

MEUG 8 week rolling calendar week starting 15th February 2016¹

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ASX announced 29 th January that a Cap Futures product has been placed on its development roadmap for H2 2016 ✓	
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MRP announce purchase of solar installer What Power Crisis	
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Default Distribution Agreement proposal published by EA 26 th January ✓	
CC published submissions from 17 parties received on cost of capital as part of IM review. There is a lot at stake for consumers. Contact Energy suggested changes, excluding a move to the 50 th percentile that “would equate to savings to consumers of these services of more than \$600m over the 5 year regulatory period. In addition, a move to 50 th percentile ... would raise savings to consumers to \$1b over 5 years.” ✓	
Abbreviations	8

¹ Updates last rolling calendar for week starting 18th January 2016.

MEUG rolling calendar from week starting 15 th February 2015	Status	Feb-16	Mar-16	Apr-16	Notes, long-term timeline.
Political and legislative					
House sitting programme 3 days each week from:		16	1, 8, 15, 29	05, 12	
Policy and governance					
MBIE information and forecasting:					
~ NZ Energy Quarterly December quarter 2015	tba				Last publication NZ Energy Quarterly, September quarter 2015
~ Sales based elec. Costs for residential – next publication	tba				Last publication to September 2015
~ Quarterly Survey of Domestic Elect. Prices – next publication	tba				Last publication to 15-Nov-15
~ Electricity Demand & Generation Scenarios					See “Transmission” page.
MBIE to consider subs on targeted Commerce Act review					Subs closed 9 th February.
MBIE Smart Grid Forum – meetings		19	09		
Office of the Auditor General – perf. audit of publicly owned EDB					See more details EDB page.
MfE: ETS review, subs on priority matters		19			Subs on remainder of issues due 30 th April.
EA governance and market monitoring:					
~ EA Board meetings			01	08	
~ Briefing on the Elec.Market Performance: 2015 Year in Review			01		Auckland
~ Subs to EA on revised Rulings Panel processes	new		24		
~ EA consideration of subs (closed 22 nd December 2015 and supplementary questions 16 th January 2016 on review of participant audit regime	tba				The key question the EA are asking is “Are we striking the right balance between cost (to participants and the Authority) and Code compliance?” EA expected to consider next steps at May Board meeting.
~ EA Board to consider subs (closed 10 th February) on code A to align market service provider roles with EA statutory objective and specific changes to System Operator role	tba			Apr	MEUG supports proposals apart from (1) should retain “best practice” not change to “good practice” when defining a reasonable and prudent operator standard. And (2) date needed in Code for when expect SO to complete align
~ Market operation Service Provider (MOSP) agreements	tba				
• Various new contracts with NZX take effect					1 st May for (1) Pricing Manager (2) Clearing Manager (3) Reconciliation Manager and (4) WITS manager
• New SOSPA	tba				Final terms expected to be concluded before 1 st July 2016.
• Registry MOSP tender closes	new	26			EA Board decides June. New contract to take effect 1 st May 2017. GIC also tendering. EA and GIC will consider joint RFPs.
~ Regulatory Managers & Consumer Reps meetings	confirmed			14	
~ Consultation on review of advisory groups’ charter and terms of reference	new			Apr	to May
~ SRC meetings	confirmed		15		
~ WAG meetings	confirmed	18	15		Meeting 15 th March is joint WAG/RAG meeting.
~ WAG members	new		Mar		Nominations sought for 4 members (existing members terms expire end June)
~ RAG meetings	confirmed		15		Meeting 15 th March is joint WAG/RAG meeting.
~ RAG members	new				Nominations sought for 4 members (existing members terms expire end June)
EECA governance:					
~ EECA levy – reply to MEUG OIA request of 22 nd December		by 25			
MEUG governance - Monthly meetings		17	23	13	

