

Special Update – 8 September 2009

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Proposed rule amendments to parts E and J of the Rules

In this "special update" a consultation paper covering over 100 rule changes is being released. These are mostly minor rule changes which focus on Parts E & J of the Rules. The changes include:

- a) issues raised in audits of the reconciliation processes;
- b) suggestions from the reconciliation participant and switching forum in late March 2009;
- c) issues arising out of rule breach allegations;
- d) rule related issues that have arisen during participants' exemption applications; and
- e) direct suggestions from participants to the Commission's Retail team.

The Retail Operations team would like to thank the many technical staff in several organisations for their suggestions over the past year, many of which have been included as part of the tidy up of these parts of the Rule book.

The Commission therefore invites submissions on the consultation document "*Proposed rule amendments to parts E and J of the Rules*", which is available at:

- <http://www.electricitycommission.govt.nz/consultation/amend-e-j/view>

The proposed changes gathered over the last year or so include almost 150 changes to several parts of the Rules to enhance and support reconciliation, registry and customer-switching processes. Of particular interest are the following proposals;

- the addition of new rules that set out the process for the transfer of ICPs between distributors, which is provided for in a new schedule E1A;
- inserting a new clause 1.2A in of schedule E2, which provides that 80% of all customer switches must be completed within 3 business days of receiving notification of a switch request;
- amending rule 3 and rule 4 of part J (and inserting a new rule 4A in part J) to streamline the process for trading notifications to be given to the reconciliation manager by traders, direct purchasers, and generators;
- amending rules 10, 11 and 12 of part J, and rules 10 and 11 of part H, to clarify that the reconciliation manager and clearing manager may correct errors in invoices up to 2 years after the issue of the invoice;
- amending clause 4 of schedule E1 to provide that a distributor must advise the market administrator if they become aware that an installation control point (ICP) they have created has been electrically connected, but the registry still shows the status of the ICP as being "Ready" (rather than "Active");

- amending clauses 5.4 and 6.4 of schedule E1 to provide that loss category codes must begin with the letter L, and price category codes must begin with the letter P; and
- inserting a new clause 13 in schedule E1 to provide that a network owner must notify affected participants, the reconciliation manager, and the market administrator if the network owner acquires all or part of an existing network.

As discussed with regulatory managers recently, the Commission expects to release a number of market development proposals for consultation over the coming weeks. This paper has been released via a special Commission Update to allow participants as much time as possible to consider the proposals before the market development proposals are released. Submissions on this paper are due by **16 October 2009**.

Contacts

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

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