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29 September 2011

Ross Hill  
General Counsel  
Electricity Authority  
PO Box 10 041  
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Dear Ross

### **RTANZ and NZAS Annual Wash-up Notification 2010/2011**

Pursuant to Regulation 206 of the Electricity Governance Regulations 2003 (the *Regulations*) and clause 16.7 of the Electricity Industry Participation Code (the *Code*), Rio Tinto Alcan (New Zealand) Limited (*RTANZ*) and New Zealand Aluminium Smelters Limited (*NZAS*), each of which is a Comalco party (as defined in the Regulations) or a Rio Tinto Party (as defined in the Code), hereby notify the Electricity Authority that during the 2010/2011 financial year:

- (a) the following acts or omissions occurred that may have been a breach of Parts, C, F, or G of the Electricity Governance Rules (the *Rules*) but for Subpart 2 of Part 10 of the Regulations or a breach of clause 7.2 or 7.11, or of Parts 8, 12 or 13 of the Code, but for Part 16:
- NZAS is unable to ensure its assets are capable of operating, and do operate, within the voltage range of 198 kV – 242kV prescribed under Part 3 Section III of the Rules or Part 8 of the Code;
  - the Grid Owner has not installed Automatic Under-Frequency Load Shedding at Tiwai Grid Exit Point; and
- (a) neither RTANZ or NZAS advised the Electricity Authority of any anticipated frequent breaches under Regulation 205(2)(b) or clause 16.6(2)(b) of the Code.

RTANZ and NZAS also note that, whilst not a breach of the Code, the frequency range specified in clause 2.2 of the Rules or clause 7.2 of the

Code of between 49.8Hz – 50.2Hz is narrower than the range provided for in the Comalco agreements (under the Rules) or the Rio Tinto agreements (under the Code).

Please note that, as the Code came into force on 1 November 2010, this notification is given under the Regulations for the period 30 June 2010 to 30 October 2010 and is given under the Code for the period 1 November 2010 to 30 June 2011.

Yours sincerely



Ray Deacon  
Director