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Seminars and other					
GIC lunchtime seminar, Mike Underhill (EECA) "Does gas fit into a low carbon future?" and Stuart Dickson (Powerco) "Where does gas fit into a smart energy future?"	new	19			Lunch time seminar, Wellington
Motu public policy seminar, Dr Aaron Smith, Prof. of Agricultural & Resource Economics, Uni. of California, Should NZ mandate renewable fuels to fight climate change?		19			Lunch time seminar, Wellington
NZ Downstream conference			02-03		Auckland
BusinessNZ Energy Council & World Energy Council, Asia-Pacific Energy Leader's Summit, Delivering Resilient Energy Infrastructure			16-17		16-17 Mar, Wellington, www.bec.org.nz/summit
ForestWood 2016 conference	new		16		SkyCity, Auckland
NZ Petroleum Conference 2016			20-22		Auckland
Energy Management Assoc. of NZ conference 2016	new				17-18 May, Auckland
EECA awards	new				Evening 18 May, Auckland
The Deloitte Energy Excellence Awards					10 August, Auckland

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Training					
University of Auckland Business School, Summer school in energy economics		22-26			
Energy Link training courses			Wellington		Auckland Wellington Auckland
~ Introduction to the electricity market			08		10-May 19-Jul 18-Oct
~ Nodal pricing of electricity			09		11-May 20-Jul 19-Oct
~ Hedging electricity			10		12-May 21-Jul 20-Oct
Energy Management Assoc. of NZ training courses					
~ Energy Management for facilities managers			17-18		Wellington
NZX Understanding Electricity Markets training courses			30-31		2-3 Jun, 17-18 Aug, 27-28 Oct. All Wellington except Auckland in August.

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Common quality					
EA to consider subs (closed 15 th February) on Proposed changes to policy statement (for common quality) ,	new				Bi-annual review process. Good improvements. No significant disagreements. EA expect to gazette new policy statement at earliest May 2016.
Review of IR event charge and cost allocation – WAG considering					WAG have sent a letter to EA recommending EA consult on allocating IR costs nationally at the same time a national IR market goes live.
New extended reserves regime:					Annual cost/payments expected to be ~\$5m pa. Go live in 2017.
~ 3 rd workshop by EA, NZX System Operator	delayed			Late Apr	
~ Consultation on technical requirements schedule	delayed				June-July 2016 (was May-Jun)
~ Consultation on selection methodology	delayed				June-July 2016 (was May-Jun)
~ Formal consultation on procurement proposal					February 2017
Reserves and Frequency Management (RFM) programme					Joint SO web site and EA web site activity
~ 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				SO report to EA October 2016 on review of IR markets including proof of concept on options such as utilising and encouraging faster reserve using area under the curve approach.
Generator fault ride through – EA Board to consider code Δ.	confirmed			08	Code Δ then gazetted if OK.

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Security of supply					
Further report on security of supply implications due to Impact of thermal generator decommissioning		Early 2016			Latest report published 9 th December.
2016 Security of Supply Annual Assessment – subs due	confirmed	23			
System Operator review of subs (closed 12 th February) on draft revisions to the Emergency Management Policy and System Operator Rolling Outage Plan	tba				
National Winter Group annual forecasts:					Preliminary analysis published 15 th January
~ Preliminary update report published		soon			
~ Final report published		Feb?			

