

Electricity Industry Participation Code Amendment
(Securing Access to Exchange Data) 2020

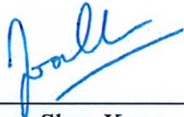
Under section 38 of the Electricity Industry Act 2010, and having complied with section 39 of that Act, I make the following amendments to the Electricity Industry Participation Code 2010.

At Wellington on the 14^A day of September 2020



Dr Thomas Brent Layton
Chair
Electricity Authority

Certified in order for signature:



Voon Shan Kong
Senior Legal Counsel
Electricity Authority

4 September 2020



Simon Watt
Partner
Bell Gully

4 September 2020

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Amendment

- 1 Title**
This is the Electricity Industry Participation Code Amendment (Securing Access to Exchange Data) 2020.
- 2 Commencement**
This amendment comes into force on 29 October 2020.
- 3 Code amended**
This amendment amends the Electricity Industry Participation Code 2010.

4 **New clause 13.236AA inserted (Requirement to provide consent to exchange)**

After clause 13.236, insert:

“13.236AA Requirement to provide consent to exchange

- (1) Each **participant** must ensure that, before placing any bid or offer for, or entering into, an exchange-traded **risk management contract**, it has provided the consent described in clause 13.236AA(2) to the exchange through which the bid or offer will be placed or contract entered into, which consent must continue to be in effect at the time any such bid or offer is placed or contract is entered into.
- (2) The consent required under subclause (1) must be in the **prescribed form** and allow the exchange to provide any of the following de-anonymised information (including historical information) to the **Authority** at such frequency as may be required by the **Authority** from time to time:
 - (a) any information, documents or data in relation to bids or offers placed for **risk management contracts**, or in relation to such contracts entered into, by, or on behalf of, the **participant** (including in relation to buy and sell prices, trading periods, volumes and quantities);
 - (b) any information, documents or data in relation to the number of outstanding **risk management contracts** held by, or on behalf of, the **participant** at the end of each **trading day**;
 - (c) where the **participant** has an agreement with an exchange that imposes requirements on the **participant** in relation to the exchange’s market-making scheme for **risk management contracts**, any other information, documents or data that the **Authority** may require in relation to the **participant’s** performance of its obligations under that agreement.
- (3) Each **participant** must ensure that, immediately after providing consent in accordance with subclause (1), all necessary arrangements are in place with any agent, associate, contractor, service provider, or other person acting on behalf of, or on the instructions of, the **participant** to permit and facilitate the provision of all information described in subclause (2) by the exchange to the **Authority**.
- (4) Each **participant** must, within 5 **business days** of receiving a written request from the **Authority**, supply the **Authority** with such evidence as may be reasonably required by the **Authority** to satisfy itself that the consent and arrangements required by this clause 13.236AA are in full force and effect.
- (5) The **Authority** may issue guidelines to assist **participants** to identify the types of information the **Authority** may obtain from an exchange and the types of arrangements it expects **participants** to put in place to permit and facilitate the provision of such information.”

5 **Clause 13.218 amended (Parties required to submit information)**

In clause 13.218, insert as new subclause (2):

- “(2) Despite subclause (1), a **party** specified in that subclause may, at the **Authority’s** discretion, not be required to submit certain information specified in clauses 13.219, 13.222 and 13.223 using an **approved system** if the **Authority** is satisfied that appropriate consent and arrangements are in place under clause 13.236AA for the **Authority** to obtain such information directly from an exchange and the **Authority** has advised that **party** in writing—
 - (a) that this subclause applies; and
 - (b) what information that **party** is not required to submit.”

Explanatory Note

This note is not part of the amendment, but is intended to indicate its general effect.

This amendment to the Electricity Industry Participation Code 2010 (Code) comes into force on 29 October 2020.

This amendment amends Part 13 of the Code to allow the Authority to access certain types of de-anonymised information about participants from exchange platforms through which risk management contracts are traded. This will be done by imposing obligations on participants to permit each exchange platform on which they trade risk management contracts to share such information with the Authority and make all necessary arrangements to ensure such information can be provided. This amendment will also give the Authority discretion to remove participants' existing obligation to manually disclose the same information.

Date of notification in the *Gazette*: 22 September 2020.