

From: Sean Martin
Sent: Monday, 4 March 2024 1:17 pm
To: Saki Hannah; Grant Benvenuti
Subject: RE: Emails from the clearing manager

Yes – using their language to participants identifying nature of issue

From: Saki Hannah s9(2)(a)
Sent: Monday, March 4, 2024 1:16 PM
To: Sean Martin s9(2)(a) >; Grant Benvenuti s9(2)(a)
Subject: RE: Emails from the clearing manager

My comment – I’m comfortable with text.

I presume the reason that you provided the detail of - prices being finalised without a virtual provider element which resolves pricing infeasibilities – was to give some detail as to the nature of the error

s9(2)(g)(i)

Grant – do you want to give s9(2)(a) a call – I’ve got a 1.30 – not sure if your ‘hold’ meeting is going ahead.

From: Sean Martin s9(2)(a)
Sent: Monday, March 4, 2024 1:09 PM
To: Grant Benvenuti <s9(2)(a)>
Cc: Saki Hannah <s9(2)(a)>
Subject: RE: Emails from the clearing manager
Importance: High

Both – can you please review ASAP. Have a deadline of 2pm and want to get Sarah’s approval.

Can you check the note on RTP is correct - ta

I think in the interest of time we advise clearing manager of our proposed response – can one of you run it past them?

Media response – Energy News
4 March 2024

Pricing error – clearing manager

I have some questions about the potential issue found with the prices for 9 August 2021 which were finalised, then made interim again on Friday afternoon. NZX says that you're the best contact.

I'm keen to get an idea of what the potential price issue is and what is being done to remedy it.

Also, can you provide any details on how these prices are calculated? We had some comments on Friday afternoon expressing surprise at prices being as high as they were and it would be good to provide some context around why they may be that high.

I understand from NZX that the prices will be finalised tomorrow. Is there any comment from the EA on what could be done or has been done to avoid a similar situation in the future?

(This may come back to the better communication policies already enacted by Transpower and others as part of their winter security planning.)

Draft media response:

(Using the comms from clearing manager as basis)

The Authority notified the clearing manager on Friday when we became aware of a potential issue with the finalised prices published for trading periods 37-42 on 9 August 2021.

An input error was made resulting in prices being finalised without a virtual provider element which resolves pricing infeasibilities. Participants were asked to disregard those prices until further notice. Corrected prices were published as interim on 4 March (Monday) and will be finalised on 5 March (Tuesday).

The real time pricing reforms introduced in November 2022 fundamentally changed the process by which spot prices are calculated which means this process for finalising prices is no longer used.
ENDS

From: Grant Benvenuti <s9(2)(a)>
Sent: Monday, March 4, 2024 12:22 PM
To: Sean Martin <s9(2)(a)>
Cc: Saki Hannah <s9(2)(a)>
Subject: Emails from the clearing manager

PS – we should refer to the clearing manager, not NZX