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Wholesale Market					
ASX NZ futures and options market:					
~ ASX to publish NZ Electricity "Market Wrap" email summary	ongoing				Inaugural Market Wrap circulated 12 th February
~ ASX futures & options users' group meeting, Wellington	confirmed				May 2016.
~ ASX to evaluate ASX NZ Electricity training programme opportunity	new				Update to user's group meeting May 2016.
~ Cap futures product on ASX development road map for second half 2016 pending launch of new ASX derivatives platform.	new				Update to user's group meeting May 2016 on discussions on cap futures contract spec design with customers.
FTR market:					
~ FTR monthly primary and <i>variation</i> auctions		10, <u>17</u>	9, <u>16</u>	13, <u>20</u>	FTR calendar
EA hedge market development:					
~ Implement establishment and market making for cap products per decision paper of 9 th December					Implementation through to June. See ASX proposal above for cap product on development road map H2 1016.
~ ASX/AEMO design study report on possible offsetting ASX & spot market prudential requirements - report published	expected		Mar		Once published EA to consider applicability for NZ.
~ 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 possibly July to August.
~ Improving public access to fuel quantity information					EA to announce programme timeline.
Other EA wholesale market work:					
~ DD Infeasible NRS prices – subs due	new		01		
~ Earlier gate closure, revised bid & offer provisions. Decision paper published 17 th February 2015	confirmed				System Operator begins design work July 2016 and that will inform timeline. Code Δ will be gazetted once timeline firmed up. Code Δ expected to come into effect 2017.
~ Applications for shorter post-default exit period (Part 14)	tba				
~ Spot market review :					
• Real time pricing (RTP) – EA Board to consider SO report 1 st March and if OK will publish for consultation March to April	confirmed		01		Early 2016. Four RTP options being considered: (1) Ex-ante 30-min price (2) Dispatch-based prices (3) Ex-post 5-min prices (4) Ex-post 30-min price
• Investigation into an hours-ahead market	tba				System Operator to commence work on a report. Consultation probably July or August.
~ Offer and dispatch: wind generation offers – WAG to make recommendation directly to EA Board	confirmed				WAG expects to make recommendations directly to the EA Board by end of June.

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<u>Markets general</u>					
MRP purchase of What Power Crisis completed		end			
Nga Awa Purua JV RFP to purchase CfD's close	new		04		≤10MW blocks up to 35MW pa, 2 to 5 years from 1 st July 2016
MEL's replacement Brooklyn wind turbine installed				Apr	
<u>Retail Market</u>					
<u>Retail Data project</u>					
~ Phase 1, access to consumption data, phase 2, access to tariff data went live 1 st February 2016. EA considering ways to communicate these policy outcomes	ongoing				Possible communicate as part of winter What's My Number campaign
~ Implementation of standardised file format for supplying tariff data:	new				
<ul style="list-style-type: none"> • First meeting industry working group • Consultation • EA Board decision 			08		June to July August
~ Phase 3: Access to monitoring data					Work to commence year starting 1 st July to assess if should proceed.
RAG work on effects of low fixed charges regulations – EA Board to consider RAG report	confirmed		01		
RAG work on domestic contracting arrangements	ongoing				Covers medically dependent consumers.
<u>Secondary networks</u> – Being considered by RAG	ongoing				
CC reviews of standard form contracts in terms of the Fair Trading Act 2015 – review of electricity retail sector	new				Later in 2016. CC first reviewed Telco sector. Other standard form contracts to be reviewed this year are for credit and gym sectors.

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<u>Transmission</u>					
Transpower customer feedback due on draft Transpower Works Agreement		28			The draft Transpower Works Agreement is intended to combine the existing Customer Investment Contract, Detailed Solution Development and Minor Works Agreements.
<u>Demand Response Programme (pilot).</u>					MEUG monitoring
Major capex related:					
~ Electricity Demand & Generation Scenarios – MBIE to publish inaugural EDGS		end Feb			
TPM review – EA options and decision paper published	updated		end Mar		
Transpower update Transmission Tomorrow (1 st version Jun-12)					Early 2016

