

# Electricity Industry Participation (Minor Code Amendments) Code Amendment 2014

Pursuant to sections 38 and 39(3) of the Electricity Industry Act 2010, I make the following amendments to the Electricity Industry Participation Code 2010.

At Wellington on the 14<sup>th</sup> day of April 2014



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14 April 2014

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## Amendment

### 1 Title

This is the Electricity Industry Participation (Minor Code Amendments) Code Amendment 2014.

### 2 Commencement

This amendment comes into force on 15 May 2014.

### 3 Code amended

This amendment amends the Electricity Industry Participation Code 2010.

### 4 Clause 1.1 amended (Interpretation)

- (1) In clause 1.1(1), definition of "**constraint price**",—
  - (a) after "**MW**", insert "per hour"; and
  - (b) replace "decreased" with "increased".
- (2) In clause 1.1(1), revoke the definition of "**data logger**".
- (3) In clause 1.1(1), definition of "**offer**", replace "13.17 and" with "13.17 to".
- (4) In clause 1.1(1), definition of "**participant identifier**", after "identify the **participant**" insert ", including".

- (5) In clause 1.1(1), definition of "**risk management contract**", replace paragraph (c) with:  
"(c) an **options contract**; but  
(d) does not include an **FTR**".
  - (6) In clause 1.1(1), definition of "**special protection scheme**",—
    - (a) replace "take" with "takes"; and
    - (b) replace "demand" with "**demand**".
  - (7) In clause 1.1(1),—
    - (a) revoke the definition of "**transmission alternative**"; and
    - (b) insert in its appropriate alphabetical order:  
"**transmission alternative** means an alternative to investment in the **grid**, including investment in local generation, energy efficiency, demand-side management and **distribution network** augmentation set out in Part 12".
- 5 Clause 5.1A amended (Time limit for investigating undesirable trading situation)**  
Amend clause 5.1A as follows:
  - (a) after "investigation if", insert "more than":
  - (b) after "**business days**", delete "or more".
- 6 Clause 7.11 amended (Review of performance of the system operator)**  
In clause 7.11(4), delete "the meeting of" and "at which it".
- 7 Clause 8.31 amended (Grant of dispensations)**  
Amend clause 8.31 as follows:
  - (a) in subclause (1), replace "**assets**, if" with "**assets**, but":
  - (b) in subclause (1)(a), replace "the approval" with "if the approval":
  - (c) in subclause (1)(b), replace "acknowledges" with "must acknowledge":
  - (d) in subclause (1)(c):
    - (i) replace "for the purpose of" with "if the **dispensation** is"; and
    - (ii) replace "a **generator** is" with "the **generator** must be".
- 8 Clause 8.32 amended (Liability of asset owner pending decision)**  
In clause 8.32, replace "**equivalence arrangement or dispensation**" with "non-compliance".
- 9 Clause 8.37 amended (Other provisions relating to equivalence arrangements and dispensations)**  
After clause 8.37(1), insert:  
"(1A) An **asset owner** who is granted a **dispensation** must comply with its obligations under that **dispensation**".
- 10 Clause 8.67 amended (Voltage support costs allocated in 3 parts – nominated peak, monthly peak and residual charges)**  
In clause 8.67(5), after " $\text{Residual}_{\text{ALLZ}} = V \text{ cost}_z - \text{Nom Charge}_{\text{ALLZ}}$ ", insert "-".
- 11 Schedule 8.3, Technical Code A, clause 4 amended**  
In the heading to Schedule 8.3, Technical Code A, clause 4, delete "the" and "a".

