

MEUG 8 week rolling calendar week starting 16th November 2015¹

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<p>Labour leader Andrew Wilson at the Labour Party Conference the first weekend of November in response to a question on NZ Power said “the conference is yet to make a decision on that, but at this point, my advice is – recommendation is – is that it is too complex; let’s put that on hold. We know what the objective is. We want to reduce power prices, and let’s look at the best way of doing that and doing it in a way that we can explain to New Zealanders.”</p> <p>Gareth Hughes (Greens) members bill the Electricity Industry (Small-Scale Renewable Distributed Generation) Amendment Bill (ie requiring feed-in tariffs) was defeated at its first reading on 11th November ✓</p> <p>Tom Campbell has been reappointed as EECA Chair and Elena Trout as a Board member. Hon Phil Heatley is a new EECA Board appointee.</p>	
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<p>Carter Holt Harvey Pulp & Paper has, following sale of the business earlier this year, been renamed Oji Fibre Solutions. Oji FS is a member of MEUG.</p>	
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<p>Trustpower commenced a full takeover of King Country Energy Ltd on 3rd November.</p> <p>The introduction of 0.1 MW ASX futures contracts, replacing 1 MW sized products, was seamlessly implemented on 9th November ✓</p> <p>Energy Link launched Energy Line Exchange (ELX, http://www.elx.co.nz/) on 13th November. An excellent initiative for an independent platform for large consumers (>500 MWh pa and or multiple sites) to seek RFP including settling non-standard pricing ✓</p> <p>The EA announced 17th November gate closure will be change from one to two hours ✓</p>	
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<p>Vector announced 9th November sale of its gas transmission and non-Auckland gas distribution businesses to First State Funds for \$952.5m. Craig’s, an investment broker, estimated the sale price to Regulated Asset Base ratio to be ~1.33. If correct this is evidence that the change last year from the 75th to the 67th percentile for the regulated WACC did not go far enough – the market sale indicates the percentile should be still lower.</p>	
Abbreviations	8

¹ Updates last rolling calendar for week starting 19th October 2015.

MEUG rolling calendar from week starting 16 th November 2015	Status	Nov-15	Dec-15	Jan-16	Notes, long-term timeline. Some notes additional to those in public calendar.
Political and legislative					
House sitting programme 3 days each week from:		17	01, 08		
Policy and governance					
MBIE information and forecasting:					
~ NZ Energy Quarterly September quarter 2015	tba				Last publication NZ Energy Quarterly, June quarter 2015
~ Sales based elec. Costs for residential – next publication	tba				Last publication to June 2015
~ Quarterly Survey of Domestic Elect. Prices – next publication	tba				Last publication to 15-Aug-15
~ Electricity Demand & Generation Scenarios					See “Transmission” page.
Office of the Auditor General – performance audit of publicly owned EDB					See more details EDB page.
EA governance and market monitoring:					
~ Proposed 2016-17 appropriations – subs due		24			
~ EA Board meetings			02	tbc	
~ s.18 review of Penrose substation fire of 5 th October 2014	tba				EA s.18 report sent to Minister and must then be published.
~ Review of participant audit regime – subs due	published		22		Proposes new Part 15A Audits, replacing audit requirements Parts 10, 11 and 15.
~ Regulatory Managers & Consumer reps forum			10		
~ SRC meetings					
~ WAG meetings	tba				
~ RAG meetings			09		
Commerce Commission general					
~ Stakeholder briefing, Auckland 11 th and Wellington 19 th Nov.		19			
EECA governance and market monitoring:					
~ Proposed 2016-17 electricity efficiency levy – subs due		24			MEUG will oppose continued \$13m pa appropriation.
GIC FY2017 work programme and co-regulatory forum	new	27			Wellington
MEUG governance - Monthly meetings		26	16	27	

