

MEUG 12-week rolling calendar week starting 20 November 2017

Index and events since last calendar late October 2017	page
Parliament	2
~ NZ Labour Party and NZ First announced a Coalition Agreement on 24 October and along with a NZ Labour Party and Green Party of Aotearoa NZ Confidence & Supply Agreement formed a new government.	
~ Key Ministers for policy affecting electricity customers are Hon Dr Megan Woods, Minister of Energy and Resources and Hon Kris Faafoi, Minister of Commerce and Consumer Affairs.	
Ministerial and Departmental Policy	2
~ The 2 main policies from the NZ First and Greens agreements affecting electricity customers are:	
➢ To hold a full-scale review into retail power pricing (Coalition agreement); and	
➢ To introduce a Zero Carbon Act and independent Climate Commission (both NZ First and Greens agreements) including the Climate Commission to plan the transition to 100% renewable electricity by 2035 in a normal hydrological year and investigate solar panels on schools as part of that goal (Greens agreement).	
Training	3
Seminars and other	3
Monopolies general	4
Monopoly services regulated by CC	4-5
~ Transpower have advised interconnection charges for start of next pricing year, 1 April 2018, will be ~8% lower at \$113.77/kW ✓	
Monopoly services regulated by EA	6
Markets general	7
~ Top Energy announced a decision to commence construction to expand the Ngawha geothermal power station by 53 MW by 2021 subject to confirming viable geothermal resource by September 2018.	
Markets work by EA	7-10

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<u>Parliament</u>					Sitting calendar for 2018 tba.
<u>Ministerial & Departmental Policy</u> NZ First Coalition Agreement policies Hold a full-scale review into retail power pricing Introduce a Zero Carbon Act and a Climate Commission					tba. tba.
Greens Confidence & Supply Agreement policies Climate Comm. to plan transition to 100% renewable by 2035 and to investigate solar panels on schools as part of this goal					tba. Caveats of (1) geothermal is renewable and (2) in normal hydrological year.
MBIE * Briefing for Incoming Minister (BIM) * APEC Energy Working Group meeting, Wellington * MBIE convened Council of Energy Regulators * Competition & Energy Markets regulatory systems * Commerce Act, targeted review decisions 27-Jun-17: Δ to Act to allow Min. to ask CC to undertake market studies s.36 (misuse of market power) - further advice sought * MBIE fuel market financial performance study, 04-Jul-17 * Electricity Demand & Generation Scenario forecasts * Energy targets - Government to consider after Jun-18. * Telecommunications Act 2001 review * Electricity Act 1992 - Review of LFUC * IEA NZ 2017 review, Feb-17: MBIE to advise Ministers * Elect. Industry Act 2010 (EI Act) - amend so EA can set fees * H&SW Act: MBIE policy, WorkSafe implementation		20-24 Nov			To be tabled with Minister once appointment announced. BIM made public later. Includes APEC EV & H ₂ technology policy workshop 21-Nov. Scope of work and engagement with sector to be decided and published. Was due mid-2017. No timing announced. Also other minor Δ's to improve enforcement actions. Minister to report back to Cabinet by 30-Jun-18. Officials considering. An option is the market studies Δ to the Act noted above. 2018Q1 Jun-18 is when NZ Productivity Commission reports on low emissions economy. Changes by 2020 - may be relevant to Part 4 of Commerce Act. No timing announced. Working as intended? (was that intention correct anyway?). No timing announced on officials advice on IEA recommendations. Waiting for opportunity to add this small change into other changes. Live line work is a topical issue.
IRD * Decision on EDB rebates/discounts paper of Oct-16					Subs closed 28-Feb-17. IRD recently been in contact with affected EDB.
NZ Productivity Commission (NZPC) * Low emissions economy					Final report due 30-Jun-18.
EECA: Electricity efficiency levy consultation for 2018-19	Nov				

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Training					
NZX, Understanding Electricity Markets Masterclass		21-22 Nov			Wellington
Business NZ, Wellington Seminar		28-29 Nov			Wellington
Seminars and other					
MBIE, EECA, Vector: Tony Selba, Strategy in the age of disruption		21-Nov			Wellington
Geothermal Institute (UoA), NZ Geothermal Workshop		22-24 Nov			Rotorua
ERANZ, Stephen Littlechild, Competition in the UK retail energy market		23-Nov			Wellington, part of Electricity Retailers Assoc. of NZ Talking Heads seminars.
Sustainable Energy Assoc. of NZ (SEANZ):					
Technology training day		23-Nov			Hamilton
SEANZ 2017 conference, Generating connections		24-25 Nov			Hamilton
AWATEA AGM			07-Dec		Wellington, AWATEA = Aotearoa Wave & Tidal Energy Assoc.
BusNZ Energy Council & Young Energy Professionals Network Balanced energy policy in an era of innovation				14-Dec	Wellington
Downstream:					
Network Managers Forum					12-Mar-18, Auckland, by invitation only
Downstream conference					13-14 Mar-18, Auckland
PEPANZ, NZ Petroleum Conference					26-28 Mar-18, Wellington
NZ Minerals Forum 2018					29-30 May-18, Queenstown

