

Background information on the UTS 7 November 2007 claim

The UTS claim was in relation to high real time prices (in excess of \$45,000 per MWh) in the Auckland region for trading period 33 on Monday 5 November 2007.

On Tuesday 6 November 2007 during the pricing solution run, the pricing manager declared that a high spring washer pricing situation existed, in accordance to rule 2B.1.1 of section V of Part G of the Rules.

The pricing manager applied the methodology as set out in the Rules relating to high spring washer pricing situation to relax the binding constraint. This situation was able to be resolved, so final prices were able to be published prior to 12 noon on Tuesday 6 November 2007.

With the relaxation of the binding constraint prices were reduced to between \$110 and \$140 per MWh.