

Notice of the Authority's decision under regulation 29 of the Electricity Industry (Enforcement) Regulations 2010

Under regulation 29(1) of the Electricity Industry (Enforcement) Regulations 2010 (Regulations) the Electricity Authority (Authority) must publicise every decision made under regulation 23(3) of the Regulations, together with the reasons for the Authority's decision.

Investigation

On 4 December 2018, the Authority appointed an investigator under regulation 12 of the Regulations to investigate the self-reported breach by Transpower New Zealand Ltd as the system operator of clause 6.1(d) of the Security of Supply Forecasting and Information Policy (SOSFIP) and an alleged breach of clause 4.1(b) of the SOSFIP.

The investigation concerned the system operator's failure to determine the hydro risk curves (HRCs) by including the contingent hydro storage of Lake Tekapo as controlled hydro storage between 16 December 2013 and 29 August 2018.

However, the system operator's published HRC input assumptions document always showed the treatment of the Lake Tekapo contingent storage in the HRCs.

No party joined the investigation.

On 13 February 2019, the Authority received and considered a report and a recommendation from the investigator to discontinue the investigation.

The Authority's decision

On 13 February 2019, the Authority decided under regulation 23(3)(a) of the Regulations to discontinue the investigation. In making its decision the Authority decided that the system operator had breached clause 4.1(b) and clause 6.1(d) of the SOSFIP.

Reasons for the Authority's decision

The reasons for the Authority's decision to discontinue the investigation were that:

- the investigation gave participants the opportunity to join if they considered they were affected. However, no participant joined the investigation
- since 29 August 2018, the system operator has been publishing the correct HRCs.