



1 June 2004

AMENDMENT TO EXEMPTION NOTICE – Application #4

Pursuant to Regulation 194(5)(d) of the Electricity Governance Regulations 2003, this Exemption Notice is issued by the Electricity Commission, formally constituted as the Electricity Governance Board (“the Commission”) in favour of Todd Energy Limited (“Todd Energy”) and King Country Energy Limited (“KC Energy”).

This exemption is an amendment of the original exemption granted under Regulation 194 to Todd Energy and KC Energy, published in the *New Zealand Gazette*, 26 February 2004, page 423.

Subject to any terms and conditions imposed upon Todd Energy and KC Energy, the Commission hereby grants Todd Energy and KC Energy an exemption from the requirement to comply with the following Electricity Governance Rule:

1. Rule 4.9 of section III of part G (dispatch instructions).

Exemption Notice to appear in the *New Zealand Gazette*

Regulation 194(2) requires that an exemption, and the Commission’s reasons for granting it, must be notified in the *New Zealand Gazette* as soon as practicable after being granted. Accordingly, the exemption and the Commission’s reasons for granting them, shall be notified in the *New Zealand Gazette* on 3 June 2004.

Terms and Conditions of Grant of Exemption

Pursuant to Regulation 194(1), the Commission may, in its discretion and upon the terms and conditions (if any) that it thinks fit, grant an exemption. In respect of the exemption contained within this Exemption Notice the Commission imposes the following terms and conditions:

1. The exemption shall expire on 30 June 2004.
2. The exemption is only in relation to dispatch instructions for the Mangahao power station at the MHO0331 node.

Board’s Reasons for Granting the Exemption Contained in this Notice

The reasons for granting the exemption are as follows:

- (a) Todd Energy and KC Energy have been in discussions with the system operator about a means by which they can receive and relay dispatch

instructions. The discussions have been completed and facilities are likely to be in place by late June 2004.

- (b) The Commission is unable to identify any participants who would be unduly affected by the grant of the exemption.
- (c) The Commission considers it is practical to grant the exemption to allow Todd Energy and KC Energy sufficient time to implement facilities which comply with the rule.

Date upon which the Exemptions become Effective

Pursuant to Regulation 195, the date upon which the exemptions contained in this Exemption Notice take effect is 3 June 2004.

Pursuant to regulation 194(5)(c) the Commission will publicise the exemption on the Commission's website.

For and on behalf of the
ELECTRICITY GOVERNANCE BOARD

Roy Hemmingway
Chairman