

Commission Update – 2 October 2009

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Draft distribution pricing principles and methodological requirements – discussion paper and workshop

In June 2009, the Commission published a consultation paper outlining a proposed model approach to distribution pricing (Consultation Paper) and sought comments. An assessment of submissions has been completed, including feedback received at the 17 June 2009 workshop. The degree of prescription in the proposed approach has been reconsidered and a discussion paper setting out draft pricing principles and methodological requirements (Discussion Paper) has been prepared. Interested parties should provide comments on the Discussion Paper by **5pm on 22 October 2009**.

The Commission will also hold a workshop on **12 October 2009** in Wellington. Several of the submissions received on the Consultation Paper have raised the desirability of standardising "low level elements" of distribution pricing. To facilitate this "standardisation" the Commission asked in its letter of 21 September 2009 all distributors and retailers, in advance of the workshop, to identify aspects of distribution pricing that may be relatively easily standardised, including confirming common terminology and definitions for distribution access and pricing, as well as the basis for a common tariff format across distributors (including standardisation of customer categories), and to provide feedback to their respective coordinators - Rob Jamieson for distributors (Rob.Jamieson@oriongroup.co.nz) and Nigel Williams for retailers (Nigel.Williams@mercury.co.nz).

The Commission understands that as of today no feedback has been received. It would be useful if interested parties provided their feedback as soon as possible so that their views can be represented at the workshop and taken into account in the final decision, which is expected in December 2009.

Many parties, via submissions and at the 17 June 2009 workshop, requested more dialogue between retailers, distributors and regulators, but at this stage, some distributors and retailers have not registered for the October 2009 workshop. Interested parties who have not registered are encouraged to do so.

The Discussion Paper and workshop details (including agenda) are available at:

- <http://www.electricitycommission.govt.nz/opdev/transmis/distrib-pricing/index.html>

Work consultation calendar

In response to advice obtained through a conference call with regulatory managers yesterday it was indicated that it could be possible to ease deadlines for some upcoming consultations.

Consideration is currently being given to working through a number of issues related to this with a view to publishing a revised work consultation calendar very soon.

System Operator annual self-review and assessment 2008/2009

On 24 September 2009, the Commission received the System Operator's annual self-review and assessment of its performance in the twelve-month period ending 31 August 2009.

The report is available at:

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

Pursuant to the requirements of rule 14 of section II of part C of the Rules, the Commission has started the process of preparing its review and assessment of the System Operator's performance for the period covered by the self-review.

Exemption from rule 3.2 of part D and rule 5 of schedule J3

Pursuant to regulation 194(3) (b) of the Electricity Governance Regulations 2003, the Commission has notified its intention to grant TrustPower Limited an exemption, which would only apply to TrustPower on the ICP 0007725030WAFB4, from compliance with:

- rule 3.2 of part D of the Electricity Governance Rules 2003 (Rules); and
- rule 5 of schedule J3 of part J of the Rules.

The notice of intention is available at:

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

The Commission will have regard to any submissions on the proposed exemption received by **5pm on Thursday 8 October 2009**. Please send submissions to submissions@electricitycommission.govt.nz.

Retailer switching forum

The Commission is planning to hold a forum for switching teams on **8 October 2009** to facilitate discussions about operational issues for switching. The forum will include an overview of the changes that are proposed to part E in the *Consultation Paper on Proposed Amendments to Parts E and J of the Rules (and consequential amendments to parts A and H of the Rules)*, and is intended for information purposes, rather than rule change debate, which may be addressed in submissions closing on **16 October 2009**.

Parties wishing to attend the forum should send names and contact details of attendees to retailoperations@electricitycommission.govt.nz with "Retailer Switching Forum" in the subject line as soon as possible, as numbers may be limited.

A draft agenda is available at:

- <http://www.electricitycommission.govt.nz/advisorygroups/pjtteam/reconproject/switchingforum-Oct09>

Part D industry forum

The Commission held a forum on 30 September 2009 to introduce the proposed new rules principles for part D (*Consultation on Part D – Issues and Proposed Options*), and has published the presentation and flow charts at:

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

Retail and consumer advisory group meeting papers

The Commission has published the Retail and Consumer Advisory Group (RCAG) meeting papers for 7 October 2009 at:

- <http://www.electricitycommission.govt.nz/advisorygroups/rcag/meetings/7Oct09/index.html>

Workshop on 2009 Grid Planning Assumptions

The Commission is holding a workshop on 2009 Grid Planning Assumptions on **16 October 2009** (9am to 12.40pm) 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 with "2009 Grid Planning Assumptions Workshop" in the subject line. The Commission will accept registrations until the room capacity has been reached.

Details are available at:

- <http://www.electricitycommission.govt.nz/opdev/modelling/gpas/index.html#workshop-october-2009>

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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