

Contents

Foundation documents	1
Code Amendment Proposal: Regulatory Framework for Transmission Pricing Methodology (TPM)	2
Code Amendment Proposal: Consultation on Generation Fault Ride Through	2
Distributed generation reporting due by 1 April	2
Registry Error Code Update	3
December wholesale prices review: Letter from System Operator	3
Transmission Pricing Advisory Group (TPAG) first meeting	3
Market Development Advisory Group (MDAG): 10 February 2011	3
Subscription	3

Foundation documents

Following consultation and consideration of stakeholder feedback, the Authority has published three foundation documents which make key strategic statements as to how the Authority will approach its decision making. They are:

- Interpretation of the Authority's statutory objective
- Consultation Charter
- Charter about Advisory Groups

Interpretation of the Authority's statutory objective

The interpretation of the Authority's statutory objective clarifies how the Authority interprets its statutory objective under section 15 of the Electricity Industry Act 2010 (Act) and will assist staff and advisory groups to develop Code amendments and market facilitation measures for the Board's consideration. The final version of the interpretation of the Authority's statutory objective and a version showing tracked changes from the draft interpretation consulted on are available at:

- <http://www.ea.govt.nz/about-us/documents-publications/foundation-documents/>

Consultation Charter

The Act requires the Authority to develop and publish a Consultation Charter. The Consultation Charter must include guidelines relating to the processes for amending the Electricity Industry Participation Code (Code) and for consulting on proposed amendments to the Code. For the sake of clarity, the Authority has divided the Consultation Charter into two parts. Part 1 relates to processes for amending the Code, and part 2 relates to processes for consulting on proposed amendments.

The Consultation Charter is available at:

- <http://www.ea.govt.nz/about-us/documents-publications/foundation-documents/>

Charter about Advisory Groups

The Act requires the Authority to appoint an advisory group - the Security and Reliability Council (SRC) - to provide independent advice to the Authority on the performance of the electricity system and the system operator and on reliability of supply issues. The Act also requires the Authority to establish one or more other advisory groups to provide independent advice to the Authority on market facilitation and development of the Code.



The Charter about Advisory Groups sets out how the Authority will establish and interact with advisory groups, when and how it will consult with advisory groups on material changes to the Code, and how advisory groups must operate. It also includes advisory group terms of reference.

The Charter about Advisory Groups is available at:

- <http://www.ea.govt.nz/about-us/documents-publications/foundation-documents/>

Code Amendment Proposal: Regulatory Framework for Transmission Pricing Methodology (TPM)

The Authority has published a consultation paper on a proposed Code amendment concerning principles for transmission pricing. The paper discusses the ongoing relevance of the pricing principles in light of the establishment of the Authority under a new statutory objective and identifies three possible options:

- Remove the pricing principles from the Code.
- Confirm existing pricing principles.
- Introduce new pricing principles to reflect the new statutory objective.

The consultation paper incorporates the Code amendment regulatory statement and the complete analysis of the proposed amendment is set out in that regulatory statement. The deadline for submissions is 5pm, 14 March 2011.

The consultation paper is available at:

- <http://www.ea.govt.nz/our-work/consultations/priority-projects/regulatory-framework-tpm/>

Code Amendment Proposal: Consultation on Generation Fault Ride Through

A consultation paper on Generation Fault Ride Through standards has been published at:

- <http://www.ea.govt.nz/our-work/consultations/pso-cq/generation-fault-ride-through/>

The Authority considers that performance obligations for non-faulted generation to remain connected during transmission faults should be improved, with the objective of maintaining the long-term security of the grid. The paper proposes the introduction of fault ride-through standards for all grid-connected generation.

The consultation paper incorporates the Code amendment regulatory statement and the complete analysis of the proposed amendment is set out in that regulatory statement.

Submissions on the paper should be made to submissions@ea.govt.nz by 5 pm, Friday 11 March 2011.

Distributed generation reporting due by 1 April

The Authority reminds distributors that they are required under Part 6 of the Code to report distributed generation statistics to the Authority on or before 1 April 2011. The statistics are as detailed in clause 26 of Schedule 6.1 and relate solely to the 2010 calendar year.

Part 6 of the Code replaced the Electricity Governance (Connection of Distributed Generation) Regulations 2007 with effect from 1 November 2010.

General information about Part 6 and the form which distributors are requested to use to submit their statistics are available at:

- <http://www.ea.govt.nz/industry/market/distributed-generation/>
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A nil return is required where there is no data to report. Completed forms, nil returns or any queries on the topic should be directed to retailoperations@ea.govt.nz.

Registry Error Code Update

The Authority advises participants that an urgent modification has been made to the registry. It came to the Authority's attention that an initial assignment in a file transfer protocol (ftp) retailer maintenance file was able to be sent with the retailer code in the reconciliation update different from the code of the trader submitting the file. Under the Code however, a trader may only assign an ICP to themselves. This activity has now been blocked by registry functionality.

A new error code (451) will become effective on 20 February to identify this type of error. The error code message will read:

"Trader may only assign an ICP to themselves – On initial assignment a Trader may only assign an ICP to themselves."

December wholesale prices review: Letter from System Operator

The Authority's review of December 2010 wholesale electricity prices noted in Section 4.3 that the System Operator was to provide the Authority with a letter detailing its view that there is an ambiguity over the correct interpretation of the Emergency Management Policy and the Security of Supply Forecasting and Information Policy.

The letter was provided to the Authority on 9 February, and has been published at:

- <http://www.ea.govt.nz/about-us/documents-publications/>

Transmission Pricing Advisory Group (TPAG) first meeting

The first meeting of TPAG will be held on Wednesday 16 February. An agenda and meeting papers are available at:

- <http://www.ea.govt.nz/our-work/advisory-working-groups/tpag/tpag-meeting-16-february-2011/>

Market Development Advisory Group (MDAG): 10 February 2011

Among items discussed at this meeting were prudential security and the gate closure review.

Group minutes and meeting papers are available at:

- <http://www.ea.govt.nz/our-work/advisory-working-groups/mdag/10Feb11/>

Subscription

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