

## Commission Update – 25 September 2009

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### Upcoming consultation

As previously advised in various forums and communications, the Commission is currently publishing a number of key consultation documents.

An updated consultation calendar is now available at:

- <http://www.electricitycommission.govt.nz/opdev/workcal>

Also as noted previously, the Commission appreciates the extent of the workload the consultation process creates for participants and other interested parties. Some participants have noted that as the work occurs in different parts of their organisation there will possibly be some spreading of the workload. The likelihood of a heavy consultation period has been discussed with regulatory managers on several occasions, and there has been strong sentiment through Advisory Groups to progress this work, especially Market Development Programme (MDP) related work as soon as possible.

There are also important interdependencies between a number of the projects and more effective consultation will occur if participants have some papers grouped together.

As has been discussed with many of you the process for the MDP related papers is in two phases:

- a) High level options; and
- b) Detailed design of an option/s that are chosen for further development.

It may be helpful for submitters to keep this in mind when preparing submissions. While detail is useful, at the high level options phase you only need to provide sufficient input to enable a choice about which option should be taken further for detailed design. There will be an opportunity to contribute to the detailed design and final decision during phase 2. This two-phased approach also enables us all to make progress now, while providing some flexibility to pick up any new significant issues, for example, further information that may come out of the Ministerial Review.

It may be possible to create some flexibility in closing dates for some consultations. The Commission is planning to have a conference call with regulatory managers on Thursday 1 October 2009 to discuss any issues arising as a result of these consultations.

Details of individual consultation processes and MDP related papers are set out below. Also please note that we will be having a MDP briefing conference (details below).

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## Consultation on Market Development Programme

The Commission will be publishing three Market Development Programme (MDP) consultation documents mid next week. They are:

- *Options for scarcity pricing and compulsory contracting;*
- *Options for managing locational price risk; and*
- *Transmission Pricing Review: High-level options.*

Although these are stand-alone consultation documents, there are linkages between them and they are being published as a suite with a common timetable for submissions.

The Commission has also published a related consultation document on *Dispatchable Demand – Options* (details below), and plans to publish a consultation document on the *Whirinaki Offer and Dispatch* within the next few weeks.

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## Market Development Programme conference

The Commission is planning to hold a conference to provide an overview of the Market Development Programme (MDP) consultation documents and an opportunity for industry participants to discuss the options. The conference will be held at the Duxton Hotel (rooms 2 & 3), 170 Wakefield Street, Wellington on **29 October 2009**.

The Commission would like to hear from parties if they would prefer to attend an additional briefing in another centre.

To attend the conference in Wellington, or request a possible second briefing in another centre, please send names and contact details of attendees to [info@electricitycommission.govt.nz](mailto:info@electricitycommission.govt.nz) with "Market Development Programme conference" in the subject line by 8 October 2009.

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## Consultation on dispatchable demand – options

The ability of demand-side participants to respond actively to wholesale electricity market conditions is an important component of an efficient wholesale market. While there are existing mechanisms in place to encourage this response, several policy problems have been identified with those arrangements. A dispatchable demand regime offers one way of addressing those policy problems.

The Commission is consulting on four high level dispatchable demand options, and invites submissions by **5pm on 16 November 2009**.

The consultation paper, and information on how to make a submission, is available at:

- <http://www.electricitycommission.govt.nz/consultation/dispatchable-demand/view>

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## Consultation on Part D – Issues and Proposed Options

The Commission invites submissions on *Part D Consultation Paper - Issues and Proposed Options* by **4pm** on **9 November 2009**.

Part D of the Electricity Governance Rules 2003 sets out participants' obligations in relation to metering standards. It deals with responsibilities for metering installations, testing of metering installations, installation compliance with a set of codes of practice, and the role of the reconciliation manager with respect to metering inaccuracies.

Submissions are preferred in electronic form (Microsoft Word 2003 format or PDF) with "Part D Consultation Paper - Issues and Proposed Options" in the subject line to [submissions@electricitycommission.govt.nz](mailto:submissions@electricitycommission.govt.nz). Submissions may be posted to:

Kate Hudson  
Electricity Commission  
Level 7, ASB Bank Tower  
2 Hunter Street  
PO Box 10041  
WELLINGTON 6143

The consultation paper is available at:

- <http://www.electricitycommission.govt.nz/consultation/part-d-options/view>

The Commission is holding a forum on the consultation paper on **30 September 2009**. Advance registration is required, and numbers may be limited. Registration is now open and details, including the agenda, are available at:

- <http://www.electricitycommission.govt.nz/opdev/retail/metering/partd/index.html#industry-forum>

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## Consultation on Proposed Minor Editorial Rule Changes

The Commission is proposing a large number of minor editorial changes to most parts of the Electricity Governance Rules 2003, and invites submissions on the *Proposed Minor Editorial Rule Changes* by **5pm** on **Friday 9 October 2009**.

