

Contents

Market monitoring: Information paper	1
Part 10 Review: Consultation paper	1
DSBF implementation: Code amendments	1
Implementation of an inter-island financial transmission right	2
August SRC meeting: Draft minutes	2
Hedge-market arrangements: Supplementary comment from TrustPower	2
Current consultations	2
Subscription	3

Market monitoring: Information paper

The Authority has prepared an information paper describing its approach to its market monitoring function. The paper covers the purpose of the function, the types of monitoring to be undertaken, scope of activities, and the delineation from compliance monitoring and Commerce Commission responsibilities. The focus of the paper is on the monitoring of competition within all markets under the ambit of the Authority. A future paper will cover monitoring of the reliable supply and operational efficiency components of the Authority's statutory objective.

Although this is not a formal consultation, the Authority welcomes feedback from interested parties on the approach presented in the paper. Feedback should be addressed to Bruce Smith, General Manager Market Performance, whose email address is bruce.smith@ea.govt.nz.

The paper is available at:

- www.ea.govt.nz/industry/monitoring/reports-publications/

Part 10 Review: Consultation paper

The Part 10 proposal presented in the Authority's June 2010 consultation paper has been revised, following consideration of submissions on the June 2010 and May 2011 consultation papers.

The revised proposal will be released this week and will be the fifth consultation for the Part 10 Review project (formerly the Part D Review project).01

A summary of submissions on the June 2010 consultation paper and the Authority's response will also be published this week.

The Authority will undertake further work on matters relating to access to advanced metering infrastructure (AMI) data and the nomination of the metering equipment provider (MEP) during October and November 2011, with the intention of consulting on these issues late this year.

DSBF implementation: Code amendments

Demand-side bidding and forecasting (DSBF) Code amendments have been approved and will be Gazetted in the next two weeks.



The commencement of DSBF (expected in late June 2012) will introduce “conforming” and “non-conforming” grid exit points (GXPs); central forecasting of demand at conforming GXPs; changes to bid processes; a rolling 36-hour schedule period; and new price-responsive and non-response schedules (PRS and NRS). The pre-dispatch schedule (PDS) and schedule of dispatch prices and quantities (SDPQ) will be removed and significant changes made to interfaces with the wholesale information and trading system (WITS).

To help participants undertake changes that will be required to their systems, the Authority is holding a DSBF implementation forum in Wellington on Wednesday 12 October 2011, starting at 9.30am and finishing around 1.30pm.

The forum will cover an overview of DSBF, how the implementation project will be run, project communications, the approach to system testing with the industry, and the project timeline, including key milestones. The System Operator and NZX will detail the changes to the schedules and WITS respectively. The full agenda and venue will be published shortly.

Prospective attendees should register by sending their names and company details to conference@ea.govt.nz with ‘Forum attendee DSBF implementation’ in the subject line. Early travel bookings are encouraged in view of travel associated with the Rugby World Cup.

A summary of submissions from the June 2011 DSBF consultation with the Authority’s response has been published at:

- <http://www.ea.govt.nz/our-work/consultations/priority-projects/demand-side-bidding-forecasting/submissions/>

Implementation of an inter-island financial transmission right

Additional information for the Financial Transmission Right (FTR) Manager Request for Proposals (RFP) has been published. Appendix 6 and the source code for prototype software applications for a subset of two of the FTR manager’s functions are available at:

- <http://www.ea.govt.nz/our-work/programmes/priority-projects/locational-hedges/ftr-implementation/>

August SRC meeting: Draft minutes

Draft minutes of the Security and Reliability Council meeting held on 18 August are available at:

- <http://www.ea.govt.nz/our-work/advisory-working-groups/src/18Aug11/>

Hedge-market arrangements: Supplementary comment from TrustPower

A letter from TrustPower commenting on a submission to the consultation paper “Improving the Opportunities to Hedge New Zealand Electricity Prices” is available at:

- <http://www.ea.govt.nz/our-work/programmes/market/hedge-market-development/>

Current consultations

- Consultation on criteria for assessing alignment against the Information Disclosure Guidelines and Pricing Principles
The consultation paper presents the Authority’s review of the pricing methodologies of a representative sample of

distributors, proposes refinements to the guidelines, and sets out initial criteria for assessing alignment with the pricing principles.

The consultation paper is available at:

<http://www.ea.govt.nz/our-work/consultations/retail/criteria-for-assessing-alignment-information-disclosure-guidelines/>

Starting: 06/09/2011, Ending: 17/10/2011 5:00pm

Subscription

To subscribe or unsubscribe please email: info@ea.govt.nz