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## Rulings Panel: Final decision

In a final decision, the Rulings Panel (the Panel) has ordered a penalty of \$17,500 against Meridian Energy Limited (Meridian) for eight breaches of the Electricity Governance Rules 2003 (the Rules) by Meridian as a retailer.

This was the fourth hearing of the Panel, the independent body appointed to consider alleged breaches of the Rules and, since 1 November 2010, of the Electricity Industry Participation Code.

The Panel's decision follows a formal complaint by the Electricity Commission alleging that Meridian had breached eight rules under part D (metering), part E (registry information) and part J (reconciliation) of the Rules. The breach of part D of the Rules was notified by Vector Limited (Vector) on 16 December 2008. The other breaches relating to parts E and J of the Rules were notified by the Market Administrator on 27 July 2009.

The Commission sought orders of compensation to affected participants and an order of the maximum pecuniary penalty of \$20,000. However, shortly before the Panel hearing, Meridian settled, or initiated processes to settle, the issues of compensation, so the Panel hearing proceeded on the issue of penalty only.

The Panel acknowledged that the penalty was modest in commercial terms; but stated that it sent a signal to the industry that serious Rule breaches will not be tolerated. The Panel also stated that a useful purpose of its decision would be to encourage participants to explore all options available to them before knowingly deciding to breach a Rule and opt out of the reconciliation process in reliance on a different interpretation of the Rules.

Details of the final decision are available at:

- <http://www.ea.govt.nz/act-code-regs/rulings-panel/>

## Current Consultations

- 2011/2012 Appropriations and Work priorities. Section 129 of the Act requires the Authority and EECA to consult on proposed appropriations for the coming year. The paper is available at:  
<http://www.ea.govt.nz/our-work/consultations/corporate/proposed-appropriations-2011-12/>  
Submissions should be provided to [submissions@ea.govt.nz](mailto:submissions@ea.govt.nz) by 5.00 pm Friday, 7 January 2011.
- Draft interpretation of the Authority's statutory objective. The paper is available at:  
<http://www.ea.govt.nz/our-work/consultations/corporate/statutory-objective>  
Responses should be provided to [submissions@ea.govt.nz](mailto:submissions@ea.govt.nz) by 5.00 pm Monday, 29 November.
- Draft consultation charter (includes Code amendment principles, or CAPs). The paper is available at:  
<http://www.ea.govt.nz/our-work/consultations/corporate/consultation-charter>  
Responses should be provided to [submissions@ea.govt.nz](mailto:submissions@ea.govt.nz) by 5.00 pm Monday, 29 November.
- Draft charter for Advisory Groups and the Security and Reliability Council. The paper is available at:  
<http://www.ea.govt.nz/our-work/consultations/corporate/advisory-groups-charter>  
Submissions should be provided to [submissions@ea.govt.nz](mailto:submissions@ea.govt.nz) by 5.00 pm Monday, 29 November.

## Electricity Authority contact information

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