- 12 Schedule 8.3, Technical Code B, clause 4 amended**  
In Schedule 8.3, Technical Code B, clause 4, replace "operator" with "**operator**".
- 13 Clause 10.46 amended (Statement of situation)**  
Replace clause 10.46(2) with:  
"(2) A **metering equipment provider** must, within 3 **business days** of receiving the statement of situation, provide copies of it—  
"(a) to the relevant affected **participants** for all **metering installations**; and  
"(b) to the **market administrator**—  
"(i) for all category 3 and above **metering installations**; and  
"(ii) if requested by the **market administrator**, for each **category 1 metering installation** and each **category 2 metering installation**".
- 14 Schedule 10.1, Table 3 amended**  
Amend Schedule 10.1, Table 3 as follows:  
(a) in column 1, row 6, replace "loggers" with "storage devices";  
(b) in column 1, row 8, replace "loggers" with "storage devices".
- 15 Schedule 10.1, Table 5 amended**  
In Schedule 10.1, Table 5, column 1, row 1, replace "logger" with "storage device".
- 16 Schedule 10.2, clause 5 amended**  
In Schedule 10.2, clause 5(b), replace "relevant" with "**relevant**".
- 17 Schedule 10.2, clause 9 amended**  
Amend Schedule 10.2, clause 9 as follows:  
(a) replace "a" with "the";  
(b) replace ", including any responses from the **relevant participant**" with "required under clause 2(f)(iii)".
- 18 Schedule 10.7, clause 11 amended**  
In Schedule 10.7, clause 11(3)(b), replace "a test laboratory" with "an **approved test laboratory** or an **approved calibration laboratory**".
- 19 Schedule 10.7, clause 31 amended**  
In Schedule 10.7, clause 31(7)(b), after "confirm that", insert "a **class A ATH** or".
- 20 Schedule 10.8, clause 4 amended**  
In Schedule 10.8, clause 4(1)(b), replace "subparagraph (i)" with "paragraph (a)".
- 21 Clause 11.15C amended (Process for retailer events of default)**  
In clause 11.15C(2), replace "participant" with "**participant**".
- 22 Clause 11.18 amended (Trader responsibility for ICP)**  
Amend clause 11.18(5) as follows:

- (a) replace "**trade**" with "trade":
- (b) after "for the **ICP**", insert ", unless the **trader** trades only **unmetered load** at that **ICP**".

**23 Schedule 11.1, clause 7 amended**

Amend Schedule 11.1, clause 7 as follows:

- (a) in subclause (1), replace "network" with "**network**":
- (b) in subclause (1)(b), replace "subclauses (4) and (5)" with "subclause (4)":
- (c) replace subclause (1)(h) with:
- "(h) if the **price category** code assigned under paragraph (g) requires a value for the capacity of the **ICP**, the **chargeable capacity** of the **ICP**, as follows:
  - "(i) if the **chargeable capacity** cannot be determined before **electricity** is traded at the **ICP**, a placeholder **chargeable capacity**:"
  - "(ii) if the capacity value can be determined from the **metering information**, no **chargeable capacity**:"
  - "(iii) in any other case, the actual **chargeable capacity**:".

**24 Schedule 11.1, clause 9 amended**

In Schedule 11.1, clause 9(1), delete paragraph (e).

**25 Schedule 11.1, clause 14 amended**

In Schedule 11.1, clause 14(1)(a), replace "and" with "or".

**26 Schedule 11.1, clause 15 replaced**

In Schedule 11.1, replace clause 15 with:

**"15 "New" or "Ready" status for 24 calendar months or more**

"(1) Subclause (2) applies if—

- "(a) an **ICP** has had the status of "New" for 24 calendar months or more; or
- "(b) an **ICP** has had the status of "Ready" for 24 calendar months or more.

"(2) The **distributor** must—

- "(a) ask the **trader** who intends to trade at the **ICP** whether the **ICP** should continue to have that status; and
- "(b) decommission the **ICP** if the **trader** advises that the **ICP** should not continue to have that status."

**27 Schedule 11.2, clause 7 amended**

In Schedule 11.2, clause 7, replace "1" with "2".

**28 Schedule 11.2, new clause 7A inserted**

In Schedule 11.2, after clause 7, insert:

**"7A** Despite clause 7, the **market administrator** may authorise the change if the applicant **distributor** has not notified the **market administrator** within the time frame required under clause 4, if—

- "(a) the applicant **distributor** has complied with clauses 2, 3 and 5; and

- "(b) the **market administrator** considers that it has not been materially disadvantaged by the applicant **distributor's** failure to comply with clause 4."

**29 Schedule 11.3, clause 4 amended**

In Schedule 11.3, clause 4(1)(a), delete "receipt of".

**30 Schedule 11.3, clause 20 amended**

In Schedule 11.3, replace clause 20(1) with:

- "(1) The **Authority** may, from time to time, after consultation with **participants**, do all or any of the following:
- "(a) determine the method by which **participants** exchange information:
  - "(b) determine the file formats that **participants** must use to exchange information:
  - "(c) alter the file formats or the method by which **participants** exchange information."

**31 Schedule 11.4, Table 1 amended**

In Schedule 11.4, Table 1, column 3, row 23, replace "which" with "that".

