# MARKET BRIEF

17 January 2011



#### Contents

New Year's Greetings	1
Scarcity Pricing Forum	1
Nominations closing	1
Call for nominations: Locational Price Risk Technical group (LPRTG)	2
Wind Forecast Monitoring Reports: June 2010 and September 2010 quarters	2
Submissions: Customer Compensation Scheme consultation	2
24 January 2011 (Wellington Anniversary Day):non-business day	3
Subscription	3

### **New Year's Greetings**

The Board and staff of the Electricity Authority extend our best wishes for 2011 to all recipients of Market Brief.

#### **Scarcity Pricing Forum**

The Electricity Authority is establishing a Scarcity Pricing Forum (SPF) to provide advice to the Authority regarding scarcity pricing issues and potential solutions, prior to commencement of formal consultation on the subject.

Organisations interested in contributing to development of scarcity pricing proposals are invited to peruse the Terms of Reference for the SPF at

http://www.ea.govt.nz/our-work/advisory-working-groups/spdbtg/

The initial meeting of the SPF will be held in Wellington on 26 January 2011 and a second meeting is scheduled for mid-February.

To facilitate strategic discussion, nominations for SPF participation are limited to one CE- or GM-level executive per organisation and should be made to <a href="mailto:lisa.dufall@ea.govt.nz">lisa.dufall@ea.govt.nz</a> by noon Friday, 21 January 2011.

The venue for the initial SPF meeting is the Authority Boardroom, Level 7, ASB Bank Tower, 2 Hunter Street, Wellington, and the agenda is available at:

http://www.ea.govt.nz/our-work/advisory-working-groups/spdbtg/

## **Nominations closing**

The following nominations are about to close:

Nominations for chairperson of the Security and Reliability Council (SRC) close on Wednesday 19 January 2011.
The SRC is being established to provide independent advice to the Electricity Authority on reliability of supply issues and on the performance of the electricity system and the system operator. An appointment is expected in early February 2011. More information is available at:

http://www.ea.govt.nz/our-work/advisory-working-groups/

A call for nominations for remaining members of the SRC will be released soon after the chairperson's appointment, with appointments expected in early March 2011.



 Nominations for the chairpersons of the Retail Advisory Group (RAG) and Wholesale Advisory Group (WAG) close on Wednesday 19 January 2011, with appointments expected in early February 2011. More information is available at:

http://www.ea.govt.nz/our-work/advisory-working-groups/

A call for nominations for remaining members of these groups will be released soon after the appointment of the chairpersons, with appointments expected in early March 2011.

- The Authority intends to seek nominations for a third standing advisory group, the Transmission Advisory Group (TAG), at a later date.
- Nominations for a chairperson and members for an ad-hoc advisory group the Transmission Pricing Advisory Group (TPAG) are also closing on Wednesday 19 January 2011. This group, which is being established in response to industry participant feedback, will be tasked with recommending to the Authority Board a preferred transmission pricing option. More information is available at:

http://www.ea.govt.nz/our-work/advisory-working-groups/

TPAG appointments are expected in late January.

### Call for nominations: Locational Price Risk Technical group (LPRTG)

The Electricity Authority is calling for nominations for two additional members of the LPRTG. Nominations must be received by 5pm on Monday, 31 January 2011. It is desirable that the additional members will be available to attend an LPRTG meeting on 9 February 2011. Details on how to make a nomination are contained in the call for nominations document which is available at:

http://www.ea.govt.nz/our-work/advisory-working-groups/lprtg/

# Wind Forecast Monitoring Reports: June 2010 and September 2010 quarters

The Electricity Authority has published the first two quarterly reports evaluating wind-farm generation forecasts.

Each wind farm in New Zealand provides generation forecasts to the system operator in the form of market offers which are revised closer to 'real time'. These offers are one of the inputs into schedules then prepared by the system operator.

Following the findings of last year's Wind Integration Project, the Authority will publish on-going quarterly monitoring reports to provide information on the quality of the forecasts.

The June 2010 and September 2010 quarterly reports are available at:

http://www.ea.govt.nz/industry/market/statistics-reports/wind-forecast-monitoring-reports/

#### **Submissions: Customer Compensation Scheme consultation**

Submissions on the consultation paper 'Customer Compensation Scheme – Mandatory Default Arrangement' are available at:

http://www.ea.govt.nz/our-work/consultations/priority-projects/ccs-mandatory-default/ccs-mandatory-default/



# 24 January 2011 (Wellington Anniversary Day):non-business day

The Market Administrator gives notice to participants that Monday 24 January 2011 (Wellington Anniversary Day) is declared to be a non-business day.

# **Subscription**

To subscribe or unsubscribe please email:

info@ea.govt.nz