

## **Electricity Industry (Exemption No. 239 (Electrica Limited)) Exemption Notice 2016**

In accordance with section 11 of the Electricity Industry Act 2010 (“Act”), the Electricity Authority gives the following notice.

### **Notice**

**1. Title and commencement**—(1) This notice is the Electricity Industry (Exemption No. 239 (Electrica Limited)) Exemption Notice 2016.

(2) This notice comes into force on **1 July 2016**.

**2. Exemption**—Electrica Limited (“Electrica”) is exempted from complying with the obligation in clause 15.38 of the Electricity Industry Participation Code 2010 (“Code”) to obtain and maintain certification as a reconciliation participant.

**3. Term**—This exemption expires at the earlier of:

- a. the close of **31 January 2017**;
- b. Electrica being responsible for more than 100 installation control points (“ICPs”); and
- c. Electrica being responsible for an ICP with a metering installation category of 2, 3, 4 or 5.

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

- a. granting the exemption will assist a small new entrant trader to enter the market, which could lead to increased competition for the long-term benefit of consumers;
- b. granting the exemption will enable a conclusive audit outcome for Electrica;
- c. the proposed exemption will have little or no impact on other participants or service providers, and will not affect any other Code provisions;
- d. several other new entrant traders have been granted exemptions from clause 15.38 with similar criteria;
- e. there is a Code amendment in progress to allow reconciliation participants, like Electrica, who meet certain criteria additional time to have an audit for certification; and
- f. granting the requested exemption meets the requirements in section 11(2) of the Act.

Dated at Wellington this 7th day of June 2016.

For and on behalf of the Electricity Authority:

HON ROGER SOWRY, ONZM, Member, Electricity Authority.