

**Electricity Governance Regulations (Exemption
No. 45 (Transpower New Zealand Limited))
Exemption Notice 2007**

Pursuant to Regulation 194(2) of the Electricity Governance Regulations 2003, the Electricity Commission (“Commission”) gives the following notice.

Notice

1. Title and commencement—(1) This notice is the Electricity Governance Regulations (Exemption No. 45 (Transpower New Zealand Limited)) Exemption Notice 2007.

(2) This notice comes into force on the day after the date it is notified in the *New Zealand Gazette*.

2. Exemption—Transpower New Zealand Limited (“Transpower”) is exempted from compliance with Rule 3.1.3.2(b) of Section II of Part F of the Electricity Governance Rules 2003 (“Rules”).

3. Terms and conditions—This exemption is granted on the condition that it expires on 26 October 2007.

4. Reasons for granting the exemption—The reasons for granting this exemption are:

- (a) Transpower is not currently able to comply with some of the requirements of Section II of Part F of the Rules as they relate to determining the content of the schedules of draft default transmission agreements;
- (b) the Commission is consulting on proposed rule changes to address this issue. These rule changes, if made by the Minister of Energy, are likely to come into effect by 25 October 2007;
- (c) the exemption will allow time for the Commission to consult on the proposed rule changes and (depending on the results of the consultation) recommend them to the Minister;
- (d) not granting the exemption may result in unwarranted costs relating to disputes and rule breach procedures that occur while the proposed rule changes are being consulted on and considered. These costs would be obviated if the proposed rule changes proceed; and
- (e) if the rule changes do not proceed, Transpower will need to comply with the Rules, as they currently stand, from the date the exemption expires.

Dated at Wellington this 16th day of August 2007.

For and on behalf of the Electricity Commission:

PETER HARRIS, Deputy Chair.

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