The consultation paper, and information on how to make a submission, is available at:

- <http://www.electricitycommission.govt.nz/consultation/editorial-rulechange/view>

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## Consultation on 2009 Grid Planning Assumptions

As an initial step in developing the 2010 Statement of Opportunities, the Commission has developed the 2009 Grid Planning Assumptions (GPA), which include both generation scenarios and demand forecasts.

The Commission has made significant progress in developing the GPA and is now seeking participants' input before the detailed analysis work of the Statement of Opportunities is carried out. Submissions on the *2009 Grid Planning Assumptions* are invited by **5pm** on **23 October 2009**.

The consultation document, and information on how to make a submission, is available at:

- <http://www.electricitycommission.govt.nz/consultation/09-gpa/view>

In addition, a workshop will be held on **16 October 2009** at the James Cook Hotel Grand Chancellor, 147 The Terrace, Wellington. The purpose of the workshop is to assist stakeholders in formulating their response, and the Commission in understanding stakeholders' views.

Details, including how to register for the workshop, are available at:

- <http://www.electricitycommission.govt.nz/opdev/modelling/gpas/index.html>
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## Consultation on proposed availability and reliability index measures – interconnection asset services

Under section VI of part F of the Electricity Governance Rules 2003 (Interconnection Rules), Transpower is obliged to make interconnection assets available in accordance with specified service measures and levels. The Commission has published a consultation paper on the proposed index measures for the reliability and availability of interconnection assets.

Submissions on the *Proposed Availability and Reliability Index Measures – Interconnection Asset Services* consultation paper are invited by **5pm** on **16 October 2009**.

The consultation paper, and information on how to make a submission, is available at:

- <http://www.electricitycommission.govt.nz/consultation/indexmeasures/view>
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## AMI and interim metering compliance discussion and monitoring paper

The Commission has published a discussion and monitoring paper on Advanced Metering Infrastructure (AMI) and Interim Metering Compliance.

Although the paper is aimed at traders and metering equipment owners, the Commission welcomes submissions from interested parties by **5pm** on **Friday 9 October 2009**.

The submissions received will be used as an input to the recommendations to the Minister of Energy and Resources on the need for mandatory minimum technical standards should the voluntary AMI guidelines prove inadequate.

The discussion and monitoring paper is available at:

- <http://www.electricitycommission.govt.nz/opdev/retail/metering/index.html>
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## Workshop on model approach to distribution pricing

The Commission is holding an all-day workshop on a Model Approach to Distribution Pricing on **12 October 2009** at the James Cook Grand Chancellor, Wellington.

Parties wishing to attend the workshop should send names and contact details of attendees to [info@electricitycommission.govt.nz](mailto:info@electricitycommission.govt.nz) with "Model approach to distribution pricing methodology workshop" in the subject line. The Commission will accept registrations until the room capacity has been reached.

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## 2009 Compliance Conference

The Commission's Market Governance workstream has arranged for the 2009 Compliance Conference to be held on Monday **16 November 2009** in Wellington.

Please reserve the date in your calendars. Formal announcement and invitation will follow soon.

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## Rule change (Procurement Plan) – 2009/2010 System Operator Procurement Plan

The 2009/2010 System Operator procurement plan, recommended by the Commission and approved by the Minister of Energy and Resources, will come into effect on 1 December 2009.

A Gazette notice for making the necessary rule changes, together with the wording of the new procurement plan (to replace the current procurement plan set out in schedule C5 of part C of the Rules), is available at:

- <http://www.electricitycommission.govt.nz/rulesandregs/rulechanges>

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## Exemption 104 granted

The Commission has granted Exemption 104: Orion New Zealand Limited.

The Gazette notice for this exemption is available at:

- <http://www.electricitycommission.govt.nz/rulesandregs/exemptions>

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## Daylight saving

The Commission would like to remind reconciliation participants that daylight saving begins on **Sunday 27 September 2009**. Submission information to the reconciliation manager is required to be adjusted for daylight saving as per rule 17.3 of part J of the Electricity Governance Rules 2003.

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## Consultation documents

- [Interim pricing period - consultation paper](#)  
Closes 5 October 2009
- [Wanganui - Stratford transmission investment proposal](#)  
Closes 6 October 2009
- [Proposed minor editorial rule changes](#)  
Closes 9 October 2009
- [Proposed amendments to parts E and J of the Rules \(and consequential amendments to parts A and H of the Rules\)](#)  
Closes 16 October 2009
- [Revision of Information System Definition document](#)  
Closes 16 October 2009
- [Proposed availability and reliability index measures - interconnection asset services](#)  
Closes 16 October 2009
- [2009 Grid Planning Assumptions](#)  
Closes 23 October 2009
- [Consultation on Part D - Issues and Proposed Options](#)  
Closes 9 November 2009
- [Consultation on dispatchable demand - options](#)  
Closes 16 November 2009

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## **Contacts**

Contact details for the Commission are at: <http://www.electricitycommission.govt.nz/contact>

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## **Commission Update subscription**

To subscribe or unsubscribe to the Commission update please email

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