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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					Timing of reports not known but probably early to mid-2016 Part of OAG 2015/16 theme reports on “investment and asset management”
IM reviews for electricity, gas and airfield monopolies					
~ Cost of capital issues engagement topic: ♦ CC publishes advice from Dr Lally	confirmed	29	to 04		Subs closed 5 th February on cost of capital update paper
~ Opportunities to improve the way DPP and CPP work together: ♦ Paper published on CC emerging views	new confirmed	29	to 04		Also called “Cost-effectiveness of the rules and processes for CPP applications”
~ CC to publish next process update including next steps on: ♦ Consumer engagement (Part 4 in general topic) ♦ Emerging technologies – cost allocation ♦ Emerging technologies – risk of partial capital recovery ♦ Emerging technologies – Efficient investment incentives	confirmed	29	to 04		Submissions closed 4 th February Status not known Status not known
~ CC paper on emerging views on form of control	confirmed	29	to 04		
~ Airports: ♦ Prof Yarrow advice on Airports WACC percentile ♦ Final decision on fast track topics: ♦ Airports profitability assessment workshop #2	new revised	15-19 22-26 Feb	... to ...	Apr	Advice to CC to be published
~ Draft decision and reasons paper published/consulted on					Mid 2016Q2
~ Final decisions on review of all IM except Transpower Capex IM					Dec-16
~ Transpower Capex IM review					After 2016
~ Gas pipeline issues engagement topic (IM and DPP reset): ♦ Process paper published on DPP reset		29	to 04		
EDB annual Information Disclosures – CC selected analysis	tba				
Distribution pricing: ~ Distributed Generation Pricing Principles – EA consult as part of TPM package			end Mar		This consultation includes ACOT payments.
~ EA considering subs on, Implications of evolving technologies for pricing of distribution services - next steps to be advised.	tba				Submissions closed 2 nd February 2016. EA received > 54 submissions. Possibly EA Board will consider in June/July then announce next steps.
Proposed Default Distribution Agreement (DDA) subs to EA	new			04	Welcome initiative by the EA
Improving communication of outages					Important issue for MEUG members.

Frequently used abbreviations, part 1 of 2:					
Δ	change, or if referring to the Code, amendment	DUML	Distributed unmetered load	HHI	Herfindahl-Hirschman Index
AEMO	Australian Energy Market Operator	DR	Demand Response	HHR	Half-hourly reconciliation (re data or meters) cf. NHH
AMI	Advanced metering infrastructure	EA	Electricity Authority	ICP	Individual Connection Point
AMWEEs	Alternative methodologies (IM) with equivalent effect	EC	Electricity Commission (predecessor to EA)	ID	Information Disclosure
AoG	All of Government	ECE	Extended Contingent Event	IDD	Information Disclosure Determination
AOPO	Asset Owner Performance Obligations	EEA	Electricity Engineers' Association	IHD	In-home display ie smart meter display
APEV	Assoc. for the Promotion of EV	EECA	Energy Efficiency & Conservation Authority	IM	Input Methodology
APR	Annual Planning Report (Transpower's)	EDB	Electricity Distribution Business	IPP	Individual Price-Quality Path regulation
ATH	Approved test house	EDF	Energy Data File (published by MBIE)	IR	Instantaneous Reserves
AUFLS	Automatic Under-frequency Load Shedding	EDGS	Electricity Demand and Generation Scenarios	IRIS	Incremental Rolling Incentive Scheme
AWATEA	Aotearoa Wave & Tide Energy Assoc.	EGCC	Electricity & Gas Complaints Commission	IWA	Ireland, Wallace & Assoc.
BEC	BusinessNZ Energy Council	EIEPs	Electricity Information Exchange Protocols	LEANZ	Law & Economics Assoc. of NZ
BIM	Briefing for Incoming Ministers	EIH	Expected Interruption Hours (for AUFLS)	LFC	Low fixed charges regulations
BSDR	Black's Simple Discount Rule	EMANZ	Energy Management Assoc. of NZ	MBIE	Ministry of Business Innovation & Employment
CAPM	Capital Asset Pricing Model	ENA	Electricity Networks Association	MDC	Medically dependent consumer
CBA	Cost Benefit Analysis	EPOC	Electric Power Optimisation Centre	MEP	Meter equipment provider
CC	Commerce Commission	ER	Extended Reserves	MEPS	Minimum Energy Performance Standards
CE	Contingent Event	ERM	Extended Reserves Manager	MFK	Multiple FK
CEN	Contact Energy	ETS	Emissions Trading Scheme	MGUG	Major Gas Users' Group
CfD	Contracts for differences	EV	Electric Vehicles	MM	Market making
CIC	Customer investment contracts (Transpower)	FIR	Fast Instantaneous Reserve	MRP	Mighty River Power
CMP	Capacity Measurement Period	FMCA	Financial Markets Conduct Act 2013	MUoSA	Model Use of System Agreement
COB	Close of business	FK	Frequency keeping	n.a.	not applicable
Code	Electricity Industry Participation Code 2010	FKC	Frequency keeping controller (HVDC bipole controls)	NHH	Non-half-hourly read, cf. HHR
CPP	Customised Price-Quality Path	FO	Franks Ogilvie	NI	North Island
C&S	Clearing & Settlement (usually refers to Part 14)	FTR	Financial Transmission Rights	NIC	New Investment Contracts (with Transpower)
CSF	Critical Success Factor	FPVV	Fixed price variable volume	NIRM	National IR Market
CUWLP	Clutha-Upper Waitaki Lines Project	GEIP	Good Electricity Industry Practice	NIU	National Infrastructure Unit (part of Treasury)
DCLS	Dispatch-capable load station (for DD "market")	GETS	Government Electronic Tender Service	NOI	Notice of Intention (formal notice by CC)
DD	Dispatchable Demand	GNE	Genesis Energy	NPV	Net Present Value
DDA	Default Distribution Agreement	GPS	Gas Pipeline Services	NRS L/S	Non responsive schedule (L=long, S=short)
DG	Distributed generation	GTB	Gas Transmission Businesses	NZAS	NZ Aluminium Smelters
DPP	Default Price-Quality Path regulation	GXP	Grid Exit Point	NZCID	NZ Council for Infrastructure Development

