

Electricity Industry Participation Code Amendment (Code Review Programme) 2024

Under sections 38 and 39(3) of the Electricity Industry Act 2010, and having complied with section 39 of that Act, I make the following amendments to the Electricity Industry Participation Code 2010.

At Wellington on the 23rd day of January 2024



Anna Kominik
Chair
Electricity Authority

Certified in order for signature:



Nichola Lambie
Senior Legal Counsel
Electricity Authority
19 January 2024



Nick Crang
Partner
Duncan Cotterill
19 January 2024

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Amendment

1 Title

This is the Electricity Industry Participation Code Amendment (Code Review Programme) 2024.

2 Commencement

This amendment comes into force on 1 March 2024.

3 Code amended

This amendment amends the Electricity Industry Participation Code 2010.

4 Clause 1.1 amended (Interpretation)

(1) In clause 1.1(1), definition of **at risk HVDC transfer**,—

(a) after “South Island **HVDC injection point in trading period t**”, delete “; and”; and

(b) delete:

“INJ_{Pole2HAYt} is the **electricity** injected from Pole 2 of the **HVDC link** into the North Island **grid assets** at the North Island **HVDC injection point in trading period t**”; and

(c) in Table 1, delete the following rows:

Pole 1 one half pole only	INJ _{HVDCHAYt}
Pole 2 and Pole 1 one half pole	INJ _{Pole2HAYt}

(d) in Table 1, replace “263” with “325”; and

- (e) in Table 2, replace “263” with “308”.
- (2) In clause 1.1(1), definition of **business**, after “means”, insert “, except in Part 6A,”.
- (3) In clause 1.1(1), definition of **business day**, paragraph (b), after “**national holidays**”, insert “, the day observed as Wellington Anniversary Day,”.
- (4) In clause 1.1(1), definition of **configuration**,—
 - (a) before “**configuration**”, insert “**HVDC link**”; and
 - (b) delete “, in relation to the **HVDC link**,”; and
 - (c) revoke paragraph (a); and
 - (d) revoke paragraph (d).
- (5) In clause 1.1(1), definition of **decommissioning**, replace “**electrical installation**” with “**electrical facility**”.
- (6) In clause 1.1(1), revoke the definition of **domestic consumer**.
- (7) In clause 1.1(1), definition of **EIE system**, replace “Authority” with “**Authority**”.
- (8) In clause 1.1(1), definition of **electrical installation**,—
 - (a) replace “**electrical installation**” with “**electrical facility**”; and
 - (b) after “electrical appliance”, insert:
 - “,—
 - and **electrical facilities** has a corresponding meaning”.
- (9) In clause 1.1(1), definition of **embedded network**,—
 - (a) replace “a system of **lines**, substations, and other **works**, used primarily for” with “equipment that is used, designed, or intended for use in, or in connection with,”; and
 - (b) after “**electricity**,” insert “and”.
- (10) In clause 1.1(1), definition of **financial year**, after “except in”, insert “Part 6A and”.
- (11) In clause 1.1(1), definition of **generator**, after “means”, insert “, except in Part 6A,”.
- (12) In clause 1.1(1), definition of **ICP**, replace “**electrical installation**” with “**electrical facility**”.
- (13) In clause 1.1(1), definition of **national holiday**,—
 - (a) replace “Queen’s Birthday” with “the birthday of the reigning Sovereign (observed on the first Monday in June)”; and
 - (b) after paragraph (d), insert:
 - “(da) Te Rā Aro ki a Matariki/Matariki Observance Day:”.
- (14) In clause 1.1(1), definition of **network**, after “means”, insert “, except in Part 6A,”.
- (15) In clause 1.1(1), definition of **operating account**,—
 - (a) after “trust account”, insert “or accounts”; and
 - (b) after “clause 14.66”, insert “, and **operating accounts** has a corresponding meaning”.
- (16) In clause 1.1(1), replace the definition of **reconciliation participant** with:
 - “**reconciliation participant** means a **participant** that—
 - “(a) is one of the following:
 - “(i) a **retailer** when purchasing **electricity** from, or selling **electricity** to, the **clearing manager**;
 - “(ii) a **generator**;
 - “(iii) a **network** owner;
 - “(iv) a **distributor**;
 - “(v) a person who purchases **electricity** from or sells **electricity** to the **clearing manager**, including a **dispatchable load purchaser**; and
 - “(b) provides information to the **reconciliation manager** in accordance with clauses 15.4 to 15.11”
- (17) In clause 1.1(1), definition of **shared unmetered load**, after “**ICP**”, insert “, including without limitation, streetlighting in a private right-of-way servicing multiple properties, and sewage pumps servicing multiple properties”.

5 Clause 1.5 amended (Special definition of “purchaser” and “participant”)

Replace clause 1.5(3) with:

- “(3) A notice given under subclause (2) takes effect from the first **trading period** on—

- “(a) the date specified in the notice, which must be at least 10 **business days** after the date that the notice is given to the **Authority**, or
- “(b) if the **Authority** reasonably considers additional time is required in any particular case, any later date specified by the **Authority** in a notice given to the **participant** (participant A) within 10 **business days** after the date the **Authority** receives the notice in subclause (2).”

6 Clause 2.16 amended (Authority may specify information that participants must collect, collate and/or provide regularly or in response to events)

- (1) In clause 2.16(2)(a) and (3), replace “**Code**” with “**Code**”.
- (2) In clause 2.16(3), replace “**Authority**” with “**Authority**”.

7 Clause 2.19 amended (Factors the Authority must consider before publishing notice)

- In clause 2.19(1)(b),—
- (a) after “promote”, insert “one or more of”; and
 - (b) replace “objective” with “objectives”.

8 Clause 2.22 amended (Authority dealing with information identified as confidential)

- (1) In clause 2.22(1)(b), replace “the objective of the **Authority**” with “one or more of the **Authority’s** objectives”.
- (2) In clause 2.22(5)(a), replace “the objective of the **Authority** out” with “one or more of the **Authority’s** objectives”.

9 Clause 3.2A amended (Market operation service providers to assist Authority to give effect to Authority’s statutory objective)

- (1) In the heading of clause 3.2A, before “**statutory**”, insert “**main**”.
- (2) In clause 3.2A(1) and (2), replace “statutory objective” with “main objective in section 15 of the **Act**”.

10 Clause 6A.1 amended (Purpose and outline of this Part)

- (1) In clause 6A.1(1) and (2)(a), replace “distributor” with “**distributor**”.
- (2) In clause 6A.1(1) and (2)(a)(ii), replace “retailer” with “**retailer**”.
- (3) In clause 6A.1(2), (2)(c) and (2)(d), replace each occurrence of “distributors” with “**distributors**”.
- (4) In clause 6A.1(2)(a)(i), (2)(a)(ii), (2)(b)(i) and (2)(b)(ii), replace “distributor’s” with “**distributor’s**”.
- (5) In clause 6A.1(2)(b), replace “distribution agreement” with “**distributor agreement**”.
- (6) In clause 6A.1(2)(c), replace “retailers” with “**retailers**”.

11 Clause 6A.2 amended (Interpretation)

- (1) In clause 6A.2, revoke the definitions of **assets, consumer, customer, director, and retailer**.
- (2) In clause 6A.2, definitions of **associate, business, financial year, generator, involved in, network and total capacity**—
 - (a) replace “given in” with “given to it by”; and
 - (b) replace “**Act**” with “**Act**”.

12 Clause 6A.3 amended (Corporate separation and arm’s-length rules applying to distributors and connected generators and connected retailers)

- (1) In clause 6A.3(1), replace “distribution” with “**distribution**”.
- (2) In clause 6A.3(2) replace “distributor” with “**distributor**”.
- (3) In clause 6A.3(3), definitions of **connected generator** and **connected retailer**,—
 - (a) replace each occurrence of “distributor” with “**distributor**”; and

- (b) replace each occurrence of “distributor’s” with “**distributor’s**”.
- (4) In clause 6A.3(3), definition of **connected retailer**,—
 - (a) replace “means a retailer” with “means a **retailer**”; and
 - (b) replace “electricity” with “**electricity**”.

