

Electricity Governance Regulations (Exemption No. 125 (Reconciliation Manager)) Exemption Notice 2010

Pursuant to Regulation 194 of the Electricity Governance Regulations 2003, the Electricity Commission (“Commission”) gives the following notice.

Notice

1. Title and commencement—(1) This notice is the Electricity Governance Regulations (Exemption No. 125 (Reconciliation Manager)) Exemption Notice 2010.

(2) This notice comes into force on the day after the date it is notified in the *New Zealand Gazette*.

2. Exemption—The Reconciliation Manager (“RM”) is exempted from compliance with Rules 11.2 and 12.6 of Part J of the Electricity Governance Rules 2003, as those Rules applied prior to 23 August 2010.

3. Terms and conditions—This exemption is granted on the following conditions:

- (a) The exemption expires at the close of **1 December 2010**; and
- (b) the exemption only applies to enable the RM to reconcile revised submission information submitted by:
 - (i) TrustPower Limited, in Horizon Energy Distribution Limited’s network, for consumption in August 2007 and February 2008; and
 - (ii) Contact Energy Limited, in Westpower Limited’s network, for consumption in September and December 2007.

4. Reasons for granting the exemption—The reasons for granting this exemption are:

- (a) the parties involved agree that the errors have occurred, resulting in a significant distortion to financial settlements that are disadvantaging some parties and advantaging others;
- (b) the Commission considers that the financial settlements should be corrected;
- (c) to avoid any doubt, the exemption removes any impediment to the RM reconciling the revised submission information to correct the financial settlements;
- (d) there is no other regulatory solution available to resolve these issues; and
- (e) having considered the submissions received, which provided conflicting views as to the appropriate course of action, the Commission considers it should grant the exemption to enable the matter to be resolved.

Dated at Wellington this 26th day of October 2010.

For and on behalf of the Electricity Commission:

DAVID CAYGILL, Chair.

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