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<u>Seminars and other</u>					
NZ Geothermal Workshop		18-20			Uni. Of Auckland and NZ Geothermal Assoc., Taupo
MoT, Conference, Transport: Past Present Future		19			Paper on second day on EV
GEN Conf. "the Next 5 Years: Policy Issues & Practices"		30			Government Economic Network (GEN), Wellington
UNFCCC, COP21/CMP11		30	to 11		Paris
NZPC symposium: Growing more innovative & productive Kiwi firms			01		Productivity Commission (NZPC), Wellington
AWATEA AGM			04		Aotearoa Wave And Tidal Energy Association, Wellington
NZ Downstream conference					02-03 Mar, Auckland
BusinessNZ Energy Council & World Energy Council summit					16-17 Mar, Wellington
<u>Training</u>					
Uni. Of Waikato, Industrial Energy Efficiency Division free webinars					
~ Steam System Energy Efficiency – Getting Started		25			
EMANZ training courses , Auckland					
~ Energy Management for Facilities Managers		19-20			
~ Continuous Commissioning for Commercial Buildings Specialist		25-27			
Whiteboard Energy courses (Auckland)					
~ Markets and behaviour (2 days)		04 & 18			
~ Investment and Decision making (2 days)		06 & 20			
~ History and politics		17			
~ Markets and behaviour (2 days)		04 & 18			
NZX training, Understanding Electricity Markets Wellington		26-27			

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Common quality					
System Operator Draft (ancillary services) Policy Statement – SO to consider subs and then propose changes to EA	wip				
Change to UNI voltage stability constraint	delayed	19			This is a consequence of recent and planned exit of thermal generators.
Review of IR event charge and cost allocation – WAG considering New extended reserves regime:					Annual cost/payments expected to be ~\$5m pa. Go live in 2017.
~ NI EDB and direct connects to provide data	corrected		18		
Reserves and Frequency Management (RFM) programme					Joint SO web site and EA web site activity
~ SO and EA RFM work programme update workshop	new	24			
~ RFM Engagement Group meeting	ongoing				
~ IR: interim arrangements until NIRM implemented					HVDC FIR sharing started Dec-14.
~ IR: Full National IR Market (NIRM) implementation	ongoing				2 years to implement from EA decision in Mar-15.
Generator fault ride through – Code amendment takes effect					Early 2016
System Operator Emerging Technologies programme, WS1 – System Operation	new				Results to be published between 2016Q4 and 2017Q2 and this will inform rest of work programme

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Security of supply					
Report on security of supply implications due to Impact of thermal generator decommissioning .		Nov			Further power system analysis work planned for 2015.
2015 System Security Forecast – published		Nov			See above (common quality) work on change to UNI voltage stability constraint that is an immediate consequence of recent & planned exit of thermal generators.
2016 Security of Supply Annual Assessment – consultation starts					Timely because will also cover recent and planned exit of thermal generators. Either late 2015 or early 2016

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Wholesale Market					
MRP: Southdown power station exits market			End Dec		
Ngawha Generation, offers close to purchase CfDs	new	18			
Trustpower full takeover bid for KCE – conditional offer ends	new		03		
ASX NZ futures and options market:					
~ ASX weekly market wrap newsletter to commence		soon			
FTR market:					
~ FTR monthly primary and <i>variation</i> auctions		<u>18</u>	9, <u>16</u>	13, <u>20</u>	
EA hedge market development:					
~ Facilitate establishment and market making for cap products - next steps announced Dec.			Dec		
~ Offsetting ASX & spot market prudential requirements, possible report release			Dec		
~ Implement recommendations from WAG Hedge Market Development paper 4th August 2015 not listed elsewhere					Pending with immediate focus on facilitating the trading of standardised cap products and voluntary market making of those products.
~ Wholesale market information – review of clause 13.2 exclusions – WAG considering					WAG discussion paper early 2016.
~ Improving public access to fuel quantity information					EA to announce programme timeline.
Other EA wholesale market work:					
~ DD late bid revisions – code Δ comes into effect			01		
~ DD Infeasible NRS prices – EA Board considering	tba				EA announced 17 th November decision to change from 2 to 1 hour gate closure and other changes. EA yet to decide when Code amendment will be gazetted.
~ Earlier gate closure, revised bid & offer provisions – Code amendment to come into effect	tba				
~ Applications for shorter post-default exit period (Part 14)					
~ Spot market review – options & issues paper published					Early 2016
~ Offer and dispatch: wind generation offers – WAG considering					

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Retail Market					
Retail Data project					
~ Phase 1: Access to consumption data, code Δ starts Workshop: How to identify parties who request consumption data, Auckland	new		01		1 st February 2016 comes into effect. Various implementation work now underway.
~ Phase 2: Access to tariff data: EA Board consider; then decision			Dec		
~ Phase 3: Access to monitoring data					Work to commence year starting 1 st July 2016.
Effects of low fixed charges regulations – RAG considering					
RAG work on domestic contracting arrangements	ongoing				Covers medically dependent consumers.
Secondary networks – RAG meeting to discuss					

