



17 September 2013

Submissions  
Electricity Authority  
PO Box 10041  
Wellington 6143

Via email: [submissions@ea.govt.nz](mailto:submissions@ea.govt.nz)

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### Removal of the in-band frequency keeping constrained on and off compensation

Mighty River Power welcomes the opportunity to provide feedback to the Electricity Authority consultation on removing the in-band frequency keeping constrained on and off compensation.

Mighty River Power agrees with the Authority's analysis that the efficiency of the current frequency keeping arrangements can be enhanced and supports the Code amendment proposal. We agree this should ensure the selection methodology selects the lowest priced frequency keeper provider across all trading periods.

Further comments are provided to the consultation questions as an attachment to this letter.

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, appearing to be 'Nick Wilson', written over a horizontal line.

**Nick Wilson**  
Senior Market Regulatory Advisor

## ATTACHMENT: RESPONSES TO CONSULTATION QUESTIONS

No.	General Comments	Response
Q1	Are there any interdependencies between the timing of the introduction of MFK in the North and South Islands and the date when the Code amendment proposal should be brought into effect?	None that we are aware of.
Q2	Do you have any comments on the Objective of this Code change proposal?	We support the objective of improving the efficiency of the current frequency keeping methodology.
Q3	Do you think there is a reduced incentive for the generators to participate in the frequency keeping market after the proposed amendment?	We do not consider the proposal will result in reduced incentives for participation in the frequency keeping market from generators. Generators reliant on in-band constraint compensation to recover costs can price this into their availability offer.
Q4	Do you have any comments on the assessment presented?	We agree with the assessment.
Q5	Are there any additional costs or benefits that need to be considered?	No.
Q6	Are there any other alternatives the Authority should consider apart from the status quo?	No.
Q7	Do you have any comments on the Authority's assessment of the proposed amendment against the requirements of section 32(1) of the Act?	We agree with the assessment.
Q8	Do you have any comments on the Authority's assessment of the proposed amendment against the Code amendment principles?	We agree with the assessment.
Q9	Do you have any comments on the Authority's proposed code amendment?	None other than we support the ammendment.