

## Report on Market Operation Service Providers' Compliance

**May 2014**

This report includes:

- The publication of the sections of the reports of the Pricing Manager, received in the previous month that relate to breaches of the Electricity Industry Participation Code (Code) by the Pricing Manager, as required by clause 13.214 of the Code
- the publication of the sections of the reports of the Clearing Manager, received in the previous month and to align with this report the current month that relate to breaches of the Code by the Clearing Manager, as required by clause 14.75 of the Code
- the republication of the sections of any reports of the Reconciliation Manager, received in the previous month that relate to breaches of the Code by the Reconciliation Manager under clause 15.33 of the Code<sup>1</sup>
- the republication of the sections of any reports of the FTR Manager, received in the previous month that relate to breaches of the Code by the FTR Manager
- any self-reported breaches of the Code by the Registry Manager for the previous calendar month
- any self-reported breaches of the Code by the Market Administrator for the previous calendar month<sup>2</sup>
- the publication of sections of the reports of the System Operator, received in the previous month that relate to breaches of the Code by the System Operator, as required by clause 13.102(2) of the Code, and the System Operator's discretionary action as required by clause 13.102(1)(c).

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<sup>1</sup> Under clause 15.33 of the Code, the Authority must publish the sections of the reports that relate to an alleged breach of the Code by the Reconciliation Manager by 0930 hours on the business day following the day on which the Authority receives the report. These reports are available at <http://www.ea.govt.nz/industry/market/statistics-reports/reconciliation-manager-monthly-breach-reports/>

<sup>2</sup> The Code does not require the Market Administrator to publish any self-reported breaches of the Code by the Market Administrator. However, the Market Administrator has chosen to do so.

**Self-reported breaches by the Pricing Manager (under clause 13.213 of the Code)**

There were no self reported breaches by the Pricing Manager.

**Self-reported breaches by the Clearing Manager (under clause 14.74 of the Code)**

Date of breach	Clause breached	Nature of breach	Reason for breach	Late invoice issue? (Y/N)
13/05/2014	14.40(fa)	FTR acquisition costs on April 2014 invoices were incorrect by a relatively small margin as day light savings was not fully taken into account..	Incorrect processing due to analyst error.	N

**Self-reported breaches by the Reconciliation Manager (under clause 15.30(1) of the Code)**

Note that this is a summary of the reconciliation manager monthly breach report which is published separately

Clause breached	Reason for breach																												
Clause 7(3) of schedule 15.4	Due to a bug in the reconciliation system, which has now been fixed, the Reconciliation manager's software failed to create some penal records in compliance with clause 7(3) of Schedule 15.4 of the Code during the following reconciliation runs:																												
	<table border="1"> <thead> <tr> <th>Month</th> <th>Revision</th> </tr> </thead> <tbody> <tr> <td>Jun-08</td> <td>1</td> </tr> <tr> <td>Nov-09</td> <td>7, 14</td> </tr> <tr> <td>Feb-10</td> <td>0</td> </tr> <tr> <td>May-10</td> <td>0</td> </tr> <tr> <td>Nov-10</td> <td>0</td> </tr> <tr> <td>Apr-11</td> <td>0</td> </tr> <tr> <td>May-11</td> <td>0</td> </tr> <tr> <td>Jun-11</td> <td>0</td> </tr> <tr> <td>Mar-13</td> <td>0, 1, 7</td> </tr> <tr> <td>Apr-13</td> <td>0,1</td> </tr> <tr> <td>May-13</td> <td>0,7</td> </tr> <tr> <td>Jul-13</td> <td>3</td> </tr> <tr> <td>Sep-13</td> <td>1</td> </tr> </tbody> </table>	Month	Revision	Jun-08	1	Nov-09	7, 14	Feb-10	0	May-10	0	Nov-10	0	Apr-11	0	May-11	0	Jun-11	0	Mar-13	0, 1, 7	Apr-13	0,1	May-13	0,7	Jul-13	3	Sep-13	1
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	May-13	0,7																											
Jul-13	3																												
Sep-13	1																												

**Self-reported breaches by the FTR Manager (Not required by the Code)**

There were no self-reported breaches by the FTR Manager.

**Self-reported breaches by the Registry Manager (Not required by the Code)**

There were no self reported breaches by the Registry Manager.

**Self-reported breaches by the Market Administrator**

There were no self reported breaches by the Market Administrator.

