

Revised activities schedule

Agreed by TPAG, 25 March 2011

25 March 2011

1 Purpose of this paper

- 1.1.1 This paper has been prepared following the confirmation at the 14 March 2011 TPAG meeting that there remain substantial decisions to be made before a discussion paper can be drafted. This will mean TPAG is unable to meet the dates set out in its initial work plan¹ agreed at the 16 February meeting and will need to agree a revised work plan.
- 1.1.2 This paper:
- (a) proposes a revised schedule of activities for the TPAG work plan reflecting delayed publication of the discussion paper;
 - (b) considers the impact that the delay will have on the time from which any changes to the transmission pricing methodology will be effective.

2 Revised activities schedule for work plan

- 2.1.1 Table 3 of the TPAG work plan approved at the 16 February 2011 meeting set out a schedule of activities for TPAG. The table is reproduced below with revisions to the dates to reflect the delay.

Activity	Dates
TPAG agrees work plan	16 Feb
Key deliverable 1	
TPAG considers TPM options and prepares a discussion paper containing a preferred TPM option (6 weeks):	
• Agree high-level analysis framework	16 Feb
• Review and comment on outline of discussion paper	16 Feb
• Prepare draft of discussion paper	14 Apr
• Publish discussion paper	3 June
Authority appoints expert to provide independent advice on the analysis and recommendations in TPAG's discussion paper	
TPAG consults on discussion paper (4 weeks)	7 June – 30 June
Expert reviews TPAG's discussion paper and provides advice to Authority Board (3 weeks)	7 June – 24 June
Board decides on possible Code amendment for regulatory framework for transmission pricing	6 April
Closing date for submissions on TPAG's discussion paper	30 June
Board considers independent advice from expert on the analysis and recommendations in TPAG's discussion paper	6 July

¹ Available at: <http://www.ea.govt.nz/document/12948/download/our-work/advisory-working-groups/tpag/>

Activity	Dates
Key deliverable 2	
TPAG considers submissions and prepares final recommendations to Board on preferred TPM option (4 weeks excluding Easter)	27 June – 22 July
Board considers TPAG recommendations	3 August
Draft issues paper prepared for consideration by the Board	3 Aug – 1 Sep
Board considers the draft issues paper required under Part 12	14 Sep 2011

The work plan also included a draft schedule of meetings (Table 4) which has not been met.

3 The impact of the delay

3.1.1 The extended timeframe for publishing the discussion paper delays the possible publication of an Issues Paper, draft guidelines and process by the Authority,

3.1.2 The work plan stated that :

If there are to be changes to the TPM in place for April 2013, the Authority must publish an Issues Paper with draft guidelines and process by June/July 2011. Final guidelines and process must also be published by August 2011, and the TPM must be submitted to the Authority by December 2011. However, this timeframe assumes that:

- the TPM determination is straight forward and does not require referral back to Transpower;
- any changes do not require more substantive development by Transpower than the 3 months extra time built into the timeframe; and
- Transpower is willing to undertake some implementation in parallel to other processes, or is able to reduce implementation times.

3.1.3 A delay of approximately two and half months to the publication of a possible Issues Paper, draft guidelines and process will mean that it is unlikely any possible changes to the TPM will be in place for April 2013 unless, in addition to the assumptions above, Transpower is willing to submit a possible new TPM in a shorter timeframe than set out in Figure 1 of the work plan.

4 Recommendations

4.1.1 It is recommended that TPAG approve:

- (a) the replacement of table 3 in the work plan agreed at the 16 February 2011 meeting with the revised schedule of activities in section 2 of this paper.
- (b) the deletion of the draft schedule of meetings in the work plan (table 4 in the work plan).