13 Clause 6A.4 amended (Distribution agreements)

- (1) In the heading of clause 6A.4, replace “**Distribution**” with “**Distributor**”.
- (2) In clause 6A.4(1), (3) and (4), replace each occurrence of “distributor” with “**distributor**”.
- (3) In clause 6A.4(1)(a), replace “distribution business” with “**distribution business**”.
- (4) In clause 6A.4(1)(a), (1)(b), (1)(c), (1)(d), (2), (4)(a) and (5)(b), replace “distribution agreement” with “**distributor agreement**”.
- (5) In clause 6A.4(1)(a) and (4)(a), replace “line function services” with “**line function services**”.
- (6) In clause 6A.4(1)(b), replace “distribution agreements” with “**distributor agreements**”.
- (7) In clause 6A.4(1)(d), replace “publicises” with “**publishes**”.
- (8) In clause 6A.4(1)(d), (4) and (5)(b), replace “Authority” with “**Authority**”.
- (9) In clause 6A.4(3), definitions of **connected generator** and **connected retailer**, replace “distributor’s” with “**distributor’s**”.
- (10) In clause 6A.4(3), definition of **connected retailer**,—
 - (a) replace “means a retailer” with “means a **retailer**”; and
 - (b) replace “electricity” with “**electricity**”.
- (11) In clause 6A.4(4) and (5)(b), replace “publicised” with “**published**”.

14 Clause 6A.5 amended (Person involved in distributor must not pay for transfer of retail customers to connected retailers)

- (1) In clause 6A.5(1), (2)(a), (2)(b) and (2)(c), replace each occurrence of “distributor” with “**distributor**”.
- (2) In clause 6A.5(1),—
 - (b) replace “a retailer” with “a **retailer**”; and
 - (c) replace “distributor’s” with “**distributor’s**”.
- (3) In clause 6A.5(2)(a) and (2)(b), replace “:” with “; and”.
- (4) In clause 6A.5(3)(a),—
 - (a) replace “retailer” with “**retailer**”; and
 - (b) replace “electricity” with “**electricity**”.
- (5) In clause 6A.5(3)(b), replace “retailer’s” with “**retailer’s**”.

15 Clause 6A.6 amended (No discrimination when paying rebates or dividends)

- (1) In clause 6A.6(1), (3)(a), (3)(b) and (3)(c), replace “distributor” with “**distributor**”.
- (2) In clause 6A.6(2)(b),—
 - (a) replace “retailers” with “**retailers**”; and
 - (b) replace “distributor’s” with “**distributor’s**”.
- (3) In clause 6A.6(3)(a) and (3)(b), replace “:” with “; and”.

16 Clause 6A.7 amended (Disclosure of information to Authority)

- (1) In clause 6A.7(1) and (4), replace each occurrence of “distributor” with “**distributor**”.
- (2) In clause 6A.7(1),—
 - (a) replace “distribution agreements” with “**distributor agreements**”; and
 - (b) replace “electricity” with “**electricity**”.
- (3) In clause 6A.7(2), (3), (4) and (5)(b), replace “Authority” with “**Authority**”.
- (4) In clause 6A.7(4), replace “publicised” with “**published**”.

17 Clause 6A.8 amended (Directors must report compliance with arm’s-length rules)

- (1) In clause 6A.8(1), (2) and (3)(b), replace “Authority” with “**Authority**”.
- (2) In clause 6A.8(2), replace “publicised” with “**published**”.

- 18 Schedule 6A.1, clause 2 amended**
In Schedule 6A.1, clause 2(1), after the definition of **electricity trust**, insert:
“**manager** has the meaning given to it by section 5 of the Act”
- 19 Schedule 6A.1, clause 3 replaced**
In Schedule 6A.1, replace clause 3 with:
“**3 Arm’s-length rules**
“The arm’s-length rules are set out in clauses 3A to 3M.”
- 20 Schedule 6A.1, new clauses 3A to 3M inserted**
In Schedule 6A.1, after clause 3, insert:
- “**3A Duty to ensure arm’s-length objective is met**
“Business A and every parent of business A, and business B and every parent of business B, must take all reasonable steps to ensure that the arm’s-length objective in clause 1 is met.
- “**3B Arm’s-length test**
“Business A, and every parent of business A, must not enter into a transaction in which business B, or any parent of business B, is interested if the terms of the transaction are terms that unrelated parties in the position of the parties to the transaction, each acting independently and in its own best interests, would not have agreed to.
- “**3C Duty not to prefer interests of business B**
“A director or manager of business A must not, when exercising powers or performing duties in connection with business A, act in a manner that the director or manager knows or ought reasonably to know would prefer the interests of business B over the interests of business A.
- “**3D Duty not to discriminate in favour of business B**
“Business A must not, in providing services or benefits, discriminate in favour of business B or the customers, suppliers, or members of business B.
- “**3E Duty to focus on interests of right ultimate owners**
“A director or manager of business A must, when exercising powers or performing duties in connection with business A, act in the interests of the ultimate members of business A in their capacity as such, and must neither subordinate the interests of those members to the interests of the members of business B nor, to the extent that the members or ultimate beneficial members of each business overlap, take account of that fact or have regard to their dual capacity as members of business B and business A.
- “**3F Duty of directors and managers of parents of business A**
“A director or manager of a parent of business A must not, when exercising powers or performing duties in connection with business A, act in a manner that the director or manager knows or ought reasonably to know would favour the interests of business B, or of the customers, suppliers, or members of business B in that capacity, over the interests of business A or the customers, suppliers, or members of business A.
- “**3G At least 2 independent directors**
“At least 2 directors of business A must—
“(a) be neither a director nor a manager of business B; and

“(b) not be an associate of business B, other than by virtue of being a director of business A.

“3H No cross-directors who are executive directors

“A director of business A may be a director of business B, but must not—

- “(a) manage business B on a day-to-day basis; or
- “(b) be an associate of business B, other than by virtue of being a director of business A or business B; or
- “(c) be involved in business B (other than by having material influence over business B by virtue of being a director of business B).

“3I Separate management rule

“(1) This clause applies if business A is involved in—

- “(a) a generator that has a total capacity of more than 50 MW and that is connected to any of business A’s networks; or
- “(b) a **retailer** that retails more than 75 GWh of **electricity** in a financial year to customers who are connected to any of business A’s networks.

“(2) A manager of business A must not—

- “(a) be a manager of business B; or
- “(b) be an associate of business B, other than by virtue of being a manager of business A; or
- “(c) be involved in the business of business B.

“3J Directors and managers must not be placed under certain obligations

“(1) Subject to subclause (2), no person may place a director or manager of business A under an obligation, whether enforceable or not, to act in accordance with the directions, instructions, or wishes of business B, or any director or manager or associate of business B, or any parent of business B, and no director or manager may submit to any such obligation.

“(2) A common parent, or a cross-director or a cross-manager, of both business A and business B may place a director or manager under an obligation referred to in subclause (1) if doing so does not contravene another of the arm’s-length rules.

“3K Restriction on use of information

“(1) Business A must not disclose or permit the disclosure to business B, or use or permit the use for the purposes of business B, of restricted information of business A.

“(2) An electricity trust that is a parent of business A (**trust A**), business A, and every parent of trust A must not disclose or permit the disclosure to business B, an electricity trust that is a parent of business B (**trust B**), or any parent of trust B, or use or permit the use for the purposes of business B or trust B, of restricted information of business A or trust A.

“(3) In this clause, **restricted information** is information received or generated, and held, by business A or trust A that is connected with its business, being information that—
“(a) is not available to the competitors or potential competitors of business B or trust B; and
“(b) if disclosed to business B or trust B, would put, or be likely to put, business B or trust B in a position of material advantage in relation to any competitor or potential competitor.

(4) This clause does not prevent cross-directors under clause 3H from having access to normal board information.

(5) A manager of business A who is not prohibited from being a manager of business B under clause 3I may use restricted information of both business A and business B, but only to the extent that the use does not contravene another of the arm’s-length rules.

