

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 16 March 2020 the Authority appointed an investigator under regulation 12 of the Regulations to investigate the alleged breach by Pioneer Energy Limited (Pioneer) of clause 10.33A(1)(c) of the Electricity Industry Participation Code 2010 (Code).

Pioneer Energy Limited (Pioneer) was alleged to have breached clause 10.33A(1)(c) of the Code when it connected an installation control point (ICP) at a retirement village without written approval from the network owner, WEL Networks.

Pioneer denied the breach. Although it was the nominated retailer, work was carried out without its knowledge or approval.

In August 2017, Pioneer applied for a connection for a builder's temporary supply (BTS) to enable the construction of a retirement village. Pioneer was the nominated retailer, accepting responsibility for the application under clause 11.17(2) of the Code.

A WEL authorised agent later carried out a meter upgrade using that ICP to install and certify a large commercial meter (Category 4) and livened a different point of connection (POC). The original BTS connection was still active during this time using the same ICP number as the new connection supplied from a different transformer.

Neither the change of POC nor the increase in load was requested by Pioneer, nor was it approved by WEL. The issue was not identified until the gaining retailer requested clarification.

The investigation identified issues around the processes for applications for new connections. Documentation was incomplete and undated.

In the investigator's view, the main issue lies with the WEL Network agent who made the new connection rather than upgrading the existing one. When it became clear that the work appeared to be a new connection rather than an upgrade and that it had a different transformer, the work should have been stopped.

Because the ICP was being fed from two different points of connection, there was the potential that a worker could have come into contact with live assets because WEL's records would not have indicated a livened connection.

Because the unauthorised connection supplied a retirement village there was a higher likelihood that vulnerable customers may be supplied from the connection. WEL could have inadvertently de-energised the connection because its records indicated no customers were supplied from this transformer.

The safety issues that were identified fall outside the scope of the Code. These have been referred to the relevant authorities for consideration.

The alleged breach was reported by WEL Networks. No other party joined the investigation.

On 3 March 2020, the Authority alleged that WEL Networks breached clause 11.4(3) for changing the ICP identifier for the ICP associated with the BTS.

The Authority's decision

On 5 August 2020, the Authority considered a report from the investigator and agreed with a recommendation to discontinue the investigation under regulation 23(3)(a) of the Regulations.

Reasons for the Authority's decision

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

- although technically responsible as the nominated retailer, Pioneer had not requested and had no knowledge of the work that was carried out on its behalf