

Notification of the Authority's Decision under regulation 29 of the Electricity Industry (Enforcement) Regulations 2010

Under regulation 29(1) of the Electricity Industry (Enforcement) Regulations 2010 (Regulations) the Electricity Authority (Authority) must publicise every decision made under regulation 23(3) together with the reasons for the Authority's decision.

Investigation

On 30 April 2009, the Electricity Commission (Commission) appointed an investigator under regulation 69 of the Electricity Governance Regulations 2003 to investigate the self-reported breach of rule 2.2.1 of schedule J3 of part J of the Electricity Governance Rules 2003 (Rules) on 17 March 2009 by TrustPower Limited (TrustPower).

No participants joined this investigation.

On 26 August 2009, the Commission appointed an investigator under regulation 69 of the Electricity Governance Regulations 2003 to investigate further self-reported breaches of rule 2.2.1 of schedule J3 of the Electricity Governance Rules 2003 (Rules) from 21 April 2009 to 17 July 2009 by TrustPower.

Contact Energy Limited joined this investigation as an affected participant.

TrustPower reported that it breached rule 2.2.1 of schedule J3 of part J of the Rules by not using the values from the published seasonal adjustment shape when applying the methodology described in rule 2.2.1 of schedule J3 of part J.

On 1 November 2010, the Commission was disestablished and the Authority was established in its place. Section 139 of the Electricity Industry Act 2010 provides that the Authority takes over responsibility for dealing with every matter, such as a complaint about a breach, or possible breach, of the Rules, or an investigation, that was before the Commission immediately before its disestablishment, provided the matter had not already been referred to the Rulings Panel.

On 22 March 2012, the Authority received and considered a report which reported on both investigations and recommended that the investigations be discontinued.

The Authority's decision

On 22 March 2012, the Authority decided under regulation 23(3)(a) to discontinue the investigations.

Reasons for the Authority's decision

The reasons for the Authority's decision to discontinue the investigations were that:

- (a) the self-reported breaches caused minimal market impact because, except for four months, all market impact was cleared as TrustPower used the published seasonal adjustment files for the final month 14 revisions; and
- (b) the parties to the investigation had no settlement requirements.