- “3L Records**
- “(1) Every business to which this schedule applies must keep at its registered office a register of transactions entered into between business A, or any parent of business A, and business B, or any parent of business B.
- “(2) Business A must, within 10 working days of entering into such transaction, enter in its register details sufficient to identify the nature and import of the transaction.
- “3M Practical considerations**
- “(1) Business A and every parent of business A must ensure that its practical arrangements, such as use of accommodation, equipment, and services, do not contravene this schedule.
- “(2) Business A and every parent of business A must ensure that its selection and appointment of advisors does not prejudice compliance with clauses 3G to 3K.”
- 21 Schedule 6A.1, clause 4 amended**
In Schedule 6A.1, clause 4, replace “clause 3” with “clauses 3A to 3M”.
- 22 Clause 7.4 amended (Incorporation of security of supply forecasting and information policy and emergency management policy by reference)**
In clause 7.4(2), replace “7.19” with “7.22”.
- 23 Clause 7.16 amended (Authority must consent to consultation before system operator consults on proposal to amend system operation document)**
In clause 7.16(4)(b),—
- (a) replace “sub-clause” with “subclause”; and
 - (b) replace “.” with “.”.
- 24 Clause 7.19 amended (Effect of Authority’s and system operator decisions under clauses 7.16 to 7.18)**
- (1) In clause 7.19(1),—
 - (a) replace “7.16(5)(a)” with “7.16(4)(a)”; and
 - (b) replace “7.18(4)(a)” with “7.18(3)(a)”; and
 - (c) replace “7.20” with “7.21”.
 - (2) In clause 7.19(2)(a) and (3), replace “Code” with “Code”.
 - (3) In clause 7.19(2)(b),—
 - (a) replace “consulted” with “consults”; and
 - (b) replace “7.19” with “7.20”; and
 - (c) delete “under this clause”.
- 25 Clause 7.21 amended (Approval of system operation documents)**
In clause 7.21(1) and (1)(d), replace “7.20(4)” with “7.20(5)”.
- 26 Clause 8.10 amended (Incorporation of policy statement by reference)**
In clause 8.10(2), replace “7.19” with “7.22”.
- 27 Clause 8.19 amended (Contributions to frequency support in under-frequency events)**
In clause 8.19(4)(d), replace “configuration” with “configuration”.
- 28 Clause 8.42 amended (Incorporation of procurement plan by reference)**
In clause 8.42(2), replace “7.19” with “7.22”.

- 29 **Schedule 8.1, clause 6 amended**
In Schedule 8.1, clause 6(2), replace “7.18” with “7.22”.
- 30 **Schedule 8.3, Technical Code A, clause 5 amended**
In Schedule 8.3, Technical Code A, clause 5(1)(c)(ii), replace “0%” with “1%”.
- 31 **Schedule 8.3, Technical Code B, clause 4 amended**
In Schedule 8.3, Technical Code B, clause 4(b),—
(a) delete “facilities to be put in place by”; and
(b) after “asset owners” insert “specify to the **system operator** the facilities they have in place”; and
(c) delete “are specified”.
- 32 **Schedule 8.6, clause 2 amended**
In Schedule 8.6, clause 2(2), replace “7.18” with “7.22”.
- 33 **Clause 9.2 amended (System operator must prepare and publish system operator rolling outage plan)**
Revoke clauses 9.2(2) and (3).
- 34 **Clause 9.3 amended (Incorporation of system operator rolling outage plan by reference)**
(1) In clause 9.3(1), delete “in accordance with section 32 of the Act”.
(2) Replace clause 9.3(2) with:
“(2) Clauses 7.13 to 7.22 apply to any amendment or replacement of the **system operator rolling outage plan**.”
- 35 **Clause 9.5 revoked (Amendments and substitutions of system operator rolling outage plans)**
Revoke clause 9.5.
- 36 **Clause 10.25 amended (Responsibility for ensuring there is metering installation for NSP that is not point of connection to grid)**
In clause 10.25(2)(c) and (2)(c)(ii), replace “certification” with “**certification**”.
- 37 **Clause 10.33B amended (Trader must not disconnect or electrically disconnect ICP for which it is not responsible)**
In clause 10.33B(a), replace “electrically disconnect” with “**electrically disconnect**”.
- 38 **Schedule 10.4, clause 13 amended**
In Schedule 10.4, replace clause 13 with:
“**13 Retention of ATH records relating to metering components**
“(1) An **ATH** must, for each activity regulated under this Part in relation to a **metering component** that it **calibrates** or **certifies**, retain the following records relating to that **metering component** for at least 48 months after the **certification** expiry date of the **metering component**,—
“(a) all of the **ATH**’s records, certificates, and reports; and
“(b) all **certification reports** produced by the **ATH**; and
“(c) all **calibration reports** produced by the **ATH**.
“(2) If an **ATH** intends to cease being an **ATH**, the **ATH** must transfer the records described in subclause (1) to the **metering equipment provider** either—

- “(a) recorded in the **registry** as being responsible for the **metering installation** where the **metering component** is installed; or
- “(b) identified in the **metering records** provided to the **reconciliation manager** under clause 10.26(7)(c) or 10.30(2)(c).”

39 New Schedule 10.4, clause 13A inserted

In Schedule 10.4, after clause 13, insert:

“13A Retention of ATH records relating to metering installations

- “(1) An **ATH** must, for each activity regulated under this Part in relation to a **metering installation** that the **ATH certifies**, retain the following records relating to that **metering installation** for at least 48 months after the **certification** expiry date of the **metering installation**:
 - “(a) all of the **ATH’s** records, certificates, and reports:
 - “(b) all **certification reports** produced by the **ATH**.
- “(2) If an **ATH** intends to cease being an **ATH**, the **ATH** must transfer the records described in subclause (1) to the **metering equipment provider** either—
 - “(a) recorded in the **registry** as being responsible for the **metering installation**; or
 - “(b) identified in the **metering records** provided to the **reconciliation manager** under clause 10.26(7)(c) or 10.30(2)(c).”

40 Schedule 10.6, clause 4 amended

(1) In Schedule 10.6, replace clause 4(3) with:

- “(3) A **metering equipment provider** must retain **metering records** relating to a **metering component** in a **metering installation** for which it is or was responsible, for at least 48 months after the **metering component** is removed from the **metering installation**, even if—
 - “(a) the **metering installation** is subsequently **decommissioned**; or
 - “(b) the **metering equipment provider** ceases to be responsible for the **metering installation**.”

(2) In Schedule 10.6, after clause 4(3), insert:

- “(4) A **metering equipment provider** must retain **metering records** relating to a **metering installation** for which it is or was responsible, unless—
 - “(a) the **metering installation** is **decommissioned**; or
 - “(b) the **metering equipment provider** ceases to be responsible for the **metering installation**; or
 - “(c) the **metering installation** has been **recertified** in accordance with clause 11 of Schedule 10.7 or clause 13 of Schedule 10.7.
- “(5) If subclause (4)(a), 4(b) or 4(c) applies, the **metering equipment provider** must retain the **metering records** for at least 48 months after the event described in those subclauses.”

41 New Schedule 10.6, clauses 4A to 4B inserted

In Schedule 10.6, after clause 4, insert:

“4A Transfer of metering records

- “(1) A **metering equipment provider** that intends to cease being a **metering equipment provider** (MEP A) must transfer its **metering records** to the **metering equipment provider** (MEP B) that is taking responsibility for every **metering component** or **metering installation** that MEP A is responsible for.
- “(2) If a **metering equipment provider** (MEP B in subclause (1)) receives **metering records** under subclause (1), it must retain those **metering records** in accordance with clause 4.

“4B Metering equipment provider retention of ATH records

“If a **metering equipment provider** receives an **ATH** record under clause 13(2) of Schedule 10.4 or clause 13A(2) of Schedule 10.4, the **metering equipment provider** must retain that record for at least 48 months after the date of expiry of the **certification** of the **metering installation** or **metering component** to which the record relates.”

42 Schedule 10.7, clause 16 amended

- (1) In Schedule 10.7, clause 16(2)(a)(i), (2)(aa) and (2)(ab), replace “1284” with “1284.13:2002”.
- (2) In Schedule 10.7, clause 16(2)(ab), after “in the group”, insert “, except that if a class 1 static (electronic) **meter** sample is within the accuracy tolerance of $\pm 1.5\%$, the appropriate maximum validity period for that group is 7 years”.