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<u>Transmission</u>					
Transpower Annual Public Meeting, Auckland	new	19			
Change from shoulder to summer line ratings			01		
Demand Response Programme (pilot) . 2 nd RFP round 2015/16			01		
~ Oamaru information session	new	19			
~ Tenders close	new		01		
Major capex related:					
~ Electricity Demand & Generation Scenarios – MBIE to publish inaugural EDGS	confirmed				2016Q1
~ Nth Taranaki interconnection investigation					RFI by Transpower closed 29 th July 2015. MEUG will be following up with Transpower on status.
Vector appeals on charges for NAaN assets commissioned early					Up to \$3.2m of prior year TPM charges at stake.
~ High Court hearing of second action					26 th April 2016
~ Court of Appeal hearing of initial action					
TPM review – EA to announce timing for next steps	?				
Transpower update Transmission Tomorrow (1 st version June 2012)	new				Early 2016
New interconnection rate from 1 st April 2016 published	new	End Nov			

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<u>Distribution</u>					
Office of the Auditor General (OAG) –publicly owned EDB work: ~ “Energy lines companies: Managing critical infrastructure” ~ Results of the 2014/15 audits IM reviews for electricity, gas and airfield monopolies					Timing of reports not known but probably early to mid-2016 Part of OAG 2015/16 theme reports on “investment and asset management”
~ Consumer engagement (IM review & Part 4 in general topic)	new				CC to advise next steps at a date yet to be decided
~ Gas pipeline issues engagement topic (IM and DPP reset) – publish meeting agenda then hold workshop	new	w/s 23	08		Written comments due end Jan-16
~ Emerging technologies engagement topic – material for workshop and then workshop	new	Late Nov	14		
~ EDB IRIS to be included in full IM review	revised	Late Nov			Follows concurrent review of IRIS in EDB IM.
~ Cost of capital issues engagement topic – publish update paper	new	End Nov			Subs due end Jan-16. CC publishes any expert advice to CC in 2016Q1.
~ Airports profitability assessment workshop #1	new		01		
~ Cost-effectiveness CPP requirements engagement topic – update on workshop planned for February 2016	new		End 2015		
~ CC to publish next process update	new				February 2016
~ Risk allocation engagement topic – CC to advise next steps	new				February 2016
~ Draft decision and reasons paper published/consulted on					Mid 2016Q2
~ Final decisions on review of all IM except Transpower Capex IM					December 2016
~ Transpower Capex IM review					After 2016
EDB annual Information Disclosures – CC selected analysis					Published either late 2015 or early 2016
Distribution pricing: ~ Distributed Generation Pricing Principles – EA consult ~ EA consultation paper, Implications of evolving technologies for pricing of distribution services - subs due ~ Orion – decision on proposed changes to pricing from 1 st April 2016	published				Early 2016. This includes ACOT payments. 2 nd February 2016 subs due. MEUG sub lodged 23 rd October disagreeing with proposal not to publish separate transmission and distribution charges on their customer's invoices. Orion will publish response to subs and advise final decisions.
Default distributor agreement – EA consult					Either late 2015 or more likely early 2016.

