

Summary of information for proposed Policy Statement Amendment 2015

Clause/s	Short Description	Explanation	Objective	Alternatives	Benefits	Costs
25 27 27A 28 29 30.1A 30.1B 30.2 30.B 30.C 30.D 30.E 30.G 30.H 30.4 87.9 88.A 88.B 88.1 89.1 90.1	Clarification and simplification of constraint definitions	To provide greater clarity and understanding of the associated policies the constraint definition has been simplified. Details remain available through information published on the system operator's website. This allows the reader to better understand the policy and its purpose without the distraction of confusing terminology.	To improve clarity for readers of the policy.	It was considered whether further explanation should be added but was not chosen as was considered likely to increase the opportunity for misinterpretation.	Improve clarity of policy information used by market participants.	No costs identified - the change is administrative in nature.
30.1 30.1AA	Clarification and simplification of constraint definitions, and increased timeframes for participants	To provide greater clarity and understanding of the associated policies the definition has been simplified. Details remain available through information published on the system operator's website. This allows the reader to better understand the policy and its purpose without the distraction of confusing terminology. To provide information that enables participants to make decisions in a timely manner. The change increases the notification timeframe of outage mitigation information to participants. By increasing the timeframes to four weeks, where practicable, the system operator is responding to participants' request for constraint information to be provided sooner.	To provide clarity for reader of the policy. To provide industry relevant information regarding outage management which impact costs to industry and the end consumers.	No alternatives were identified.	Improve the clarity of information used by market participants. Improve the certainty of market participants in the actions taken by the system operator. Improve the notification timeframe to enable better decision making by market participants.	No costs identified - the change is administrative in nature.

32.2	Time to make RMT changes	The system operator needs to ensure it has time to incorporate Asset Capability Statement changes into RMT. This process takes time and is not immediate.	To better reflect actual practise and process in policy.	No alternatives were identified. This is a part of the tool update process.	Improve the certainty of market participants in the actions taken by the system operator.	No costs identified - the change is administrative in nature.
89.2	Change to incorporate Dispatchable Demand	Change includes changes made to nominated bids as well as generation and reserve offers.	To better reflect operational practise and process in policy.	No alternatives were identified.	Improve the certainty of market participants in the actions taken by the system operator.	No costs identified - the change is administrative in nature.
90.1	Tiwai Reduction Line Change Process, removing the need to dispatch the responding generator.	<p>It was identified that a potential efficiency and reliability gains could be made through a change to the potline change process by removing the need to dispatch the generator who is matching the load change at Tiwai.</p> <p>The change aims to recognise the unique circumstance that is a reduction line change and reduce the possibility for disruption to other generators. This is created by allowing generators to remain stable and not react to successive dispatches.</p>	Provide a more efficient Tiwai reduction line process that benefits all participants.	Maintaining the need to dispatch was considered but the efficiency gains and reduction in potential impact on other participants counted against this option.	<p>Reduction in the number of dispatch process errors relating to the potline reduction process.</p> <p>Reduction in the negative cost impact of potline changes.</p> <p>Improve the efficiency of the potline reduction process.</p>	No market costs identified - this is a simplification of the operational process and reduces the manual intervention points during a reduction line change.
98.4 111 113 116.1 124 125	Removal of clause that duplicated obligations found in the Code.	The system operator relies on test information from asset owners but this can take time to receive. The system operator and other participants recognised that reliance should be given to Code provisions that support the provision of this information 8.25(4) instead of creating obligations within the Policy Statement, where obligations are for the system operator.	Remove obligations created on other participants from the Policy Statement and rely on obligation created by the Code to fulfil an identified need.	No alternatives were identified.	Improve the clarity of obligations for participants.	No costs identified - the change is administrative in nature.
105 106 111.1 111.2 111.3 111.4 112 112.1 112.2	Several clause repeated clauses from the Code	Repetition of clauses from the Code within the Policy Statement was potentially confusing for participants. The removal of these clauses removes this confusion.	Remove any potential confusion to participants.	No alternatives were identified.	Simplify and clarify obligations for participants, remove confusion of the purpose of the Policy Statement	No costs identified - the change is administrative in nature.

135 - 155	Clarification and simplification of the Conflict of interest policies and processes	Clarification and simplification of overly repetitive and potentially confusing clauses.	These clauses were repetitive and confusing. The purpose of this amendment is to simplify and clarify the policy. Allowing any reader to more easily understand the policy and its application as part of system operator service and processes.	No alternatives were identified.	Simplify and clarify understanding of the system operator Conflict of Interest Policy.	No costs identified - the change is administrative in nature.
156 156.1 156.2 156.3 156.4 156.5 156.6 156.7 156.8	Removal of Business Performance Policy	It was identified that the Business Performance Policy is a product of a previous time and has been superseded by changes to the System Operator's relationships with the Electricity Authority and Industry.	Remove the Business Performance Policy	The intent of this policy is fulfilled through other means, SOSPA, Charter and Joint Work Plan	Removal of no longer needed clauses improving efficiency and clarifying purpose	No costs identified - the change is administrative in nature.
159 164 169 170 172 173 178.4	Glossary of Terms updated	Terms updated to align with clause changes within the Policy Statement	Ensuring that participants understand the terms used within clauses and clarifying understanding of clauses	No alternatives were identified.	Clarity for participants	No costs identified - the change is administrative in nature.