

Notification of the Commission's Decision Pursuant to Regulation 91(1)

Under regulation 91(1) of the Electricity Governance Regulations 2003 (Regulations) the Electricity Commission (Commission) must publicise every decision made under regulation 86(2) or regulation 90(2) or regulation 90(3), together with the reasons for the Commission's decision.

Investigation

On 1 October 2008, the Commission appointed an investigator under regulation 69 of the Regulations to investigate the self-reported breach of rule 4.11 of section III of part G of the Electricity Governance Rules 2003 (Rules) by Genesis Energy (Genesis).

The System Operator and TrustPower joined the Investigation as affected parties.

The breach occurred on 5 August 2008 when Genesis acknowledged, but did not comply for 35 minutes with dispatch instructions for Huntly Unit 2. Genesis' operator had put the unit on manual dispatch as part of the process to reduce the unit's output and forgot to return it to auto dispatch.

On 27 January 2010 the Commission received and considered a report and a recommendation not to lay a formal complaint from the Investigator.

The Commission's Decision

On 27 January 2010, in respect of this breach the Commission decided under regulation 90 not to lay a formal complaint.

Reasons for the Commission's Decision

The reasons for the Commission's decision were that:

- Genesis has undertaken a number of actions to improve its compliance with dispatch instructions; and
- The parties to the Investigation had no settlement requirements. The parties considered the actions taken by Genesis to prevent recurrence to be commendable; and
- The breach had minimal market impact.