43 Clause 11.14 amended (Process for maintaining shared unmetered load)

After clause 11.14(3), insert:

- “(3A) A **trader** giving notice under subclause (3) must give a notice to add or omit an **ICP** only to—
- “(a) add an **ICP** if the **consumer** at the **ICP** benefits from the **shared unmetered load**;
 - or
 - “(b) omit an **ICP** if the **consumer** at the **ICP** no longer receives benefit from the **shared unmetered load**.”

44 Clause 11.30A amended (Provision of information on dispute resolution scheme)

In clause 11.30A(1), replace “Act” with “**Act**”.

45 Clause 11.30B amended (Provision of information on electricity plan comparison site)

In clause 11.30B(4),—

- (a) replace “whose **electrical installation** is connected” with “the **retailer** supplies **electricity**”; and
- (b) before “an **ICP**”, insert “at”.

46 Clause 11.32E amended (Agents)

In clause 11.32E(c), replace “1993” with “2020”.

47 Clause 11.32EB amended (Decisions on requests)

In clause 11.32EB(1)(b), replace “1993” with “2020”.

48 Schedule 11.1, clause 3 amended

In Schedule 11.1, replace clause 3 with:

“3 Electrically disconnecting

“(1) Subject to subclause (2), a **distributor** must not create an **ICP identifier** or connect an **ICP** created after 7 October 2002 unless—

- “(a) the **ICP identifier** is for an **ICP** that can be **electrically disconnected** without **electrically disconnecting** another **ICP**; and
- “(b) the **ICP** can be **electrically disconnected** without **electrically disconnecting** another **ICP**.

“(2) Subclause (1) does not apply if the **ICP** is—

- “(a) the **point of connection** between a **network** and an **embedded network**; or
- “(b) an **ICP** that represents the consumption calculated by the difference between the total consumption for the **embedded network** and all other **ICPs** on the **embedded network**.

“(3) A **distributor** must not—

- “(a) connect a new **ICP** to an existing **ICP** in series unless the existing **ICP** is of the type described in subclause (2)(a) or (2)(b); or
- “(b) create a new **ICP identifier** for a new or existing **ICP** in series with an existing **ICP** unless the existing **ICP** is of the type described in subclause (2)(a) or (2)(b) and the **distributor** is responsible for both the new and existing **ICPs**.”

49 Schedule 11.1, clause 8 amended

- (1) In Schedule 11.1, clause 8(2), replace “The” with “Subject to subclause (2A), the”.
- (2) In Schedule 11.1, clause 8(2)(a) after “effect”, replace “:” with “; and”.
- (3) In Schedule 11.1, clause 8(2)(aa),—
 - (a) replace “clause” with “clauses”; and
 - (b) after “7(1)(g),” insert “7(1)(h) and 7(1)(i),”; and
 - (c) replace “agree” with “have agreed”.
- (4) In Schedule 11.1, clause 8(2)(ab)(ii), after “**ICP**”, replace “:” with “; and”.
- (5) In Schedule 11.1, after clause 8(2), insert:

“(2A) Where the functioning of the **registry** prevents the **distributor** from updating the **registry** until after a **metering equipment provider** has completed its obligations relating to the **ICP** in accordance with Schedule 11.4, the timeframes in subclause (2) start from the day the **metering equipment provider** completes those obligations.”

50 Schedule 11.1, clause 10 amended

- (1) In Schedule 11.1, clause 10(2), replace “The **trader**” with “Subject to subclause (2A), the **trader**”.
- (2) In Schedule 11.1, after clause 10(2), insert:

“(2A) Where the functioning of the **registry** prevents the **trader** from updating the **registry** until after the **metering equipment provider** has completed its obligations relating to the **ICP** in accordance with Schedule 11.4, the timeframes in subclause (2) start from the day the **metering equipment provider** has completed those obligations.”
- (3) In Schedule 11.1, revoke clauses 10(3) and (4).

51 Schedule 11.1, clause 13 amended

In Schedule 11.1, clause 13(a), replace “**electrical installations**” with “**electrical facilities**”.

52 Schedule 11.1, clause 14 amended

In Schedule 11.1, clause 14(1)(a), replace “**electrical installations**” with “**electrical facilities**”.

53 Schedule 11.1, clause 17 amended

In Schedule 11.1, clause 17(1)(a), replace “**electrical installations**” with “**electrical facilities**”.

54 Schedule 11.1, clause 20 amended

In Schedule 11.1, clause 20(2)(a), replace “**electrical installations**” with “**electrical facilities**”.

55 Clause 12.10 amended (Default transmission agreements)

- (1) In clause 12.10(4),—
 - (a) replace “applies” with “is deemed to apply”; and
 - (b) delete “that is 2 months after”.
- (2) Replace clause 12.10(6) with:

“(6) If a dispute is referred to the **Rulings Panel**, under subclause (5)—

 - “(a) the **default transmission agreement** as determined by the **Rulings Panel** in accordance with clauses 12.45 to 12.48 is deemed to apply between **Transpower** and the **designated transmission customer** from the date the **participant** became a **designated transmission customer**; and

“(b) until the **Rulings Panel** makes a determination, the draft **default transmission agreement** proposed under subclause (2)(b)(v) to (viii), or as amended by **Transpower** under subclause (2)(c), (as applicable) is deemed to apply as a **default transmission agreement** from the date the **participant** became a **designated transmission customer**.”

56 Clause 12.13 amended (Expiry or termination of transmission agreements)

Replace clause 12.13 with:

“12.13 Expiry or termination of transmission agreements

“If a **participant** and **Transpower** are party to an existing **transmission agreement** or written agreement to which clause 12.49 applies, and do not enter into a new **transmission agreement** before the existing agreement expires or terminates, upon expiry or termination of the existing agreement the provisions in clause 12.10 apply with all necessary modifications.”

57 Clause 12.60 amended (Authority review of grid reliability standards)

In clause 12.60,—

- (a) replace “Authority in section 15” with “**Authority** in section 15”; and
- (b) replace “statutory” with “main”.

58 Clause 12.67 amended (Authority review of grid determination)

In clause 12.67,—

- (a) replace “Authority in section 15” with “**Authority** in section 15”; and
- (b) replace “statutory” with “main”.

59 Clause 12.78 amended (Purpose for establishing transmission pricing methodology)

In clause 12.78, after “**Authority’s**”, insert “main”.

60 Clause 12.79 amended (Statutory objective)

- (1) In the heading of clause 12.79, replace “**Statutory**” with “**Main statutory**”.
- (2) In clause 12.79, after “**Authority’s**”, insert “main”.

61 Clause 12.81 amended (Authority must prepare an issues paper)

In clause 12.81(2), after “**Authority’s**”, insert “main”.

62 Clause 12.89 amended (Form of proposed transmission pricing methodology)

In clause 12.89(1)(b), after “**Authority’s**”, insert “main”.

63 Clause 12.107 amended (Transpower to identify interconnection branches, and propose service measures and levels)

In clause 12.107(4)(c),—

- (a) delete “**configuration** of the”; and
- (b) after “**HVDC link**”, insert “**configuration**”.

64 Clause 12.112 amended (Exceptions to clause 12.111)

In clause 12.112(1)(ea)(ii),—

- (a) delete “**configuration** of the”; and
- (b) after “**HVDC link**”, insert “**configuration**”.

