

Notice of the Electricity Industry Participation Code Amendment (Shortened Gate Closure and Revised Bid and Offer Provisions) 2017

1. Under section 38(3)(b) of the Electricity Industry Act 2010 ("Act"), and having complied with section 39 of that Act, the Electricity Authority ("Authority") gives notice of making the Electricity Industry Participation Code Amendment (Shortened Gate Closure and Revised Bid and Offer Provisions) 2017 ("amendment").
2. The amendment comes into force on **29 June 2017**.
3. The amendment makes changes to Parts 1 and 13 of the Electricity Industry Participation Code 2010 ("Code") to reduce the gate closure period to one hour for situations in which a two hour gate closure period currently applies.
4. The amendment also makes changes to Part 13 to:
 - (a) clarify the drafting and readability of a number of clauses relating to the submission and revision of bids, offers, and reserve offers;
 - (b) remove references to the cancellation of bids, offers, and reserve offers as these duplicate the references to revisions;
 - (c) clarify the process for participants to permanently cease providing bids, offers, or reserve offers at a particular location (for example, if generating plant is being decommissioned);
 - (d) clarify that the total megawatts ("MW") specified in each offer must not exceed the total MW that a generator expects to be capable of generating at the relevant point of connection to the grid for the relevant trading period;
 - (e) provide that a generator must not revise certain offer parameters during a gate closure period (for example, ramp rates);
 - (f) reduce and simplify the minimum MW change that requires a generator to immediately submit a revised offer;
 - (g) require intermittent generators, when submitting persistence-based offers, to take account of information about any expected changes in the availability and capability of the relevant intermittent generating station;
 - (h) during the 2 hours immediately preceding the trading period to which an offer relates, require intermittent generators to submit a persistence-based offer at least once per trading period;
 - (i) require generators to ensure that any revision to an offer during a gate closure period revises the MW specified in the offer only to the extent necessary to ensure that the MW specified reflects the MW that the generator expects to be capable of generating, and that the reduction is deducted from the MW offered in the highest price bands first;
 - (j) remove the obligation for the grid owner to provide a report to the Authority on any revised grid information submitted during a gate closure period; and
 - (k) remove the obligation on the Authority to consider reports made to it in relation to certain types of revised bids, offers, and reserve offers to assess whether the revisions were compliant with the relevant provisions in the Code.

5. A copy of the amendment and the Code is available on the Authority's website <http://www.ea.govt.nz/code-and-compliance/the-code/>
6. 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 29th day of May 2017.



DR THOMAS BRENT LAYTON, Chairperson, Electricity Authority.