Report on market operation service providers' compliance

November 2016

This report includes:

- the publication[1] of the sections of the reports that relate to breaches of the Electricity Industry Participation Code (Code) by the pricing manager, received by the market administrator in the previous calendar month

- the republication[2] of the sections of the reports that relate to breaches of the Code by the clearing manager, received by the market administrator in the previous calendar month

- the republication[3] of the sections of the initial report that relate to breaches of the Code by the reconciliation manager, received by the Authority in the current calendar month

- the republication of the sections of the report that relate to breaches of the Code by the FTR manager, received by the Authority during the previous calendar month

- the republication of the sections of the report that relate to breaches of the Code by the registry manager, received by the Authority during the current calendar month

- the publication of any self-reported breaches of the Code by the market administrator for the previous calendar month

- the republication of sections of the report that relate to breaches of the Code by the system operator and the system operator's discretionary action, received by the market administrator in the previous month.

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[1] As required by clause 13.214 of the Code

[2] As required by clause 14.69 of the Code

[3] Clause 15.33 of the Code requires the Authority to publish the sections of the reports that relate to an alleged breach of the Code by the reconciliation manager by 0930 hours on the business day following the day on which the Authority receives the report. These reports are available at http://www.ea.govt.nz/industry/market/statistics-reports/reconciliation-manager-monthly-breach-reports/.

Self-reported breaches by the pricing manager *(under clause 13.213 of the Code)*

There were no self-reported breaches by the pricing manager.

Self-reported breaches by the clearing manager *(under clause 14.74 of the Code)*

There was one self-reported breach by the clearing manager.

By 1600 hours on the 8th business day for the previous billing period clauses 13.198, 13.199, 13.207 and 13.208 require the Clearing Manager to send constrained on and constrained off information to the system operator and publish this information to market participants. Constrained on and constrained off amounts were calculated at 11:44 on 11/10/16 (business day 7), however, it took until 16:13 on 12/10/16 (business day 8) to publish this information. The clearing manager has improved its processes to mitigate against this type of breach from recurring.

Self-reported breaches by the reconciliation manager *(under clause 15.30(1) of the Code)*
Note that this is a summary of the reconciliation manager monthly breach report which is published separately

There were no self-reported breaches by the reconciliation manager.

Self-reported breaches by the FTR manager *(Not required by the Code)*

There were no self-reported breaches by the FTR manager.

Self-reported breaches by the registry manager *(Not required by the Code)*

There were no self-reported breaches by the registry manager.

Self-reported breaches by the market administrator

There were no self-reported breaches by the market administrator.

Self-reported breaches by the system operator *(under clause 13.102)*

There were two self-reported breaches by the system operator.

A modelling error introduced as part of a regular market system update caused the wrong inputs to be used in the dispatch schedules. The error was corrected promptly in real time and a number of process and tool changes are being implemented to prevent a similar incident occurring in the future.

A long non-response schedule failed to complete due to scheduled system maintenance extending longer than expected and having an impact on market system performance. The maintenance process was updated to account for the potential issue.

Discretionary action by the system operator *(under clause 13.102)*

Event Date & Time
Event Description

16/10/2016 12:57:51 AM
DISCRETION MAT1101 MAT0 Discretion Clause 13.70, Part 13 ENR Min: 19 Start: 16-Oct-2016 00:57 End: 16-Oct-2016 06:00 Notes: Trader claimed a rule exemption under 13.82a for dispatch to 19MW to comply with resource consent. Last Dispatched Mw: 17.95

16/10/2016 1:01:08 AM
DISCRETION MAT1101 MAT0 Discretion Clause 13.70, Part 13 EN Min: 19 Start: 16-Oct-2016 01:01 End: 16-Oct-2016 01:30 Notes: Trader claimed a rule exemption under 13.82a to a min dispatch of 19MW to comply with resource consent. Last Dispatched Mw: 17.95

16/10/2016 10:15:54 PM
DISCRETION MAT1101 MAT0 Discretion Clause 13.70, Part 13 EN Min: 19 Start: 16-Oct-2016 22:15 End: 17-Oct-2016 05:00 Notes: Claimed Rule Exemption 13.82a to a minimum dispatch of 19MW to comply with resource consent. Trader confirmed they would generate at least 19MW until at least 05:00 tomorrow morning. Last Dispatched Mw: 18.7

This report was published by the market administrator on 17 November 2016. For further inquiries please contact the market administrator at the Electricity Authority or send an email to marketoperations@ea.govt.nz.