- 65 Schedule 12A.1, Appendix C, clause 5 amended**
In Schedule 12A.1, Appendix C, clause 5(1)(d), replace “1993” with “2020”.
- 66 Schedule 12A.1, Appendix C, clause 7 amended**
In Schedule 12A.1, Appendix C, clause 7(1) and (2), replace “1993” with “2020”.
- 67 Schedule 12A.4, clause 4 amended**
In Schedule 12A.4, clause 4(2)(a), replace “objective set out” with “main objective”.
- 68 Clause 13.3D amended (Access to WITS)**
In clause 13.3D(6), replace “Authority under” with “**Authority** under”.
- 69 Clause 13.6 amended (Requirements for generators when submitting offers)**
(1) In clause 13.6(2), replace “pricing manager” with “clearing manager”.
(2) In clause 13.6(5), delete “, the pricing manager,”.
- 70 Clause 13.23 amended (Backup procedures if WITS is unavailable)**
(1) In clause 13.23(1), replace “specified by the WITS manager” with “agreed between the **WITS manager** and the **Authority** and published by the **Authority**”.
(2) Revoke clause 13.23(2).
- 71 Clause 13.30 amended (Standing data on HVDC capability to be provided to system operator)**
(1) In clause 13.30(1),—
(a) delete “the configuration of”; and
(b) after “with the HVDC link”, insert “configuration”.
(2) In clause 13.30(3)(b),—
(a) delete “configuration of the”; and
(b) after “HVDC link”, insert “configuration”.
- 72 Clause 13.58A amended (Inputs for price-responsive schedule and non-response schedule)**
(1) Replace clause 13.58A(1)(e)(ii) with:
“(ii) the capability of the HVDC link including the HVDC link configuration, the capacity of the HVDC link, the losses in the HVDC link, the direction of any transfer limit on the HVDC link, and any minimum or maximum transfer limits on the HVDC link; and”.
(2) Replace clause 13.58A(2)(d)(ii) with:
“(ii) the capability of the HVDC link including the HVDC link configuration, the capacity of the HVDC link, the losses in the HVDC link, the direction of any transfer limit on the HVDC link, and any minimum or maximum transfer limits on the HVDC link; and”.
- 73 Clause 13.69B amended (Inputs for dispatch schedule)**
(1) In clause 13.69B(1)(g)(i), replace “losses” with “losses”.
(2) Replace clause 13.69B(1)(g)(ii) with:
“(ii) the capability of the HVDC link including the HVDC link configuration, the capacity of the HVDC link, the losses in the HVDC link, the direction of any transfer limit on the HVDC link, and any minimum or maximum transfer limits on the HVDC link; and”.
(3) In clause 13.69B(1)(g)(iii), replace “losses” with “losses”.
- 74 New clause 13.138C inserted (Generators to arrange for regular audits)**
Before clause 13.139, insert:
“13.138C Generators to arrange for regular audits

“Each **generator** with one or more obligations under clauses 13.136 to 13.138 of this Code must, in respect of those obligations,—

- “(a) obtain and maintain **certification** under Schedule 15.1 to be permitted to perform, or to have performed by an agent or agents, any of those obligations; and
- “(b) arrange to be **audited** regularly under Part 16A.”

75 Clause 13.173A amended (Process when pricing error investigation commenced)

In clause 13.173A(2), replace “Authority” with “**Authority**”.

76 Clause 13.182A amended (Interim prices become final prices if no pricing error claimed or investigated)

In clause 13.182A(2),—

- (a) after “(as applicable)”, insert “when the **clearing manager** makes the **final price** or **final reserve price** available on **WITS**, which must be after 1300 hours but no later than”; and
- (b) delete “at” before “1400 hours”.

77 Clause 13.182B amended (Interim prices become final prices if no pricing error exists)

In clause 13.182B(2), after “(as applicable)”, insert “when the **clearing manager** makes the **final price** or **final reserve price** available on **WITS**, which must be”.

78 Clause 13.192 amended (Constrained off situations may occur)

In clause 13.192(1)(c),—

- (a) delete “all”; and
- (b) replace “despite” with “and where”; and
- (c) replace “being” with “is”.

79 Clause 13.194 amended (Clearing manager to calculate constrained off amounts)

In clause 13.194(2), after “ Q_b is the quantity, in **MWh**, in the **nominated dispatch bid**”, replace “price band” with “band where the bid price is above the final price”.

80 Clause 13.199 amended (Clearing manager to make details of constrained off amount available)

In clause 13.199,—

- (a) replace “make” with “**publish**”; and
- (b) delete “available on **WITS**”.

81 Clause 13.202 amended (Constrained on situations may occur)

In clause 13.202(1)(d),—

- (a) delete “any”; and
- (b) replace “, despite” with “and”; and
- (c) replace “being” with “is”.

82 Clause 13.204 amended (Calculation of constrained on amounts)

In clause 13.204(1)(aa),—

- (a) after “ConOnQ is the amount in **MWh**”, replace “which is the smaller of Q_{disp} and Q_{rec} ” with “by which the lowest of Q_{disp} and Q_{rec} exceeds Q_b ”; and
- (b) after the second occurrence of “where”, insert in the next line:
“ Q_b is the quantity, in **MWh**, in the **nominated dispatch bid** price band where the bid price is below the final price”.

- 83 Clause 13.208 amended (Clearing manager to make details of constrained on amounts available)**
 In clause 13.208,—
 (a) replace “make” with “**publish**”; and
 (b) delete “available on **WITS**”.
- 84 Clause 13.211 amended (Backup procedures if WITS is unavailable)**
 (1) In the heading of clause 13.211, replace “**WITS**” with “**the clearing manager’s external system**”.
 (2) In clause 13.211(1),—
 (a) replace “**WITS**” with “**the clearing manager’s external system**”; and
 (b) after “follow”, delete “the”; and
 (c) replace “specified by the **WITS manager** from time to time” with “agreed between it and the **Authority** and **published** by the **Authority**”.
 (3) Revoke clause 13.211(2).
- 85 Clause 13.218 amended (Parties required to submit information)**
 In clause 13.218(2), replace “Authority’s” with “**Authority’s**”.
- 86 Clause 13.273 amended (Authority may provide clearance for a materially large contract)**
 (1) In clause 13.273(1)(a), replace “Authority” with “**Authority**”.
 (2) In clause 13.273(2), replace “Authority requests” with “**Authority** requests”.
- 87 Clause 13.281 amended (Payment of costs relating to audits)**
 In clause 13.281(2), replace “Authority’s” with “**Authority’s**”.
- 88 Schedule 13.3, clause 17 amended**
 In Schedule 13.3, clause 17(b) and (c), replace “**location factor**” with “location factor”.
- 89 Schedule 13.4, clause 4 amended**
 In Schedule 13.4, clause 4(e), before “section 15”, insert “the **Authority’s** main objective in”.
- 90 New clause 14.1A inserted (Clearing manager may require additional information)**
 After clause 14.1, insert:
“14.1A Clearing manager may require additional information
“(1) The clearing manager may require information from a participant by notice to the participant where the information is necessary for the purpose of the clearing manager carrying out its role in accordance with this Code.
“(2) Information required under subclause (1) may include information that the clearing manager reasonably requires, in the course of carrying out its role in accordance with the Code, to comply with its obligations under legislation other than the Code.
“(3) A participant who receives a notice under subclause (1) must, as soon as practicable, provide the information required in the notice to the clearing manager.”
- 91 Clause 14.23 amended (Procedure for advising participant of amounts owing and payable)**
 (1) In clause 14.23(1)(a), replace “**WITS**” with “**the clearing manager’s external system**”.
 (2) In clause 14.23(1)(aa),—
 (a) replace “the” with “**aggregated**”; and
 (b) replace “; and” with “**within one month after each billing period.**”
 (3) Revoke clause 14.23(1)(b).
 (4) In clause 14.23(2),—

- (a) replace “submitting” with “making”; and
- (b) replace “to WITS” with “available on the **clearing manager’s** external system”; and
- (c) delete “, despite the procedures set out in this clause and in clause 14.24”.

92 Clause 14.24 revoked (Participant to confirm receipt)

Revoke clause 14.24.

93 New clause 14.34A inserted (Payment of residual funds from operating accounts)

After clause 14.34, insert:

“14.34A Payment of residual funds from operating accounts

“(1) In this clause,—

“(a) applicable period means the period from the last date the **clearing manager** determined the amount of residual funds to be paid to each **participant** under subclause (3), if applicable, up to the date the **clearing manager** determines the amount of residual funds to be paid to each **participant** under subclause (3):

“(b) residual funds means any monies left in the **clearing manager’s operating accounts** after all amounts owed by the **clearing manager** have been paid in accordance with this Part, less—

“(i) any applicable deduction for tax purposes; and

“(ii) any amounts that are allocated to be paid to **participants** in accordance with this Part that have not yet been paid; and

“(iii) any amounts required to pay any bank fees due for the next two months for the **operating account**; and

“(iv) any amounts required to maintain a positive balance in each **operating account** at a level that the **clearing manager** considers is reasonably prudent.