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<p>Monopolies general</p> <p>CC open letter of 09-Nov on EDB priorities - subs due</p> <p>Transpower (TPNZ) general:</p> <ul style="list-style-type: none"> * Opening of new Wellington office, Waikoukou * Interconnection charges from 01-Apr-18 - customers advised * Transpower Works Agreement consultation * TPNZs Auckland strategy * Grid owner change from shoulder to summer ratings * TPNZ stakeholder forum - Provisional date * TPNZ publish companion papers to Battery report of 07-Sep17: <ul style="list-style-type: none"> Solar electricity generation Implications of electricity transport 		22-Dec			<p>Letter also asked for feedback on Performance Accessibility Tool and DPP process.</p> <p>Nov-17 estimate \$113.77/kW (8% decrease c.f. current \$124/kW) Latest estimate is lower than Jul-17 estimate of \$116/kW (6.4% decrease)</p> <p>Subs closed 26-Sep. TPNZ to discuss with 9 submitters. Aim to go operational new year. Auckland strategy completed by Jun-18.</p> <p>By video conference in major centres</p> <p>tba</p>	
<p>Vector judicial review of UDL Penrose substation fire decision: Hearing</p>					<p>UDL=Utilities Disputes Ltd (was EGCC). 05-09 Mar-18, Auckland. CC, ENA and MEUG are interveners.</p>	
<p>Monopoly services regulated by CC</p> <p>Aurora non-compliance enquiry</p>					<p>Ongoing.</p>	
<p>Input Methodologies (IM)</p> <ul style="list-style-type: none"> * TPNZ Capex IM review (draft decision due 15-Nov) <ul style="list-style-type: none"> Subs on draft decision due X-subs on draft decision due Subs due on text of determination (to be published 22-Nov) Final decision * Related party transactions (elec. & gas monopolies) <ul style="list-style-type: none"> Final decision * Gas CPP info requirements - Final decision 		08-Dec	21-Dec 21-Dec	14-Dec	By year end	<p>2018Q1. Possible final decision on IM relevant to IPP proposal for RCP3.</p> <p>Complex. Δ's to ID also. May be 2-steps. 1st Δ's for ID starting 01-Apr-18. Leaving time to consider other Δ's.</p> <p>Subs closed 07-Nov, x-subs closed 14-Nov</p>
<p>Information Disclosure (ID) and CC monitoring</p> <p>Open letter of 09-Nov, Performance Accessibility Tool - subs due</p> <p>Post IM review Δ's to ID for non-gas monopolies - Decision</p>		22-Dec		By year end		<p>Letter also asked for feedback on EDB priorities and DPP process.</p>

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<p><u>Monopoly services regulated by CC - continued</u></p> <p>TPNZ IPP</p> <ul style="list-style-type: none"> * Δ asset health reporting requirements rest of RCP2 - x-sub due * Demand Response trial * RCP2 listed projects: <ul style="list-style-type: none"> HVDC line Haywards to Oteranga Bay. * Major capex proposals <ul style="list-style-type: none"> Waikato & UNI Voltage Management * Key Base capex <ul style="list-style-type: none"> Central NI constraints ~ Tokaanu intertrip upgrade ~ Series reactor, new SPS on Bunnythorpe-Mataroa 110kV Kawerau T13 interconnecting transformer replacement * Voltage disturbance working group - bi-annual meeting * RCP3 reset and new IPP starting 01-Apr-20 <ul style="list-style-type: none"> Proposed service performance measures Consultation on POS categorisation & VoLL TPNZ submission to CC Grid connected batteries economic 	23-Nov	Dec			<p>subs closed 09-Nov</p> <p>2016-17 registration cycle now closed. Next RFP round tba.</p> <p>TPNZ must seek approval for listed projects B4 end Jun-18.</p> <p>Application for approval possibly later this year</p> <p>Application mid-2018</p> <p>Bunnythorpe-Mataroa 110kV & Tokaanu-Whakamaru 220kV</p> <p>2018Q3</p> <p>Subs closed 28-Jul.</p> <p>TPNZ considering subs on second engagement paper that closed 28-Apr.</p> <p>After ITP published end Sep.</p> <p>B4 end Sep-18 (ITP at that date forms basis for proposal)</p> <p>"unlikely to be so before 2022" (refer TPNZ Battery storage report Sep-17)</p>
<p>DPP</p> <p>Electricity DPP reset 01-Apr-20:</p> <ul style="list-style-type: none"> CC open letter of 09-Nov, incl. DPP priorities - subs due EDB connected or community-scale batteries economic 		22-Dec			<p>Letter also asked for feedback on Performance Accessibility Tool and EDB priorities.</p> <p>2020 (refer TPNZ Battery storage report Sep-17)</p>
<p>CPP Powerco application draft decision to be published 16-Nov</p> <ul style="list-style-type: none"> Subs due X-sub due Final decision and go-live 		Dec		Jan	<p>date tba</p> <p>date tba</p> <p>Final decision 29-Mar-18, go-live date 01-Apr-18.</p>
<p>CPP application windows for other EDB</p>					<p>12-19 Feb and 07-14 May-2018.</p> <p>11-18 Feb-2019. Aurora plan to make an application, target go-live Apr-20.</p> <p>No application window in last MYe of RCP2 (2019-20).</p>