**Self-reported breaches by the System Operator (under clause 13.102 (2) of the Code)**

<b>Date of breach</b>	<b>Time of breach</b>	<b>Rule breached</b>	<b>Nature of breach</b>
29 October 2013	9:00	Part 13 - 13.3, 7(g)(ii)	<p>Party: Transpower</p> <p>System operator failed to use information from the Grid Owner regarding the HVDC link configuration, capacity and losses</p> <p>Our Ref: EGR 2676</p>
15 March - 16 March 2014	22:00	Part 13 - 13.58A(1)(e)(i) and 13.58A(2)(d)(i)	<p>Party: Transpower</p> <p>Transpower failed to prepare a price responsive schedule using information provided about the AC transmission system configuration, capacity and losses</p> <p>Our Ref: EGR 2788</p>
15 January 2014	15:00	Part 13 - 13.71(h)	<p>Party: Transpower</p> <p>The system operator failed to use the current output level of a generator in determining dispatch instructions</p> <p>Our Ref: EGR 2727</p>
17 January 2014	9:00 - 9:57	Policy Statement - 30.1B	<p>Party: Transpower</p> <p>Transpower failed to correctly apply a market system constraint</p> <p>Our Ref: EGR 2730</p>

**Discretionary action by the System Operator (under clause 13.102 (1) of the Code)**

<b>Time</b>	<b>Nature Of Divergence</b>	<b>Reason for Divergence</b>
11:04	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 174 Start: 30-Apr-2014 11:04 End: 30-Apr-2014 11:30 Notes: Tiwai Aluminium Smelter Line 3 Off load Last Dispatched Mw: 360
04:54	DISCRETION	DCS HAY2201 P2S Discretion Clause 13.70, Part 13 EN Max : 125 Start: 03-May-2014 04:55 End: 30-Apr-2014 11:30 Notes: Maximum constraints applied to manage HVDC ramp rate limitations and to ensure a secure HVDC ramp off in preparation for the HVDC Bi-pole outage which starts at 05:00. Last Dispatched Mw: 162.5
11:05	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 337 Start: 06-May-2014 11:05 End: 06-May-2014 11:30 Notes: Planned offload line #3 of 188MW. Last Dispatched Mw: 525
19:01	DISCRETION	SWN2201 SWN5 Discretion Clause 13.70, Part 13 ENR Min : 35 Start: 06-May-2014 19:01 End: 06-May-2014 20:00 Notes: Last Dispatched Mw: 0. SWN. SWN required on min=35 to clear ARI-HAM violations due to low generation north of ARI (due to reduced OTC), upper NI peak loads and no ARI or KIN split being in place.
11:01	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 400 Start: 08-May-2014 11:01 End: 08-May-2014 11:30 Notes: Emergency potline Line 2. Last Dispatched Mw: 525
07:40	DISCRETION	SWN2201 SWN5 Discretion Clause 13.70, Part 13 ENR Max : 0 Start: 09-May-2014 07:40 End: 09-May-2014 08:00 Notes: Rule 13.82a claimed Last Dispatched Mw: 12.95
11:28	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 415 Start: 09-May-2014 11:28 End: 09-May-2014 12:00 Notes: Emg potline Last Dispatched Mw: 595
11:02	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 415 Start: 10-May-2014 11:02 End: 10-May-2014 11:30 Notes: Potline 2 180 MW Last Dispatched Mw: 595
18:23	DISCRETION	COB0661 COB0 Discretion Clause 13.70, Part 13 EN Min : 4 Start: 10-May-2014 18:23 End: 10-May-2014 19:30 Notes: Security to prevent voltage violations in Upper SI if COB dispatched off. Last Dispatched Mw: 8.25
00:19	DISCRETION	OTA2202 OTC0 Discretion Clause 13.70, Part 13 EN Min : 220 Start: 12-May-2014 00:19 End: 12-May-2014 05:30 Notes: Rule 13.82a claimed. Would take longer than a day to start if shutdown. Required for Monday, standby residual shortfall already exists. Last Dispatched Mw: 207.94
18:05	DISCRETION	SWN2201 SWN5 Discretion Clause 13.70, Part 13 EN Min : 30 Start: 12-May-2014 18:05 End: 12-May-2014 18:30 Notes: Low north island Residual Last Dispatched Mw: 30.98
11:01	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 409 Start: 13-May-2014 11:01 End: 13-May-2014 11:30 Notes: Potline 3 off load 186MW Last Dispatched Mw: 595
13:03	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 409 Start: 13-May-2014 13:03 End: 13-May-2014 13:08 Notes: Potline 1 off load 186MW Last Dispatched Mw: 595