“(2) The **clearing manager** may use monies in the **operating accounts**, that are not paid or due to be paid to **participants** in accordance with this Part, to pay any bank fees due or applicable tax owing for the **operating accounts**.

“(3) The **clearing manager** will determine the amount of residual funds to be paid to each **participant** in accordance with subclause (4) as follows:

“(a) by determining the amount of residual funds available in its **operating accounts**:

“(b) by identifying the **participants** that the **clearing manager** has paid in accordance with clause 14.20(2)(a), other than **grid owners**, in the applicable period:

“(c) by allocating the residual funds available to the **participants** identified under paragraph (b), in direct proportion to the amount the **clearing manager** has paid each **participant** in the applicable period compared to the total amount the **clearing manager** has paid all **participants** in accordance with clause 14.20(2)(a), other than **grid owners**, in that period:

“(d) by deducting, from any residual funds allocated to a defaulting **participant** under paragraph (c), any amount the **clearing manager** sets-off against the unpaid amount payable by the defaulting **participant** to the **clearing manager** under clause 14.44(1)(c):

“(e) by rounding down the amount allocated to each **participant** to the nearest cent.

“(4) At least once in each six-month period, but no later than 1600 hours on the final **business day** in the months of March and September, the **clearing manager** must—

“(a) advise each **participant** that the **clearing manager** has paid in accordance with clause 14.20(2)(a) in the **applicable period**, other than **grid owners**, of the amount of residual funds to be paid to that **participant**, as determined under subclause (3); and

“(b) pay the residual funds to each **participant** in accordance with subclause (3).”

- 94 Clause 14.41 amended (Definition of an event of default)**
 After clause 14.41(1)(h)(iv), insert:
 “(i) if the **clearing manager** is prohibited from establishing or continuing a business relationship with a **participant** under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.”
- 95 Clause 14.66 amended (Clearing manager to establish operating account)**
 (1) In clause 14.66(1), replace “an” with “at least one”.
 (2) In clause 14.66(2), before “**operating account**”, replace “The” with “Each”.
 (3) In clause 14.66(3), before “**operating account**”, replace “the” with “each”.
- 96 Clause 14.68 revoked (Monthly divergence reports to be prepared by clearing manager)**
 Revoke clause 14.68.
- 97 Clause 14.71 amended (Clearing manager to make block dispatch settlement differences available)**
 In clause 14.71(1),—
 (a) replace “make” with “**publish**”; and
 (b) delete “available for **participants** on **WITS**”.
- 98 Clause 14.72 amended (Clearing manager to make block dispatch settlement differences available later if WITS unavailable)**
 (1) In the heading of clause 14.72, replace “**WITS**” with “**clearing manager’s external system**”.
 (2) In clause 14.72(1), replace “**WITS**” with “the **clearing manager’s external system**”.
 (3) In clause 14.72(2),—
 (a) replace “make” with “**publish**”; and
 (b) delete “available on **WITS**”; and
 (c) replace “**WITS** becomes available” with “its external system becomes available”.
- 99 Clause 14.75 amended (Notices)**
 In clause 14.75(2)(c),—
 (a) replace “transmitted through **WITS**” with “made available on the **clearing manager’s external system**”; and
 (b) replace “date it was transmitted” with “date it was made available”.
- 100 Schedule 14.4, Form 1, clause 2 amended**
 In Schedule 14.4, Form 1, clause 2, after the definition of “**aggregate floating amount**”, insert:
 “**business day** means any day of the week except Saturdays, Sundays, **national holidays**, the day observed as Wellington Anniversary Day, and any other day from time to time declared by the **Authority** not to be a **business day** by notice to each **registered participant**”
- 101 Schedule 14.4, Form 1, clause 3 amended**
 In Schedule 14.4, Form 1,—
 (a) in clause 3(b), replace “on the relevant **settlement date**.” with “on the relevant **settlement date**; and”; and
 (b) after clause 3(b), insert:
 “(c) the **clearing manager** must calculate the amounts to be payable by and to the **parties** and advise each **party** of those amounts by the 5th **business day** of the month following the **billing period**. If either **party** notifies the **clearing manager** in writing by the 7th **business day** of the month following the **billing period** of any issues with the amounts the **clearing manager** has advised are to be payable, the **clearing manager** will use reasonable endeavours to correct the issues before

issuing invoices on the 9th **business day** of the month following the **billing period** under clause 14.18(2) of the **Code**.”

102 Schedule 14.4, Form 1, clause 5 amended

In Schedule 14.4, Form 1, replace clause 5 with:

“5 Other provisions

- “(1) The **fixed price** is inclusive of any additional costs arising due to carbon charges.
- “(2) Where the terms of this **hedge settlement agreement** include reference to—
 - “(a) day, this means both **business days** and non-**business days**;
 - “(b) weekday, this means a **business day**;
 - “(c) weekend, this means non-**business days**.
- “(3) Where daylight savings starts or ends during the **term** of this **hedge settlement agreement**, the **clearing manager** will calculate the **fixed amounts** and **floating amounts** for the days on which daylight savings starts or ends in the same way the **clearing manager** calculates the sale and purchase of **electricity** for these days.”

103 Schedule 14.4, Form 2, clause 2 amended

In Schedule 14.4, Form 2, clause 2, before the definition of “**calculation period**”, insert:

“**business day** means any day of the week except Saturdays, Sundays, **national holidays**, the day observed as Wellington Anniversary Day, and any other day from time to time declared by the **Authority** not to be a **business day** by notice to each **registered participant**”

104 Schedule 14.4, Form 2, clause 3 amended

In Schedule 14.4, Form 2, clause 3, insert as subclause (2):

- “(2) In relation to a billing period, the **clearing manager** must calculate the amounts to be payable by and to the **parties** and advise each **party** of those amounts by the 5th **business day** of the month following the **billing period**. If either **party** notifies the **clearing manager** in writing by the 7th **business day** of the month following the **billing period** of any issues with the amounts the **clearing manager** has advised are to be payable, the **clearing manager** will use reasonable endeavours to correct the issues before issuing invoices on the 9th **business day** of the month following the **billing period** under clause 14.18(2) of the **Code**.”

105 Schedule 14.4, Form 2, clause 5 amended

In Schedule 14.4, Form 2, replace clause 5 with:

“5 Other provisions

- “(1) The **strike price** is inclusive of any additional costs arising due to carbon charges.
- “(2) Where the terms of this **hedge settlement agreement** include reference to—
 - “(a) day, this means both **business days** and non-**business days**;
 - “(b) weekday, this means a **business day**;
 - “(c) weekend, this means non-**business days**.
- “(3) Where daylight savings starts or ends during the **term** of this **hedge settlement agreement**, the **clearing manager** will calculate the **calculation period premium** and **calculation period settlement amounts** for these days in the same way the **clearing manager** calculates the sale and purchase of **electricity** for these days.”

106 Schedule 14.4, Form 3, clause 2 amended

In Schedule 14.4, Form 3, clause 2, after the definition of “**average floating price**”, insert:

“**business day** means any day of the week except Saturdays, Sundays, **national holidays**, the day observed as Wellington Anniversary Day, and any other day from time to time declared by the **Authority** not to be a **business day** by notice to each **registered participant**”

107 Schedule 14.4, Form 3, clause 3 amended

In Schedule 14.4, Form 3, clause 3, insert as subclause (2):

- “(2) In relation to a **billing period**, the **clearing manager** must calculate the amounts to be payable by and to the **parties** and advise each **party** of those amounts by the 5th **business day** of the month following the **billing period**. If either **party** notifies the **clearing manager** in writing by the 7th **business day** of the month following the **billing period** of any issues with the amounts the **clearing manager** has advised are to be payable, the **clearing manager** will use reasonable endeavours to correct the issues before issuing invoices on the 9th **business day** of the month following the **billing period** under clause 14.18(2) of the **Code**.”