Frequently used abbreviations, part 1 of 2:					
NZIER	NZ Institute for Economic Research	SoO	Statement of Opportunities (published by EC)	UFM	Under-frequency management
NZGA	NZ Geothermal Association	SOROP	System Operator Rolling Outage Plan	UoSA	Use of System Agreement
NZPC	NZ Productivity Commission	SoS	Security of supply	VCT	Vector
OAG	Office of the Auditor General	SOSPA	System Operator Service Provider Agreement	VoLL	Value of Lost Load
OIA	Official Information Act.	SDP	Scheduling, Pricing & Dispatch (obj., model)	vSPD	vectorised SPD model
PROPS	Participant Rolling Outage Plans	SM	Selection Methodology (for extended reserves)	VUW	Victoria University of Wellington
PRS L/S	Price response schedule (L=long, S=short)	SME	Small or medium enterprise	WACC	Weighted average cost of capital
QSDEP	Quarterly survey of domestic energy prices (MBIE)	SRC	Security and Reliability Council	WAG	Wholesale Advisory Group, convened by EA
RAG	Retail Advisory Group, convened by EA	SSDG	Small scale DG (<10kW)	WEC	World Energy Council
RFM	Reserves & Frequency Management programme	subs	submissions	WDS	Week-ahead dispatch schedule
RTD	Real time dispatch	SWOT	strengths, weaknesses, opportunities & threats	WIAL	Wellington International Airport Ltd
RTP	Real time pricing	tba	to be advised	wip	work in progress
SBL-CAPM	Simplified Brennan-Lally CAPM	TOU	time-of-use (metering)	WITS	Wholesale Information & Trading System
SI	South Island	TPM	Transmission Pricing Methodology	w/s	week starting
SIR	Sustained Instantaneous Reserve	TPW	Trustpower	x-sub	cross-submission
SO	System Operator	TRS	Technical Requirements Schedule (for ER)		