**32 Clause 12.35 amended (Increased services and reliability)**

Amend clause 12.35 as follows:

- (a) in the heading, replace "services" with "service levels":
- (b) in subclause (1)(a), replace "services" with "service levels".

**33 Clause 12.36 amended (Decreased services and reliability)**

Amend clause 12.36 as follows:

- (a) in the heading, replace "services" with "service levels":
- (b) in subclause (1)(a), replace "services" with "service levels".

**34 Schedule 12.4, clause 3 amended**

Amend Schedule 12.4, clause 3 as follows:

- (a) delete the definition of "**regional coincident peak**":
- (b) insert in its appropriate alphabetical order:  
"**regional coincident peak demand** or **RCPD** for a **customer** at a **connection location** means the **customer's** **offtake** at that **connection location** during a **regional peak demand period**. This definition is subject to clause 34 of this **transmission pricing methodology** and any prudent discount agreement".

**35 Clause 12A.4 amended (Prudential requirements)**

In clause 12A.4(6)(a), after "at the time", insert "the **trader** provides the cash deposit".

**36 Clause 12A.13 amended (Authority may publicise EIEPs that must be used)**

In clause 12A.13, after subclause (5), insert:

- "(6) Despite subclause (4), the **Authority** may **publicise** the **EIEPs** described as EIEP1, EIEP2 and EIEP3 under this clause, despite the **Authority** having



consulted with **participants** that the **Authority** considers likely to be affected by those EIEPs, before this clause came into force."

**37 Clause 13.1 amended (Contents of this Part)**

Amend clause 13.1 as follows:

(a) after paragraph (da), insert:

"(db) the **clearing manager** calculates **constrained off amounts** and **constrained on amounts**; and";

(b) after paragraph (f), insert:

"(fa) **disclosing participants** prepare and submit **spot price risk disclosure statements**; and".

**38 Clause 13.38 amended (Ancillary service agents to submit reserve offers to system operator)**

In clause 13.38(3), after "subclause (1)", insert ", by an **ancillary service agent** that is a **generator**,".

**39 Clause 13.39 amended (Inter-relationship between reserve and energy offers)**

In clause 13.39, after "Accordingly, an **ancillary service agent**", insert "that is a **generator**".

**40 Clause 13.44 amended (How quantity is to be specified in reserve offers)**

Amend clause 13.44 as follows:

(a) replace "in 6 seconds" with "as **fast instantaneous reserves**";

(b) replace "60 seconds" with "**sustained instantaneous reserves**".

**41 Clause 13.47 amended (Quantity changes may be made within 2 hours before trading period)**

In clause 13.47(2), after "submission", delete ", ".

**42 Clause 13.53 amended (Additional information to be provided by participants)**

Amend clause 13.53 as follows:

(a) after "**reserve offer**", insert "for **partly loaded spinning reserve** or **tail water depressed reserve**";

(b) after "**partly loaded spinning reserve**", replace "and" with "or".

**43 Clause 13.60 amended (Block dispatch may occur)**

After clause 13.60(2), insert:

"(3) The **generator** must notify the **system operator** and the **clearing manager** of any change to an agreement for **block dispatch** made under this clause or clause 13.61 at least 5 **business days** before the change takes effect."

**44 Clause 13.61 amended (System operator to notify block security constraints)**

In clause 13.61, revoke subclause (3).

**45 Clause 13.76 amended (Dispatch instructions to be logged)**



In clause 13.76(6), replace "(4)" with "(5)".

**46 Clause 13.80 amended (Dispatch instructions provided to grid owner)**

In clause 13.80(1), replace "electricity" with "active power".

**47 Clause 13.81 amended (Backup procedures if communication not possible)**

In clause 13.81(b), after "generator", insert "or ancillary service agent".

**48 Clause 13.90 amended (Process for publishing real time prices)**

Replace clause 13.90(1)(b)(ii) with:

"(ii) the number of groups of transmission lines or transformers, or both, that have a total MW arc flow equal to the relevant maximum flow limit (in MW) as set by the system operator in accordance with Schedule 13.3:".

**49 Clause 13.194 amended (Clearing manager to calculate constrained off amounts)**

In clause 13.194(2)(c), replace "frequency keeping" with "frequency keeping".

**50 Schedule 13.1, Form 5 amended**

Amend Schedule 13.1, Form 5 as follows:

- (a) replace "Fast Response" with "Fast Instantaneous Reserve" in each place:
- (b) replace "Sustained Response" with "Sustained Instantaneous Reserve" in each place.