108 Schedule 14.4, Form 3, clause 5 amended

In Schedule 14.4, Form 3, replace clause 5 with:

“5 Other provisions

- “(1) The **strike price** is inclusive of any additional costs arising due to carbon charges.
“(2) Where the terms of this **hedge settlement agreement** include reference to—
“(a) day, this means both **business days** and non-**business days**;
“(b) weekday, this means a **business day**;
“(c) weekend, this means non-**business days**.
“(3) Where daylight savings starts or ends during the **term** of this **hedge settlement agreement**, the **clearing manager** will calculate the **calculation period premium** and **option period settlement amounts** for these days in the same way the **clearing manager** calculates the sale and purchase of **electricity** for these days.”

109 Clause 15.4 amended (Submission information to be delivered for reconciliation)

- (1) In clause 15.4(1), replace each occurrence of “**reconciliation participant**” with “**participant**”.
(2) In clause 15.4(2),—
(a) replace each occurrence of “**reconciliation participant**” with “**participant**”; and
(b) replace “trading” with “having traded”.

110 Clause 15.5 amended (Preparing and submitting submission information)

- (1) In clause 15.5(1), replace each occurrence of “**reconciliation participant**” with “**participant**”.
(2) In clause 15.5(2), replace “Each **reconciliation participant**” with “In preparing and submitting **submission information**, a **participant**”.
(3) In clause 15.5(3),—
(a) replace “**reconciliation participant**” with “**participant**”; and
(b) replace “who” with “that”.

111 Clause 15.36 amended (New Zealand Daylight Time adjustment techniques)

In clause 15.36(1), delete “specified by the **Authority**”.

112 Clause 15.37A amended (Reconciliation participants and dispatchable load purchasers to arrange for regular audits)

- (1) In the heading of clause 15.37A, delete “and **dispatchable load purchasers**”.
(2) In clause 15.37A,—
(a) replace “and each **dispatchable load purchaser**” with “with one or more obligations under this Part”; and
(b) replace “in accordance with” with “under”; and
(c) replace “the **reconciliation participant's** or **dispatchable load purchaser's** obligations under this Part” with “those obligations”.

113 Clause 15.38 amended (Functions requiring certification)

- (1) In clause 15.38(1),—
 - (a) delete “(except an **embedded generator** selling **electricity** directly to another **reconciliation participant**)”; and
 - (b) replace “in accordance with” with “under”; and
 - (c) delete “in order”; and
 - (d) delete “way of”; and
 - (e) replace “in compliance with” with “under”; and
 - (f) in paragraph (a), replace “in accordance with” with “under”; and
 - (g) revoke paragraph (f).
- (2) In clause 15.38(1A),—
 - (a) before “**dispatchable load purchaser**”, replace “A” with “In addition to the functions in subclause (1), a **reconciliation participant** that is a”; and
 - (b) replace “in accordance with” with “under”; and
 - (c) delete “in order”; and
 - (d) delete “way of”; and
 - (e) replace “in compliance with” with “under”; and
 - (f) revoke paragraph (a); and
 - (g) replace paragraph (b) with:
“(b) creating and managing (including validating, estimating, storing, correcting, and archiving) **dispatchable load information**; and”.
- (3) Revoke clause 15.38(1B).

114 Schedule 15.1, clause 1 amended

- (1) In Schedule 15.1, replace clause 1(b) with:
“(b) the requirement for—
 - (i) **reconciliation participants** to be **certified** to perform the functions specified in clause 15.38; and
 - (ii) **generators** that are not **reconciliation participants** to be **certified** to perform any of the obligations specified under clauses 13.136 to 13.138; and”.
- (2) In Schedule 15.1, after clause 1(b), insert:
“(ba) the process for obtaining and renewing that **certification**.”.

115 Schedule 15.1, clause 2A amended

- (1) In Schedule 15.1, clause 2A(1), after “Despite clause 15.38(1)” insert “and 15.38(1A)”.
- (2) In Schedule 15.1, clause 2A(1)(b)(i),—
 - (a) after “performs”, insert “, including by using an agent,”; and
 - (b) replace “clause 15.38(1)” with “clause 15.38”.
- (3) In Schedule 15.1, after clause 2A(2), insert:
“(3) A **generator** that is not a **reconciliation participant** and that is required to obtain **certification** under clause 13.138C must obtain **certification** no later than 6 months after the date on which the **generator** first performs, including by using an agent, an obligation under clauses 13.136 to 13.138.”

116 Schedule 15.1, clause 2B amended

- (1) In Schedule 15.1, in the heading of clause 2B, replace “**Reconciliation participants**” with “**Participants**”.
- (2) In Schedule 15.1, in clause 2B(1)—
 - (a) replace “**reconciliation participant**” with “**participant**”; and
 - (b) replace “clause 15.38(1)” with “clause 15.38”.
- (3) In Schedule 15.1, after clause 2B(1), insert:

- “(1A) A **generator** that is not a **reconciliation participant** and that proposes to perform an obligation under clauses 13.136 to 13.138 without obtaining **certification** (in reliance on clause 2A) must obtain the **Authority's** prior approval.”
- (4) In Schedule 15.1, in clause 2B(2),—
- (a) replace each occurrence of “**reconciliation participant**” with “**participant**”;
 - (b) after “by the **participant**” insert “specified in subclause (1) or subclause (1A)”;
 - (c) delete “such of”; and
 - (d) replace “as are relevant” with “that apply”.
- (5) In Schedule 15.1, in clause 2B(3),—
- (a) replace “reconciliation participant” with “participant”; and
 - (b) after subparagraph (a), insert:
 - “(aa) where required, be capable of providing the **half-hour metering information** required under clauses 13.136 to 13.138.”

117 Schedule 15.1, clause 3 amended

- (1) In Schedule 15.1, in the heading of clause 3, replace “**reconciliation participant**” with “**participant**”.
- (2) In Schedule 15.1, clause 3,—
- (a) replace each occurrence of “**reconciliation participant**” with “**participant**”;
 - (b) replace “**reconciliation participant's**” with “**participant's**”; and
 - (c) after “under this Schedule by”, insert “using”.

118 Schedule 15.1, clause 4 amended

- (1) In Schedule 15.1, clause 4(1),—
- (a) replace “reconciliation participant” with “participant”; and
 - (b) after “clause 15.38”, insert “or the obligations under clauses 13.136 to 13.138”.
- (2) In Schedule 15.1, replace clause 4(2) with:
- “(2) When making an application under subclause (1), the **participant** must—
- “(a) promptly provide such other information as the **Authority** may reasonably request; and
 - “(b) indicate to the **Authority** the information gathering, processing and management functions the **participant** intends to perform and who it intends to use to perform those functions.”
- (3) In Schedule 15.1, revoke clause 4(3).

119 Schedule 15.1, clause 5 amended

- (1) In Schedule 15.1, clause 5(1), after “**reconciliation participant**”, insert “or **generator**”.
- (2) In Schedule 15.1, clause 5(1)(a),—
- (a) replace each occurrence of “**reconciliation participant**” with “**participant**”; and
 - (b) after “clause 15.38”, insert “or the obligations under clauses 13.136 to 13.138”.
- (3) In Schedule 15.1, clause 5(2), replace “**reconciliation participant**” with “**participant**”.

120 Schedule 15.1, clause 6 amended

- In Schedule 15.1, clause 6(a),—
- (a) replace “certified reconciliation participants” with “participants”; and
 - (b) replace “that includes” with “**certified** under clause 13.138C and clause 15.38 including”; and
 - (c) replace “reconciliation participant” with “participant”.

121 Schedule 15.1, clause 7 amended

- In Schedule 15.1, clause 7(2),—
- (a) replace “reconciliation participant's” with “participant's”; and

- (b) replace “reconciliation participant” with “participant”.

122 Schedule 15.1, clause 8 amended

- (1) In Schedule 15.1, clause 8(1A), (2) and (3), replace each occurrence of “**reconciliation participant’s**” with “**participant’s**”.
- (2) In Schedule 15.1, clause 8(2) and 8(3)(b), replace each occurrence of “**reconciliation participant**” with “**participant**”.
- (3) In Schedule 15.1, clause 8(3)(a),—
 - (a) replace “a reconciliation participant” with “the participant”; and
 - (b) replace “in accordance with” with “under”.

