

From: Saki Hannah
Sent: Tuesday, 12 March 2024 3:58 pm
To: Grant Benvenuti
Cc: Nicole Gagnon; Matt Carnihan
Subject: RE: Draft email for your review today

Thanks Grant – no comments

From: Grant Benvenuti <s9(2)(a)>
Sent: Tuesday, March 12, 2024 3:50 PM
To: Nicole Gagnon <s9(2)(a)>; Saki Hannah <s9(2)(a)>; Matt Carnihan <s9(2)(a)>
Subject: RE: Draft email for your review today

Ta. All three corrections (incl plant!) made. I have also added a fourth point in the next steps to cover LCE

From: Nicole Gagnon <s9(2)(a)>
Sent: Tuesday, March 12, 2024 3:45 PM
To: Grant Benvenuti <s9(2)(a)>; Saki Hannah <s9(2)(a)>; Matt Carnihan <s9(2)(a)>
Subject: RE: Draft email for your review today

Thanks Grant – reads fine to me. There are two small corrections I've made (couple of capitals).

Did you want to add that LCE will follow a separate process? Or is that inherent in your email below (or not necessary)?

From: Grant Benvenuti <s9(2)(a)>
Sent: Tuesday, March 12, 2024 3:37 PM
To: Saki Hannah <s9(2)(a)>; Nicole Gagnon <s9(2)(a)>; Matt Carnihan <s9(2)(a)>
Subject: Draft email for your review today

Draft email below – what do you think??? I intend to send this at about 4.15pm this afternoon, unless you have major issues and it needs a rewrite!

Thanks for you and your teams attending the planning meeting today. A summary of the decisions needed for you to progress your planning:

- 1) When settling the six trading periods (and all the processes that flow from that) please use the R0 submission volumes. This is the initial settlement for these periods, so the standard Code process should be followed for transparency, which means using the R0 volumes, and all the associated processes such as HSA, FTR rentals and settlement, ancillary services allocations, con on/off, LCE (and any I have missed). Once finalised, the processes can be rerun using the standard washup processes for R1, R3, R7 and R14. The washup processes can be consolidated but the resulting invoice needs to detail the changes for each of the washup volumes

- 2) No independent audit is required. The bulk of the processing will be using the standard BAU processes and software, albeit with a some manual intervention . All your BAU processes have the usual checks and balances, and formal controls to ensure the outputs are reasonable and in line with expectations. This should provide enough oversight to ensure the outcomes are robust
- 3) The process of settling R0 should exclude any interest accrued in the clearing manager's accounts. The settling of the R1, R3, R7 and R14 should include the normal interest calculations as required under the Code, and also exclude any interest accrued in the clearing manager's accounts. Disbursement of accrued interest is managed by a separate Code required process. All interest is disbursed to generators based on market share. Generators are the main out of pocket participants as a result of delayed settlement of 9-August as they haven't yet been paid, so disbursed interest is in principle generally going to the right participants

The above is what I got from the meeting, are any other decisions or directions required from the Authority? Please let me know if you have any concerns with the above, and why.

Next steps:

Clearing manager, system operator and FTR manager:

- 1) write up their implementation plan, including timing, dependencies and completion/publishing/payment dates.
- 2) Start the CR/TAS process if there are any additional costs – these will be managed by Matt/Nicole as the lead, with support from Saki/me
- 3) Can start any of the processes before a CR/TAS is agreed, and the Authority will act in good faith and ensure the parties are kept whole
- 4) Once settlement is complete and payment of residual LCE has been made to the grid owner, the grid owner will follow their standard process for disbursing residual LCE to connected parties

Please note: once we agree on the date the invoices will be published, and the date of settlement, then we will be publishing this in Market Brief to keep participants informed

Cheers

GB

Grant Benvenuti
Principal Advisor

s9(2)(a)
[Redacted]

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Level 7, AON Centre, 1 Willis Street
PO Box 10041, Wellington 6143, New Zealand
www.ea.govt.nz

