.

17. We support the Commission clearly signalling its "intention to apply stronger and more direct financial and reputational incentives than in the past to promote change where required".[11] Our October 2025 submission on the Commission's open letter on ensuring its approach to price paths is delivering for consumers suggested that the Commission explore regulatory settings that reward EDBs for delivering specified consumer outcomes, e.g. improved reliability, hosting capacity for CER, network

---

[9] https://www.ea.govt.nz/documents/8309/Exploring_network_visibility_costs_benefits_and_value_-_Discussion_paper.pdf, pages 17 - 18

[10] See https://bluecurrent.co.nz/news/new-high-frequency-power-quality-data-service-for-faults and https://bluecurrent.co.nz/news/powering-up-northlands-energy-resilience.

[11] The Open Letter, page 1

efficiency, etc. This could involve setting clear expectations on the outcomes to be achieved within specific timeframes, while allowing EDBs the flexibility to procure the most efficient tools, such as data services, to achieve them. This will:

- Create immediate demand for existing network operational data services, avoiding the need for costly 'poles and wires' and physical monitoring infrastructure;
- Enable all EDBs to access the same quality of network insights currently benefiting forward-thinking EDBs like Orion, Aurora and Powerco;
- Accelerate the identification and management of constraints on the efficient integration of more DERs to the grid;
- Provide the data foundation necessary for the development of dynamic network pricing (e.g. time-varying tariffs) and flexibility services and markets; and
- Accelerate EDBs' consideration and development of capabilities required for more dynamic network load management (e.g. use of dynamic operating envelopes) as part of EDBs' transformation into distribution system operators (DSOs).

Clearer expectations around consumer outcomes and timeframes would also provide greater certainty for investment decisions that need to be made by data service providers, retailers, flexibility service providers, consumers, and other stakeholders. This could include investments in AI and data mining tools that could bridge the gap between data access/collection and actionable insights, allowing stakeholders or third-party providers to transform raw data into valuable information for decision making.[12]

Bluecurrent will keep working on our existing and emerging partnerships with EDBs to enable them to deliver network and consumer benefits now and in the future.

18. We will keep working to strengthen our existing partnerships with EDBs and forge new ones to enable more EDBs to lift their efficiency levels and performance for the immediate and long-term benefit of electricity consumers.
19. We are confident the ongoing competitive dynamics in New Zealand's metering services market will ensure the value of our data services for EDBs is sustained and will continue to be offered on reasonable terms, negating the need for more prescriptive regulatory settings for these services.
20. We are happy to provide the Commission updates on our existing and emerging network services and progress of our ongoing and forthcoming partnerships with EDBs. Please contact Luz Rose (Senior Regulatory and Policy Partner) at [redacted].
21. Our feedback does not contain confidential information, and we are happy for the Commission to publish it in its entirety.

Yours sincerely

[redacted]

Matt Bostwick
Chief Customer Officer NZ

[12] https://www.comcom.govt.nz/assets/Documents/2025-reset-of-the-electricity-default-price-quality-path-2/Bluecurrent-Submission-on-DPP5-open-letter-7-October-2025.pdf, page 5