

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 30 August 2010, the Electricity Commission appointed an investigator under regulation 69 of the Electricity Governance Regulations 2003 to investigate self-reported breaches of rule 2.2.5 of section II of part C of the Electricity Governance Rules 2003 (Rules) by Transpower New Zealand Limited as the System Operator.

Genesis Power Limited (Genesis) joined the investigation as an affected party.

On 9 February 2011, the Authority received and considered a report and a recommendation from the investigator to discontinue the investigation.

The Authority's decision

On 9 February 2011, the Authority decided under regulation 23(3)(a) to discontinue the investigation.

Reasons for the Authority's decision

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

- Genesis, the only party which joined the investigation, accepted the System Operator's explanations and measures taken to prevent recurrence, and had no settlement requirements; and
- the self-reported breaches caused no market impact, and there was no potential security impact in relation to these self-reported breaches; and
- the System Operator has taken steps to avoid recurrence. The System Operator has already implemented all remedial measures identified, with the exception of further improvements it expects to achieve from a long term project on its alarm processes in general.