

Investigation of alleged breaches of the Electricity Industry Participation Code 2010 by Transpower New Zealand Limited as the grid owner

On 20 February 2019, Transpower New Zealand Limited, as the grid owner, self-reported to the Electricity Authority (Authority) that it believed on reasonable grounds that it had breached clauses 9(1) and 9(3) of Technical Code C of Schedule 8.3 of the Electricity Industry Participation Code 2010 (Code).

On 8 May 2019, the Authority appointed Peter Wakefield under regulation 12 of the Electricity Industry (Enforcement) Regulations 2010 (Regulations), as the investigator to investigate the alleged breaches.

Under regulation 16 of the Regulations, the investigator must promptly notify the industry participant alleged to have breached the Code of the allegations that are being investigated. On 14 May 2019, the investigator notified the grid owner of the investigation.

Under regulation 17 of the Regulations, at the same time as the investigator sends a notice under regulation 16, the investigator must publicise the information about the matter under investigation, including the content of the notice given under that regulation. This notice publicises the information about the matter under investigation, and a copy of the notice given under regulation 16 is attached.

Any participant who considers that it is affected by the matter being investigated, and who wishes to become a party to this investigation, should notify the investigator within 10 working days after the date on which this notice is published.

The investigator's contact details are:

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NOTICE UNDER REGULATION 16 OF THE ELECTRICITY INDUSTRY (ENFORCEMENT) REGULATIONS 2010

Date:	14 May 2019
Addressee:	Transpower New Zealand Limited as the grid owner
Subject:	The grid owner failed to provide the system operator with an updated actual operational status of the Roxburgh special protection scheme (ROX SPS)
Investigator:	Peter Wakefield , Senior Investigator, peter.wakefield@ea.govt.nz (appointed investigator under regulation 12 of the Electricity Industry (Enforcement) Regulations 2010 (Regulations)).
Notifying industry participant:	Transpower New Zealand Limited as the grid owner
Clauses of the Electricity Industry Participation Code 2010 allegedly breached:	<p>Clauses 9(1) and 9(3) of Technical Code C of Schedule 8.3</p> <p>Clause 9(1) of Technical Code C of Schedule 8.3 requires all asset owners (including the grid owner) to provide indications and measurements to the system operator. Clause 9(3) of Technical Code C of Schedule 8.3 requires the grid owner to provide the updated indications and measurements every eight seconds to the system operator when using the primary means of data transmission communication.</p>
Circumstances of alleged breaches:	<p>On 13 June 2017, the grid owner commissioned a new substation management system (SMS) at Roxburgh. The grid owner found during commissioning that some protection relays had not been configured to provide the required indication outputs for the ROX SPS.</p> <p>The grid owner commissioned the SMS without indications from the ROX SPS and tagged the ROX SPS indications as “not in service” (NIS).</p> <p>The grid owner, on the basis that the ROX SPS is normally enabled, manually altered the SCADA screens to show the ROX SPS indications in the normal/in-service state. Accordingly the SCADA indications for the ROX SPS, as seen by the system operator, were not updating and the system operator was unable to see that the indications had been manually set.</p> <p>The grid owner, sometime after the SMS was commissioned, re-configured the protection relays to include indication outputs for the ROX SPS. The grid owner did not communicate this re-configuration to the grid owner’s SCADA modelling team and so the ROX SPS continued to operate without the required indications.</p>

On 1 August 2018, the grid owner identified the “NIS” SCADA points which the grid owner recommissioned correctly on 9 August 2018.

The breaches meant that the system operator had no visibility of the actual operational status of the ROX SPS. There was no market, operation, or security impact as the SPS was working correctly. However, the system operator would have had no visibility of any change in the state of the SPS, had there been such a change.

Date and time of alleged breaches:

- From 9:00 am on 13 June 2017 to 4:00 pm on 9 August 2018

Please note, under regulation 16 of the Regulations, you are obliged to respond to this allegation, in writing, to the investigator within 10 working days of receipt of this notice (unless the investigator allows, in writing, a longer period).

Please provide your response by return email to the investigator.

Include the following in your response:

Whether you believe you have breached the Code

Whether there is another provision you consider more accurately describes the nature of the event

A full explanation of the circumstances surrounding the alleged breach

Identification of any information provided in your response that you consider confidential and that should not be included in the investigator’s report under regulation 19 of the Regulations (regulation 15(2) of the Regulations).