

Information sheet

Embedded-generation

As an owner of an embedded-generating station (a generating station connected to a local network) you have obligations under the Electricity Governance Regulations and Rules (EGRs) that relate to the following matters:

- preparation for selling
- offering
- reporting.

This information sheet provides a general introduction to your obligations as an embedded-generator under the EGRs. Please refer to the EGRs to ensure you have a complete understanding of your obligations. You can access this information on the Electricity Commission website:

<http://www.electricitycommission.govt.nz>

The general approach set out in this information sheet in no way reduces the requirement upon participants to know and comply with their obligations under the EGRs. Neither should it be interpreted as reflecting the Commission's view on the EGRs.

Preparatory obligations

Before generating there are certain obligations that you must fulfill.

Action	Obligations	Rule reference	Contact
Registering as a participant	You must register if your total generation is greater than 5 MW in capacity. Ensure that you are registered as a participant with the Commission, as being registered offers a number of advantages.	Regulations 7 and 8	Locate the registration form on the Commission website: www.electricitycommission.govt.nz
Conveyance arrangements	Contact the relevant distributor to discuss the connection and conveyancing arrangements that need to be in place for any electricity trading.	Rule 3.3 of section VI of part G	Refer to the ENA website www.ena.org.nz to identify your local distributor
Advise system operator	If any generating unit is greater than 1 MW in capacity, you will need to advise the system-operator, Transpower, of your intention to connect, together with related information such as an asset capability statement (ACS).	Rules 2.6 and 4.4 of section III of part C	Contact: sms@transpower.co.nz The standard ACS form is available at: http://www.transpower.co.nz/?id=4473
Advise reconciliation manager	As an embedded-generator you can sell your electricity either to the clearing manager, M-co, or to a retailer trading on the network to which you are embedded. You must notify the reconciliation manager, Energy Market Services (EMS) (formerly d-cypha), of whom you intend to sell your generation to at least five days before generation starts.	Rule 3 of section VI of part G	Contact: call@ems.co.nz

Offer obligations

If you own an embedded-generating station greater than 10 MW in capacity, the system operator, Transpower, may require you to provide market offers under Rule 4.5 of section III of part C. If you own multiple embedded-generating stations, which together total greater than 10 MW in capacity, the system operator can require you to provide market offers under certain limited situations.

Action	Obligations required	Rule reference	Contact
Notify system operator	Before making an initial offer to sell electricity from an embedded-generating station, the generator must give at least five business days' notice to the system operator, Transpower, and provide any information required by the system operator.	Rule 3.2 of section II of part G	sms@transpower.co.nz
Submitting offers	All offers need to be submitted via the information system (COMIT). Contact the Commission to receive authorisation to become a COMIT user. Then, contact M-co to arrange a COMIT connection and to discuss the back-up procedures you need to put in place. As an embedded-generator offers may be made at \$0 per MW.	Rule 3 of section II of part G	info@electricitycommission.govt.nz
Receiving dispatch instructions	Contact the system operator to arrange access to a GENCO terminal for receipt and acknowledgement of dispatch instructions. Note that there are methods available which provide for auto-acknowledgement of dispatch instructions.	Rule 4.9 of section III of part G	sms@transpower.co.nz
Plant with special circumstances	There is an offer process for plant with special circumstances. Contact the system operator if you have any automatic control plant that you want to be considered under this rule.	Rule 3.26 of section II of part G	sms@transpower.co.nz

Reporting obligations

As an embedded-generator, you also have obligations regarding the provision of metering information on a monthly basis. In addition, if you offer into the market you are also required to provide metering information on a daily basis (unless the generation is intermittent), and to assist the grid owner, Transpower, when a metering situation exists. If you revise offers within 30 minutes prior to a trading period, you will also be required to report on this to the Commission.

Action	Obligations	Rule reference	Contact
Providing half-hourly metering information	<p>If your embedded-generating station is subject to a dispatch instruction, you will need to provide the pricing manager, M-co, and the grid owner, Transpower, with half-hourly metering information, by 5am the next day, for pricing.</p> <p>You also will need to provide the reconciliation manager, EMS, with the previous month's half-hourly metering information, by 4pm on the fourth business day of each month, for reconciliation of the previous month's generation.</p>	<p>Rule 3.2.1 of section V of part G</p> <p>Rule 5.4.2 of section VI of part G</p>	<p>managerp@m-co.co.nz</p> <p>call@ems.co.nz</p>
Reporting obligations	If you change an offer within 30 minutes prior to a trading period you will need to advise the Commission.	Rule 3.19 of section II of part G	compliance@electricitycommission.govt.nz
Resolving metering situations	The grid owner may ask you to assist in resolving metering situations where insufficient metering-data was provided initially.	Rule 3.8 of section V of part G	

Further information

If you have any questions about the information contained in this sheet, please contact the senior advisor wholesale at the Electricity Commission on 04 460 8860 or by email at: info@electricitycommission.govt.nz