

**Notice of the Electricity Industry Participation
(Financial Transmission Rights) Code
Amendment 2012**

1. Pursuant to section 38(3)(b) of the Electricity Industry Act 2010 (“Act”), the Electricity Authority gives notice of the making of the Electricity Industry Participation (Financial Transmission Rights) Code Amendment 2012.
2. The amendment comes into force on **1 November 2012**.
3. The amendment:
 - (a) amends and clarifies the mechanism for the scaling of invoiced amounts in respect of financial transmission rights (FTRs) under Part 14 of the Electricity Industry Participation Code 2010 “Code”;
 - (b) provides for the priority and calculation of payments from the FTR account if a payer defaults on settlement and, as a result, there are insufficient funds in the FTR account;
 - (c) clarifies the amounts to be included on payer and payee invoices in respect of FTRs under Part 14 of the Code;
 - (d) amends the timing requirement in clause 14.36 of the Code for issuing invoices in respect of FTRs when the publication of final prices is delayed;
 - (e) amends the requirement in Schedule 14.6 of the Code for the FTR manager to determine a set of unbalanced extreme FTR injection patterns; and
 - (f) amends some of the terminology used in relation to FTRs, and makes minor clarifications and drafting changes to provisions of the Code relating to FTRs.
4. A copy of the amendment and the Code is available on the Electricity Authority’s website
www.ea.govt.nz/act-code-regs/code-regs/
5. A copy of the amendment and the Code may also be inspected free of charge or purchased from the Electricity Authority, Level 7, ASB Bank Tower, 2 Hunter Street, Wellington.

Dated at Wellington this 2nd day of October 2012.

DR THOMAS BRENT LAYTON, Chairperson, Electricity Authority.

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