

Submissions
Electricity Authority
Level 7, ASB Tower,
2 Hunter Street
PO Box 10041
Wellington 6143

19th May 2011

By email to submissions@ea.govt.nz

Cross Submission - Consultation Paper — Draft Decision regarding alleged UTS on 26 March 2011

Thank you for the opportunity to provide comments on submissions that have been published concerning the Consultation Paper — *Draft Decision regarding alleged UTS on 26 March 2011* published by the Electricity Authority on May 5th 2011.

Having now read all of the submissions published on the Authority's web site we wish to say that our position expressed in our submission is unchanged. We do not agree that a UTS occurred and if the Authority upholds its draft decision then we seek constrained-off compensation from the Authority for March 26th 2011.

We agree with those submitters who are saying that the draft UTS decision penalises those who have taken prudent risk management steps and entered into hedge contracts, and rewards those who have not.

We are concerned by comments made in Genesis' submission that the draft UTS decision might result in closure of one of the Huntly Rankine cycle units. We wish to see all four Huntly Rankine cycle units remain available to provide support in dry periods and at peak demand times.

We agree with Genesis's adviser Mr Sundakov that the two-hour gate closure requirement should be reduced. This would be of assistance to consumers who either have difficulty predicting their load two hours ahead or whose interruptible load offers prevent them from reducing demand quickly.

It also seems prudent for the Authority to expedite dispatchable demand code changes, and any other demand-side initiatives – all of which (in our opinion) will do more for consumers than some of the matters that appear to be receiving great amounts of attention from the Authority would e.g. FTRs, scarcity pricing, transmission pricing. We note that dispatchable demand is a section 42 matter; whereas transmission pricing is not. We also note that dispatchable demand has widespread support; whereas scarcity pricing, FTRs and transmission pricing do not.

Yours sincerely,

Graeme Everett
Energy Manager

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