

Notification of the Authority's Decision under regulation 29 of the Electricity Industry (Enforcement) Regulations 2010

Under regulation 29(1) of the Electricity Industry (Enforcement) Regulations 2010 (Regulations) the Electricity Authority (Authority) must publicise every decision made under regulation 23(3) together with the reasons for the Authority's decision.

Investigation

On 12 May 2010, the Electricity Commission (Commission) appointed an investigator under regulation 69 of the Electricity Governance Regulations 2003 to investigate alleged breaches of the Electricity Governance (Connection of Distributed Generation) Regulations 2007 (DG Regulations) by The Lines Company Limited (TLC).

Ventus Energy (NZ) Limited (Ventus) alleged that TLC had breached clause 2(2) of schedule 3 of the DG Regulations.

The Commission alleged that TLC had breached regulation 14 and clause 20 of schedule 2 of the DG Regulations.

On 1 November 2010, the Commission was disestablished and the Authority was established in its place. Section 139 of the Electricity Industry Act 2010 provides that the Authority takes over responsibility for dealing with every matter, such as a complaint about a breach, or possible breach, of the Rules, or an investigation, that was before the Commission immediately before its disestablishment, provided the matter had not already been referred to the Rulings Panel.

On 9 February 2012, the Authority received and considered a report and a recommendation from the investigator to discontinue the investigation.

The Authority's decision

On 9 February 2012, the Authority decided under regulation 23(3)(a) of the Regulations to discontinue the investigation subject to the Authority receiving a signed copy of a settlement agreement between Ventus and TLC.

On 22 March 2012, the Authority received a signed copy of the settlement agreement. On 23 March 2012, Ventus withdrew its complaint to the Authority.

Reasons for the Authority's decision

The reasons for the Authority's decision to discontinue the investigation were that:

- (a) the Authority considers that TLC did not breach the DG Regulations;
- (b) TLC and Ventus have settled the matter between themselves; and
- (c) Ventus has withdrawn its allegation that TLC breached the DG Regulations.