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<p><u>Monopoly services regulated by EA</u> TPNZ demand response (DR) protocol management, EA paper</p>					Work to start on options to incorporate DR platform into spot market
<p>EI Act s.16(1)(g), industry and market monitoring (monopolies):</p> <ul style="list-style-type: none"> * Initial dashboards to compare EDB performance * Efficiency of distribution company arrangements 					To be published. Will include comparison with overseas EDB performance. Focus on ability to respond to technology Δ 's, Δ from focus of prior project "efficiency of distribution company arrangements"
<p>EI Act s.90 EDB applications for line-energy exemptions</p> <ul style="list-style-type: none"> * Top Energy application relating to network support 					tba. This was 2nd leg of application. First leg exemption (Ngawha) granted Sep-17.
<p>Code Part 12 Transport</p> <ul style="list-style-type: none"> * EA review of TPM guidelines (cl. 12.81(1)(b)) * TPNZ proposed operational review #2 of TPM (cl. 12.85) TPNZ publish report on estimating LRMC TPNZ to decide next steps 					Next steps tba. Subs closed 10-Jul. By Dr Steven Batstone (peer reviewed Dr Grant Read) At earliest prices would change 01-Apr-19 and or 01-Apr-20.
<p>Code Part 12A Distributor UoSA and distributor tariffs</p> <ul style="list-style-type: none"> * DDA - second consultation paper * Distribution pricing Δs to be cost-reflective & service-based 2nd 6-monthly EDB progress report on pricing roadmaps * Review of distribution pricing principles 					Soon? Improving quality & timeliness of outage information is a hi priority issue for consumers EA review EDB pricing roadmaps and provide feedback 30-Mar-18 In 2017-18

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<p><u>Markets general</u></p> <p>ACCC: Review of electricity prices in Australia Gas market transparency measures</p>					Review started 27-May-17. Final report by 30-Jun-18. Programme commenced 20-Apr-17. Quarterly reports due for 3-years.
<p>Generation:</p> <p>TCC extensive 5-week refurbishment Eastland's Te Ahi O Maui 22 MW plant commissioned Top Energy 2X28 MW (gross?) binary plants at Ngawha GNE HPS possible earliest exit from the market Nova's 360MW OCGT WPP start of consent window expires</p>		Nov-Dec			5-6 years further life B4 decide further extensive refurbishment Aug-18, geothermal binary plant at Kawerau. Planned 1st 28 MW commissioned 2021, 2nd 28 MW commissioned 2026 2022 2027
<p><u>Markets work by EA</u></p> <p>Board meetings</p> <p>Meet the Board networking event</p>		06-Dec 20-Dec			Auckland event 12-Mar-18 (evening B4 Downstream) Last meeting 06-Nov.
<p>Security & Reliability Council (SRC) meetings IPAG (Innovation & Participation Advisory Group) meetings MDAG (Market Development Advisory Group) meetings Regulatory Managers & Consumer Representatives briefing 2018 Code review programme consultation</p>			19-Dec		tba. See Part 11 new work "Equal Access Project" IPAG may work on. tba Early 2018
<p>EI Act s.16(1)(f), market facilitation measures:</p> <ul style="list-style-type: none"> * ASX cap products listed * ASX Users' group meeting * Possible standardisation of OTC & intermediating contracts * EA re-commencing publishing weekly hedge analysis report 		2017H2			\$130/MWh & \$300/MWh cap products at OTA & BEN Once listed EA design and monitor performance metrics. Feb-18, Wellington In evaluation phase EA considering

