

Investigation of an alleged breach of the Electricity Industry Participation Code 2010 by Auckland Commercial Solar Limited

On 11 June 2019, Energy Clearing House Limited as the clearing manager reported to the Electricity Authority (Authority) that it believed on reasonable grounds that Auckland Commercial Solar Limited (Auckland Commercial) had breached clause 14A.6(2) of the Electricity Industry Participation Code 2010 (Code).

On 7 August 2019, the Authority appointed Peter Wakefield, on a temporary basis, under regulation 12 of the Electricity Industry (Enforcement) Regulations 2010 (Regulations), as investigator to investigate the alleged breach.

Under regulation 16 of the Regulations, the investigator must promptly notify the industry participant alleged to have breached the Code of the allegations that it is investigating.

On 14 August 2019, the investigator notified Auckland Commercial 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:

Peter Wakefield
Senior Investigator
Electricity Authority
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NOTICE UNDER REGULATION 16 OF THE ELECTRICITY INDUSTRY (ENFORCEMENT) REGULATIONS 2010

Date:	14 August 2019
Addressee:	Auckland Commercial Solar Limited (Auckland Commercial)
Subject:	It is alleged that Auckland Commercial failed to provide minimum security by the 4:00 pm deadline to the clearing manager on two occasions
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:	Energy Clearing House Limited as the clearing manager
Clause allegedly breached:	14A.6(2) of the Electricity Industry Participation Code 2010. Clause 14A.6(2) requires participants to provide the minimum security required by 4:00 pm on the relevant business day.
Circumstances of alleged breach:	On 8 May 2019 and 4 June 2019, Auckland Commercial failed to provide the minimum security to the clearing manager by 4:00 pm on the relevant days. Although Auckland Commercial paid the required prudentials shortly after the deadline, the Authority decided it is necessary to investigate the alleged breaches to improve Auckland Commercial's level of compliance in this area.

Date and time of alleged breaches:
<ul style="list-style-type: none">At 4:00 pm on 8 May and 4 June 2019
<p><i>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).</i></p> <p><i>Please provide your response by return email to the investigator.</i></p>

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).