

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 19 March 2008, the Commission appointed an investigator under regulation 69 of the Regulations to investigate the following alleged breach of the Electricity Governance Rules 2003 (Rules) by Meridian Energy Limited (Meridian).

- Admitted breach of rule 4.2 of schedule G7 of part G of the Rules, alleged by the Market Administrator.

The breach was caused by an incorrect business rule in Meridian's reconciliation software that calculated in the historical estimate calculation, the "lifetime" average consumption for meter registers that had been removed from service rather than using the most recent actual reads for the removed meter registers.

On 17 March 2009 the Commission received and considered a report and a recommendation from the Investigator.

The Commission's Decision

On 17 March 2009 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:

- Meridian has corrected its software and has been compliant with the Rules since August 2007. Meridian has submitted washup data to the Reconciliation Manager on the correct basis for the period 1 September 2005 to 31 July 2007.
- Mighty River Power's settlement requirement has been met with an off market agreement with Meridian. The other parties to the Investigation had no settlement requirements and therefore there was no need for a formal settlement agreement.