



24 April 2012

Submissions  
Electricity Authority  
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### **Criteria for departing from the methodology for determining non-conforming GXPs**

Mighty River Power (MRP) welcomes the opportunity to provide feedback on the Electricity Authority's (EA) consultation paper. No part of this submission is confidential.

The consultation paper proposes that the EA be given discretion to deviate from the methodology specified in Schedule 13.7 of the Code in determining whether the demand pattern of a node can be classified as predictable or not, so-called conforming and non-conforming respectively. This has primarily been considered necessary to allow for increased participation in the dispatchable demand regime.

The proposed criteria for the EA to be able depart from the methodology and classify a node as non-conforming are provided in three areas, specifically:

1. System Security: where system operator is unable to forecast demand accurately;
2. Industrial demand at a GXP: where demand is primarily industrial and the system operator has advised the purchaser is in a better position to predict demand to an appropriate level of system security; and
3. Purchaser request: where the EA has consulted with other purchasers and the system operator and is satisfied the change is in the long-term interest of consumers.

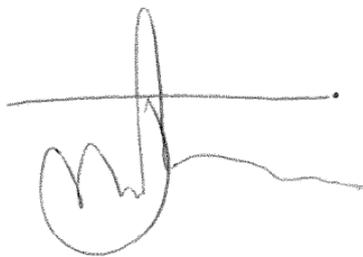
In terms of the specific questions in the document MRP supports all the above criteria and does not consider that other criteria should be considered. This is summarised below as requested in the paper.

Question No.	Question	Response
1	Do you agree with criteria 1 for system security? If not, please provide your reasons.	Agree.

2	Do you agree with the criteria 2 for industrial demand at a GXP? If not, please provide your reasons.	Agree.
3	Do you agree with the criteria 3 for purchaser request? If not, please provide your reasons.	Agree.
4	Do you think there are any other criteria that should be considered?	No.

Please direct any queries on this submission to myself on [nick.wilson@mightyriver.co.nz](mailto:nick.wilson@mightyriver.co.nz) or 09 580 3623.

Yours sincerely,

A handwritten signature in black ink, consisting of a horizontal line with a dot at the end, and a stylized, cursive signature below it.

**Nick Wilson**

Senior Market Regulatory Advisor