**51 Schedule 13.1, Form 6 amended**

Amend Schedule 13.1, Form 6 as follows:

- (a) replace "Fast Response" with "Fast Instantaneous Reserve" in each place:
- (b) replace "Sustained Response" with "Sustained Instantaneous Reserve" in each place.

**52 Schedule 13.1, Form 7 amended**

Amend Schedule 13.1, Form 7 as follows:

- (a) replace "Fast Response Reserve" with "Fast Instantaneous Reserve" in each place:
- (b) replace "Sustained Response Reserve" with "Sustained Instantaneous Reserve" in each place.

**53 Schedule 13.1, Form 9 amended**

Amend Schedule 13.1, Form 9, question 2 as follows:

- (a) replace "caused by a rule" with "caused by a Code":
- (b) replace "specify the rule" with "specify the clause".

**54 Schedule 13.3 amended**

- (1) Replace the heading of Schedule 13.3 with "The Modelling System".
- (2) In the heading of Schedule 13.3, clause 1, delete "the".
- (3) In Schedule 13.3, clause 6(c), replace "demand" with "demand" in each place.

**55 Clause 14.10 amended (Interest will be earned on cash deposits)**

In clause 14.10(1), replace "payer" with "**payer**".

**56 Schedule 14.6, clause 4 amended**

Amend Schedule 14.6, clause 4 as follows:

- (a) in subclause (3), replace "model data" with "information";
- (b) in subclause (5), replace "model data" with "information".

**57 Schedule 14.6, clause 5 amended**

In Schedule 14.6, clause 5(6)(a), replace "model data" with "information".

**58 Clause 15.10 amended (Local network and embedded network submission information)**

In clause 15.10, replace "11.8(1)" with "25(1) of Schedule 11.1".

**59 Clause 15.29 amended (Volume information disputes)**

Amend clause 15.29(12)(b) as follows:

- (a) after "**reconciliation participant** whose", replace "**submission**" with "**volume**";
- (b) replace "corrected **submission information**" with "corrected relevant information".

**60 Clause 15.33 amended (The Authority publishes reports)**

In clause 15.33, replace "publish" with "**publish**".

**61 New cross heading inserted**

Above clause 15.38, insert the cross heading "*Certification*".

**62 Clause 15.38 amended (Functions requiring certification)**

After clause 15.38(1A), insert:

"(1B) For the purposes of subclause (1A), each reference to a **reconciliation participant** in Schedule 15.1 is to be read as a reference to a **dispatchable load purchaser**".

**63 New cross heading inserted**

Above clause 15.39, insert the cross heading "*Participant identifiers*".

**64 Schedule 15.1, clause 8A amended**

In Schedule 15.1, clause 8A(3), replace "certification" with "**certification**".

**65 Schedule 15.2, clause 17 amended**

In Schedule 15.2, clause 17(4)(f), replace "list" with "log".

**66 Schedule 15.3, clause 2 amended**

In Schedule 15.3, clause 2(1)(c), replace "**relevant information**" with "relevant information".

**67 Schedule 15.4, clause 16 amended**

Amend Schedule 15.4, clause 16 as follows:

- (a) in subclause (1), definition of  $Q_{BA-EN}$ , replace "supplied" with "conveyed";
- (b) in subclause (2), definition of  $Q_{ICPD-LA}$ , replace "supplied" with "conveyed".

**68 Schedule 15.4, clause 22 amended**

In Schedule 15.4, clause 22, replace "**loss**" with "loss".

**69 Schedule 15.5, clause 17 amended**

In Schedule 15.5, clause 17(2), replace "**volumes**" with "**information**".

**70 Schedule 15.5, clause 18 amended**

In Schedule 15.5, clause 18(2), replace "**submission volumes**" with "**non half hour submission information to trading periods**".

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### **Explanatory Note**

*This note is not part of the Code amendment, but is intended to indicate its general effect.*

The amendment makes various minor amendments to the Electricity Industry Participation Code 2010 ("Code") including:

- (a) adding bold to defined terms, or removing bold from terms that are not defined;
- (b) placing defined terms into the correct alphabetical order;
- (c) removing unnecessary words;
- (d) correcting clause headings and contents clauses;
- (e) correcting wording where the context is clear that the wrong wording has been used; and
- (f) reducing minor obligations on participants.

This amendment to the Electricity Industry Participation Code 2010 comes into force on 15 May 2014.

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Date of notification in the *Gazette*: 17 April 2014