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<p><u>Markets work by EA - continued</u></p> <p>EI Act s.16(1)(g), industry and market monitoring (markets):</p> <ul style="list-style-type: none"> * C&I FPVV pricing vs ASX prices enquiry * Lessons from South Australia blackout 					Report possibly 2017Q4 (6 largest suppliers, 3-4 yrs data, ChCh, Akld)
<p>Code Part 3 Market operation service providers</p> <p>New WITS2 Trader soft launch</p> <p>Jade, Registry user group meeting 2017</p> <p>Market operator user group meeting (NZX)</p> <p>System Operator investigation on value of publishing sensitivity sensitivity of f/cast price in a TP to Δ's in S/D</p>		<p>23-Nov, am</p> <p>23-Nov, pm</p>			<p>Went live Oct-17, NZX vsiting each WITS user to assist transition.</p> <p>Wellington</p> <p>Next steps depends on survey (closed 14-Jul) and CBA of options.</p>
<p>Code Part 6 Connection of distributed generation</p> <ul style="list-style-type: none"> * Implement Distributed Generation Pricing Principles Code change that came into effect 09-Jan-17 * Review DGPP incremental cost ceiling 					<p>LSI DG payments change from Apr-18. TPNZ reported to EA on 21-Apr-17 on LSI DG required to meet GRS to 31-Mar-20.</p> <p>Same process for LNI (TPNZ report 30-Aug) and UNI & USI (31-Jan-18)</p> <p>EA to revisit this after progress on TPM and distrbution pricing</p>

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<p><u>Markets work by EA - continued</u></p> <p>Code Part 7 System Operator (SO)</p> <ul style="list-style-type: none"> * SO publishes System Security Forecast and seeks feedback 		soon			
<p>Code Part 8 Common Quality</p> <ul style="list-style-type: none"> * UFE's 11 and 15 Jun-17 - subs due * Under-frequency event (UFE) 02-Mar-17 - subs due * NI extended reserves implementation - next timetable update * System Operator policy statement changes * IR event charge and cost allocation - WAG report to EA * Possible new IR products - close out report * Normal Frequency Management - strategic review 		21-Nov	Dec		<p>Subs closed 07-Nov. Precedent setting case</p> <p>Subs closed 22-Aug Next steps tba tba Next steps tba</p>
<p>Code Part 9 Security of Supply (SoS)</p> <ul style="list-style-type: none"> * PROPS -biannual updates progressed as they arise * NZ Generation Balance Assessment rolling 6 month risk f/cast * EA and SO review of SOS regime, including HRC calc. 					<p>SO to develop template to improve & lower biannual revision compliance costs. No current f/cast shortfall risks Planned for 2017-18</p>

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<p><u>Markets work by EA - continued</u></p> <p>Code Part 11 Registry Information Management</p> <ul style="list-style-type: none"> * EIEP * Registry content * Data & data exchange * Enabling mass participation (EMP) * New project "Equal access framework", IPAG to lead * EA & CC Interface working group initial focus area is on the regulation and facilitation of existing & potential contestable electricity sector markets * Participant definition project consultation paper * Multiple trading relationships - issues paper 				<div style="border: 1px solid black; display: inline-block; padding: 2px;">By year end</div>	<p>Subs closed 22-Sep.</p> <p>Subs closed 06-Oct.</p> <p>Subs closed 07-Nov.</p> <p>Decision paper published 06-Nov.</p> <p>New project arising from above decision paper</p> <p>Focus area noted in above 06-Nov decision paper</p> <p>Example markets are those for network support services or distributed energy services.</p> <p>New task arising from 06-Nov decision paper</p>
<p>Code Part 13 Trading arrangements</p> <ul style="list-style-type: none"> * Wind generation offers - subs due * Wholesale market disclosure regime * RTP * FTR market: <ul style="list-style-type: none"> FTR enhancements Variation to FTR allocation plan & 3 new hubs - subs due * Stress test quarterly disclosure statements for 2018Q1 due * Enabling Dispatchable Demand (DD) at conforming nodes * Review of wholesale market trading arrangements 		<div style="border: 1px solid black; display: inline-block; background-color: yellow; padding: 2px;">04-Dec</div>		<div style="border: 1px solid black; display: inline-block; padding: 2px;">Dec</div>	<p>Subs closed 07-Nov.</p> <p>Subs closed 03-Oct.</p> <p>Subs closed 10-Oct.</p> <p>Subs closed 09-May.</p> <p>3 potential hubs (prioritised): Whakamaru, Kikiwa, Redclyffe</p> <p>5 existing FTR hubs: OTA. HAY. ISL, BEN, INV</p> <p>Proposed by EnerNOC, ie aggregators at conf. nodes, & block dispatch multiple GXPs.</p> <p>Work yet to start. Re-drafting Part 13 to improve clarity.</p>
<p>Code Part 14 C&S:</p> <p>Offsetting ASX & spot market prudentials - subs due</p>					<p>Subs closed 31-Oct.</p>