11:04	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 534 Start: 16-May-2014 11:04 End: 16-May-2014 11:30 Notes: TWI potline Line 1 180MW Last Dispatched Mw: 714
11:00	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 526 Start: 18-May-2014 11:05 End: 18-May-2014 11:12 Notes: Potline 3 188MW Last Dispatched Mw: 714
12:18	DISCRETION	KAW0112 ONU0 Discretion Clause 13.70, Part 13 ENR Max : 42 Start: 19-May-2014 12:18 End: 19-May-2014 12:30 Notes: Last Dispatched Mw: 44.4
17:02	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 410 Start: 19-May-2014 17:02 End: 19-May-2014 17:30 Notes: Potline, Line # 1, 185 MW. Last Dispatched Mw: 595
18:37	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 475 Start: 21-May-2014 18:37 End: 21-May-2014 19:00 Notes: Potline 1 of 120MW Last Dispatched Mw: 595
11:06	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 407 Start: 22-May-2014 11:06 End: 22-May-2014 11:30 Notes: Planed offload line 3, 188MW. Last Dispatched Mw: 595
16:05	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 480 Start: 22-May-2014 16:05 End: 22-May-2014 16:30 Notes: Planned reduction on line 2, 115MW. Last Dispatched Mw: 595
10:05	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 475 Start: 23-May-2014 10:05 End: 23-May-2014 10:30 Notes: Line 1 potline reduction - 120MW Last Dispatched Mw: 595
11:04	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 532 Start: 24-May-2014 11:04 End: 24-May-2014 11:30 Notes: Line 1 potline. 182MW. Last Dispatched Mw: 714
18:35	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 604 Start: 24-May-2014 18:35 End: 24-May-2014 19:00 Notes: Planned reduction line 1 , 110MW. Last Dispatched Mw: 714
05:35	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 376 Start: 25-May-2014 05:35 End: 25-May-2014 06:00 Notes: TWI planned line 1 offload Last Dispatched Mw: 557
10:29	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 529 Start: 25-May-2014 10:29 End: 25-May-2014 11:00 Notes: Planned Potline Line 2 185MW Last Dispatched Mw: 714.
12:33	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 534 Start: 25-May-2014 12:33 End: 25-May-2014 13:00 Notes: Planned Potline Line 1 180 MW Last Dispatched Mw: 714.
21:39	DISCRETION	ARG1101 BRR0 Discretion Clause 13.70, Part 13 ENR Max : 0 Start: 25-May-2014 21:39 End: 25-May-2014 22:00 Notes: BLN_KIK_1 Tripped Last Dispatched Mw: 8
11:04	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 410 Start: 26-May-2014 11:04 End: 26-May-2014 11:30 Notes: Potline 1 410MW Last Dispatched Mw: 595
15:25	DISCRETION	ARG1101 BRR0 Discretion Clause 13.70, Part 13 ENR Max : 0 Start: 26-May-2014 15:30 End: 26-May-2014 16:00 Notes: To restore ARG_BLN1 CCT. Last Dispatched Mw: 11

16:39	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 475 Start: 26-May-2014 16:39 End: 26-May-2014 17:00 Notes: Potline 1 120 MW Last Dispatched Mw: 595
04:04	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 485 Start: 27-May-2014 04:04 End: 27-May-2014 04:30 Notes: Potline 1 110MW Last Dispatched Mw: 595
08:37	DISCRETION	SWN2201 SWN5 Discretion Clause 13.70, Part 13 ENR Min : 30 Start: 27-May-2014 08:37 End: 27-May-2014 09:00 Notes: Severe capacity issues this morning. Very low residuals and reserve infeasibilities require this unit on for security of the national grid. Last Dispatched Mw: 6.51
08:38	DISCRETION	WHI2201 WHI0 Discretion Clause 13.70, Part 13 ENR Min : 30 Start: 27-May-2014 08:38 End: 27-May-2014 09:00 Notes: Severe capacity issues this morning. Very low residuals and reserve infeasibilities require this unit on for security of the national grid. Last Dispatched Mw: 29.5
06:38	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 485 Start: 28-May-2014 06:38 End: 28-May-2014 07:00 Notes: Tiwai Aluminium Smelter Line 1 offload. Last Dispatched Mw: 595
11:05	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 414 Start: 28-May-2014 11:05 End: 28-May-2014 11:30 Notes: Line 2 offload (181MW) Last Dispatched Mw: 595
22:05	DISCRETION	MAN2201 MAN0 Discretion Clause 13.70, Part 13 EN Max : 300 Start: 30-May-2014 22:05 End: 30-May-2014 22:30 Notes: Tiwai Aluminium Smelter Line 1 reduction. Last Dispatched Mw: 476

This report was published by the Market Administrator on 23 June 2014. For further inquiries please contact the Market Administrator at the Electricity Authority or send an email to [marketoperations@ea.govt.nz](mailto:marketoperations@ea.govt.nz).