123 Schedule 15.4, clause 13 replaced

In Schedule 15.4, replace clause 13 with:

“13 Balancing area derived profiles approved in accordance with Appendix 1 of Schedule 15.5

- “(1) The **reconciliation manager** must calculate the **trading period** information by applying the **balancing area** derived **profile** code specified in the submission file provided by the **reconciliation participant**, if—
 - “(a) the **profile** code has been approved by the **Authority** for use as a **balancing area** derived **profile** in accordance with Schedule 15.5; and
 - “(b) the **profile owner** has given written notice to the **reconciliation manager** of the approved **profile** code, and the **profile owner** has authorised the **reconciliation participant** to use the approved **profile** code.
- “(2) If the **Authority** has not approved the **profile** code, or submitted the **profile** to the **reconciliation manager** in accordance with clause 12(1) of Appendix 1 of Schedule 15.5, the **reconciliation manager** must calculate the **trading period** information using the final residual **profile** shape as defined in Schedule 15.5.”

124 Schedule 15.5, clause 37 amended

- (1) In Schedule 15.5, replace clause 37(1) with:
 - “(1) If a **profile** fails an **audit**, the **Authority** must remove the **profile** from the list of approved **profiles** held by the **Authority** unless—
 - “(a) either—
 - (i) in the case of an **audit** performed by the **Authority**, the **participant** and the **Authority** agree corrective actions no later than **5 business days** after the date the **audit** is completed; or
 - (ii) in the case of an **audit** performed by the **Authority’s** appointed **audit** agent, the **participant**, the **Authority**, and the **audit** agent agree corrective actions no later than **5 business days** after the date the **audit** is submitted to the **Authority**; and
 - “(b) the **Authority** is satisfied that the agreed corrective actions have been performed no later than 3 months after the date the **audit** was completed.”
- (2) In Schedule 15.5, after clause 37(1), insert:
 - “(1A) Despite subclause (1), the **Authority** must immediately remove a **profile** that fails an **audit** if the **participant** advises the **Authority** that the **participant** will not agree to or perform the corrective actions.”

125 Clause 16A.1 amended (Contents of this part)

- (1) In clause 16A.1,—
 - (a) replace “participants” with “**participants**”; and
 - (b) after “11,”, insert “13”.
- (2) In clause 16A.1 and paragraphs (a) to (h), replace “audits” with “**audits**”.

- (3) In clause 16A.1(a) and (c), replace “Metering equipment providers” with “**Metering equipment providers**”.
- (4) In clause 16A.1(a), replace “ATHs” with “**ATHs**”.
- (5) In clause 16A.1(b), (e), and (h),—
 - (a) replace “Authority” with “**Authority**”; and
 - (b) replace “participant” with “**participant**”.
- (6) In clause 16A.1(d), replace “Distributors” with “**Distributors**”.
- (7) After clause 16A.1(e), insert:
“(ea) 13.138C (**Generators** to arrange for regular **audits**):”.
- (8) In clause 16A.1(f),—
 - (a) replace “Reconciliation participants” with “**Reconciliation participants**”; and
 - (b) delete “and dispatchable load purchasers”; and
- (9) In clause 16A.1(g),—
 - (a) replace “Retailers” with “**Retailers**”; and
 - (b) replace “distributed unmetered load” with “**distributed unmetered load**”.

126 New clause 16A.14A inserted (Authority may require participant to undertake audit)

After clause 16A.14, insert:

“16A.14A Authority may require participant to undertake audit

- “(1) This clause applies if a **participant**—
 - “(a) was required to carry out an **audit** in accordance with this Part and failed to complete the **audit** and give a final **audit** report to the **Authority** in accordance with clause 16A.13; or
 - “(b) was exempted under section 11 of the **Act** from giving a final **audit** report to the **Authority** in accordance with clause 16A.13 and that exemption has expired or was revoked.
- “(2) The **Authority** may advise the **participant**—
 - “(a) if subclause (1)(a) applies, of the date by which the **participant** must complete the next **audit** that the **participant** is required to carry out in accordance with this Part; or
 - “(b) if subclause (1)(b) applies, of the date by which the **participant** must complete the first **audit** that the **participant** is required to carry out in accordance with this Part since the exemption expired or was revoked.
- “(3) The **Authority** must not advise the **participant** of a date under subclause (2) that is any earlier than 3 months after the date that the **Authority** gives the advice to the **participant**.
- “(4) The date the **Authority** advises under subclause (2) is the date by which the **participant** must complete the **audit** for the purposes of clause 16A.14.”

127 New Part 16A, Subpart 6A inserted

After clause 16A.25, insert:

“Subpart 6A – Generator audits

“16A.25A Time frame for generator audits

“In relation to **audits** required under clause 13.138C, a **generator** (or an applicant for **certification** as a **generator**) must ensure that—

- “(a) an initial **audit** is completed no later than 2 months before the date on which the **generator** (or the applicant for **certification** as a **generator**) is required to be **certified** as a **generator** under clause 2A of Schedule 15.1; and
- “(b) further **audits** are completed as specified by the **Authority** under clause 16A.14.”

128 Clause 17.80 amended (Traders to provide ICP information to registry)

In clause 17.80,—

- (a) replace “clause 2” with “clause 3”; and

- (b) replace “clause 2A” with “clause 3A”; and
 - (c) replace “clause 7” with “clause 9”.
- 129 Clause 17.108 amended (Increased services and reliability)**
In clause 17.108, replace “is deemed to be a certification” with “is deemed to be confirmation”.
- 130 Clause 17.137 revoked (Backup procedures if the information system is unavailable)**
Revoke clause 17.137.
- 131 Clause 17.138 revoked (Backup procedures)**
Revoke clause 17.138.
- 132 Clause 17.169 revoked (Half-hour metering information)**
Revoke clause 17.169.
- 133 Clause 17.184 revoked (System operator to give pricing manager a list of model variable failures)**
Revoke clause 17.184.

Explanatory Note

This note is not part of the amendment but is intended to indicate its general effect.

This amendment to the Electricity Industry Participation Code 2010 (“Code”) comes into force on 1 March 2024.

This amendment makes a variety of independent and relatively minor amendments as part of the Electricity Authority’s Code review programme to improve the operation of the Code.

This amendment amends Parts 1, 2, 3, 6A, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16A and 17 of the Code. The changes include:

- a. updating and clarifying definitions including “at risk HVDC transfer”, “business day”, “configuration”, “electrical installation”, “embedded network”, “national holiday”, “reconciliation participant” and “shared unmetred load”;
- b. enabling profiles which fail an audit to remain on the list of approved profiles if corrective action is agreed;
- c. providing for a longer maximum certification validity period for certain category 1 metering installations;
- d. removing the clearing manager’s obligation to provide monthly divergence reports to the Authority;
- e. clarifying several aspects of the Code mechanisms for publishing invoices by the clearing manager;
- f. improving clearing manager processes by requiring participants to provide certain information to the clearing manager and amending the definition of an event of default;
- g. reducing the minimum period before a participant can assume rights and obligations of another participant under the Code;
- h. prohibiting installation control points (“ICPs”) being connected in series;
- i. clarifying obligations on a metering equipment provider (“MEP”) to retain and, when ceasing to be an MEP, to pass on metering records for metering installations;

- j. clarifying obligations on each approved test house (“ATH”) to retain and, when ceasing to be an ATH, pass on metering installation records and metering component records;
- k. limiting traders’ ability to remove an ICP from a shared unmetered load;
- l. clarifying the timeframes for distributors and traders to update the registry when dependent on MEPs updating the registry;
- m. enabling the clearing manager to disburse interest from its bank accounts to generators;
- n. clarifying that the Authority can require an audit to be completed and submitted under Part 16A if an audit has not been submitted by the previously specified date;
- o. clarifying two clauses in the technical codes in Schedule 8.3;
- p. enabling distributors and traders to agree to backdate changes in chargeable capacity and installation information;
- q. clarifying certain terms and provisions in the three hedge settlement agreement forms in Schedule 14.4 of the Code; and
- r. changing the date the default transmission agreement schedules take effect once accepted, amended by Transpower New Zealand Limited, or determined by the Rulings Panel.

The amendment also amends a number of clauses to correct typographical errors and cross-referencing, and to reflect legislative amendments including those introduced by the Electricity Industry Amendment Act 2022.