Frequently used abbreviations:					
Δ	change, or if referring to the Code, amendment	EV	Electric Vehicles	NZIER	NZ Institute for Economic Research
AEMO	Australian Energy Market Operator	FIR	Fast Instantaneous Reserve	NZGA	NZ Geothermal Association
AMI	Advanced metering infrastructure	FMCA	Financial Markets Conduct Act 2013	NZPC	NZ Productivity Commission
AMWEEs	Alternative methodologies (IM) with equivalent effect	FK	Frequency keeping	OAG	Office of the Auditor General
AoG	All of Government	FKC	Frequency keeping controller (HVDC bipole controls)	OIA	Official Information Act.
AOPO	Asset Owner Performance Obligations	FO	Franks Ogilvie	PROPS	Participant Rolling Outage Plans
APEV	Assoc. for the Promotion of EV	FTR	Financial Transmission Rights	PRS L/S	Price response schedule (L=long, S=short)
APR	Annual Planning Report (Transpower's)	FPVV	Fixed price variable volume	QSDEP	Quarterly survey of domestic energy prices (MBIE)
ATH	Approved test house	GEIP	Good Electricity Industry Practice	RAG	Retail Advisory Group, convened by EA
AUFLS	Automatic Under-frequency Load Shedding	GETS	Government Electronic Tender Service	RFM	Reserves & Frequency Management programme
AWATEA	Aotearoa Wave & Tide Energy Assoc.	GNE	Genesis Energy	RTD	Real time dispatch
BEC	BusinessNZ Energy Council	GPS	Gas Pipeline Services	RTP	Real time pricing
BIM	Briefing for Incoming Ministers	GTB	Gas Transmission Businesses	SI	South Island
CBA	Cost Benefit Analysis	GXP	Grid Exit Point	SIR	Sustained Instantaneous Reserve
CC	Commerce Commission	HHI	Herfindahl-Hirschman Index	SO	System Operator
CEN	Contact Energy	HHR	Half-hourly reconciliation (re data or meters) cf. NHH	SoO	Statement of Opportunities (published by EC)
CfD	Contracts for differences	ICP	Individual Connection Point	SOROP	System Operator Rolling Outage Plan
CIC	Customer investment contracts (Transpower)	ID	Information Disclosure	SoS	Security of supply
CMP	Capacity Measurement Period	IDD	Information Disclosure Determination	SOSPA	System Operator Service Provider Agreement
COB	Close of business	IHD	In-home display ie smart meter display	SDP	Scheduling, Pricing & Dispatch (obj., model)
Code	Electricity Industry Participation Code 2010	IM	Input Methodology	SM	Selection Methodology (for extended reserves)
CPP	Customised Price-Quality Path	IPP	Individual Price-Quality Path regulation	SME	Small or medium enterprise
C&S	Clearing & Settlement (usually refers to Part 14)	IR	Instantaneous Reserves	SRC	Security and Reliability Council
CSF	Critical Success Factor	IRIS	Incremental Rolling Incentive Scheme	SSDG	Small scale DG (<10kW)
DCLS	Dispatch-capable load station (for DD "market")	IWA	Ireland, Wallace & Assoc.	subs	submissions
DD	Dispatchable Demand	LEANZ	Law & Economics Assoc. of NZ	SWOT	strengths, weaknesses, opportunities and threats
DG	Distributed generation	LFC	Low fixed charges regulations	tba	to be advised
DPP	Default Price-Quality Path regulation	MBIE	Ministry of Business Innovation & Employment	TOU	time-of-use (metering)
DUML	Distributed unmetered load	MDC	Medically dependent consumer	TPM	Transmission Pricing Methodology
DR	Demand Response	MEP	Meter equipment provider	TPW	Trustpower
EA	Electricity Authority	MFK	Multiple FK	TRS	Technical Requirements Schedule (for ER)
EC	Electricity Commission (predecessor to EA)	MGUG	Major Gas Users' Group	UFM	Under-frequency management
EEA	Electricity Engineers' Association	MM	Market making	UoSA	Use of System Agreement
EECA	Energy Efficiency & Conservation Authority	MRP	Mighty River Power	VCT	Vector
EDB	Electricity Distribution Business	MUoSA	Model Use of System Agreement	VoLL	Value of Lost Load
EDF	Energy Data File (published by MBIE)	n.a.	not applicable	vSPD	vectorised SPD model
EDGS	Electricity Demand and Generation Scenarios	NHH	Non-half-hourly read, cf. HHR	VUW	Victoria University of Wellington
EGCC	Electricity & Gas Complaints Commission	NI	North Island	WACC	Weighted average cost of capital
EIEPs	Electricity Information Exchange Protocols	NIC	New Investment Contracts (with Transpower)	WAG	Wholesale Advisory Group, convened by EA
EIH	Expected Interruption Hours (for AUFLS)	NIRM	National IR Market	WEC	World Energy Council
EMANZ	Energy Management Assoc. of NZ	NIU	National Infrastructure Unit (part of Treasury)	WDS	Week-ahead dispatch schedule
ENA	Electricity Networks Association	NOI	Notice of Intention (formal notice by CC)	WIAL	Wellington International Airport Ltd
EPOC	Electric Power Optimisation Centre	NPV	Net Present Value	wip	work in progress
ER	Extended Reserves	NRS L/S	Non responsive schedule (L=long, S=short)	WITS	Wholesale Information & Trading System
ERM	Extended Reserves Manager	NZAS	NZ Aluminium Smelters	w/s	week starting
ETS	Emissions Trading Scheme	NZCID	NZ Council for Infrastructure Development	x-sub	cross-submission