

Commission Update – 20 September 2010

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Notice of intention to grant exemption – Meridian Energy Limited, Orion New Zealand Limited, and MainPower New Zealand Limited

Pursuant to regulation 194(3)(b) of the Electricity Governance Regulations 2003, the Commission is notifying an intention to grant an exemption to Meridian Energy Limited, Orion New Zealand Limited, and MainPower New Zealand Limited, from compliance with several rules in part E of the Electricity Governance Rules 2003. The exemption has been proposed as a result of the Canterbury earthquake on 4 September 2010.

The notice of intention to grant an exemption is available at:

http://www.electricitycommission.govt.nz/rulesandregs/exemptions

Submissions on the proposed exemption should be sent to

<u>submissions@electricitycommission.govt.nz</u> by 5.00pm on Friday 24 September 2010.

Exemption 114 (Mighty River Power Limited) granted

Mighty River Power Limited has been granted exemption from compliance with rule 5.3 of schedule J3 of part J of the Electricity Governance Rules 2003.

Details of the exemption are available at:

• http://www.electricitycommission.govt.nz/rulesandregs/exemptions/index.html

Exemption 117 (Contact Energy Limited) granted

Contact Energy Limited has been granted exemption from compliance with rule 3.2 of part D and rule 5 of schedule J3 of part J of the Electricity Governance Rules 2003.

Details of the exemption are available at:

http://www.electricitycommission.govt.nz/rulesandregs/exemptions/index.html

Exemption 119 (TrustPower Limited) granted

TrustPower Limited has been granted exemption from compliance with rule 3.2 of part D and rule 5 of schedule J3 of part J of the Electricity Governance Rules 2003.

Details of the exemption are available at:

http://www.electricitycommission.govt.nz/rulesandregs/exemptions/index.html

Decision not to lay a formal complaint on alleged breaches

On 30 August 2010 the EGR Committee decided not to lay a formal complaint in relation to the alleged breaches of rules 3.2.1 and 5.2 of section II and rule 8.2 of section III of part F by Transpower New Zealand Limited as a Grid Owner and by Mighty River Power Limited.

It had been alleged that by connecting the MRPL's Kawerau Geothermal Plant to the 110 kV side of the Kawerau substation instead of to 220 kV, the Grid Owner and MRPL may have breached the requirements for the Connection Contract to be consistent with the Connection Code and the Benchmark Agreement.

Details of the decision are available at:

• http://www.electricitycommission.govt.nz/rulesandregs/compliance/decisions

Generator Fault Ride Through Investigation – Stage 2 Report

The Stage 2 report of the investigation to determine a suitable Fault Ride Through (FRT) requirement as part of the Electricity Governance Rules and regulations, has been released.

The report, by Transpower as System Operator, proposes an island based FRT envelope at this stage, because of differences in North and South Island system performance.

The report is available at:

http://www.electricitycommission.govt.nz/opdev/comqual/windgen/ride-through

Agenda: Locational Price Risk Management proposal briefing

A detailed agenda is available for the upcoming briefing on the consultation paper *Managing Location Price Risk*. The paper proposes the introduction of a locational hedge, based on a two-hub inter-island financial transmission right (FTR).

The paper has been released for public submissions and the briefing, being held on 23 September 2010, is intended to provide participants with supplementary information to assist in the preparation of submissions.

To register interest in attending please email: conference@electricitycommission.govt.nz with 'LPRM proposal briefing' in the subject line.

The agenda is available at:

• http://www.electricitycommission.govt.nz/opdev/wholesale/Hedge/transmission-hedges#proposal-and-consultation-september

Workshop feedback: Distribution tariff structures and use of system agreements

Information and documents made available at the distribution tariff structures and use of system agreements workshop on Friday 10 September 2010, including the presentation, are now available at:

http://www.electricitycommission.govt.nz/opdev/mdp/distrib-tariff

Workshop attendees, who have not already provided feedback, are invited to do so by 5pm Friday 24 September using the feedback form available from the link above.

Contacts

Contact details for the Commission are provided at: www.electricitycommission.govt.nz/contact

Subscription

To subscribe or unsubscribe, please email:

info@electricitycommission.govt.nz