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Electricity Industry Participation Code (Improving Prudential Security Arrangements) Amendment 2026

This amendment to the Electricity Industry Participation Code 2010 (Code) is made under section 38 of the Electricity Industry Act 2010 (Act) by the Electricity Authority having complied with section 39 of the Act.

Contents

Amendment

1 Title
This is the Electricity Industry Participation Code (Improving Prudential Security Arrangements) Amendment 2026.

2 Commencement
This amendment comes into force on 30 November 2026.

3 Code amended
This amendment amends the Electricity Industry Participation Code 2010.

Part 1
Amendments to Part 11 of the Electricity Industry Participation Code

4 Clause 4 of Schedule 11.5 amended
Replace clause 4(2)(b)(ii) of Schedule 11.5 with:

(ii) the customer should enter into a contract for the purchase of **electricity** with another **trader** or **retailer** by the date that is:
  (A) 13 days after the day on which the **Authority** gave written notice to the defaulting **trader** or defaulting **retailer** under clause 2(1) if the defaulting **trader** or defaulting **retailer** is recorded in the **registry** as being responsible for 1,000 or fewer **ICPs**; or
  (B) otherwise 14 days after the day on which the **Authority** gave written notice to the defaulting **trader** or defaulting **retailer** under clause 2(1):

5 Clause 5 of Schedule 11.5 amended
In Schedule 11.5, clause 5(1), insert ", or the end of the 13th day after the defaulting **trader** or defaulting **retailer** was given notice under clause 2(1) if the defaulting **trader** or defaulting **retailer** is recorded in the **registry** as being responsible for 1,000 or fewer **ICPs**" after "clause 2(1)".

Part 2
Amendments to Part 14 of the Electricity Industry Participation Code

6 Clause 14.34A amended (Payment of residual funds from operating accounts)
(1) In clause 14.34A(3)(b):
  (a) replace "the **clearing manager** has paid" with "have paid the **clearing manager**"; and
  (b) replace "clause 14.20(2)(a)" with "clause 14.19(2)(a)".
(2) Replace clause 14.34A(3)(c) with:

(c) by allocating the residual funds available to the **participants** identified under paragraph (b), in direct proportion to the amount each **participant** has paid the **clearing manager** in the applicable period compared to the total amount all **participants** identified under paragraph (b) have paid the **clearing manager** in accordance with clause 14.19(2)(a) in that period:

(3) In clause 14.35A(4)(a):

(a) replace "the **clearing manager** has paid" with "has paid the **clearing manager**"; and

(b) replace "clause 14.20(2)(a)" with "clause 14.19(2)(a)".

Part 3
Amendments to Part 14A of the Electricity Industry Participation Code

7 Clause 14A.17 amended (Participants subject to prudential requirements must provide information to clearing manager)

In clause 14A.17, after subclause (3)(c), insert:

(d) if the **participant** is a **retailer**, any change to the number of **ICPs** the **retailer** is recorded in the **registry** as being responsible for, if that change will result in the **retailer**:

(i) being responsible for 1,000 **ICPs** or fewer, if the **retailer's** post-default exit period is currently determined under clause 14A.22(4)(a)(ii); or

(ii) being responsible for more than 1,000 **ICPs**, if the **retailer's** post-default exit period is currently determined under clause 14A.22(4)(a)(i).

8 Clause 14A.22 amended (Clearing manager to keep register of specific time periods)

(1) Replace clause 14A.22(4)(a) with:

(a) for a **retailer**,—

(i) 14 **trading days** if the **retailer** is recorded in the **registry** as being responsible for 1,000 **ICPs** or fewer; or

(ii) 18 **trading days** if the **retailer** is recorded in the **registry** as being responsible for more than 1,000 **ICPs**:

(2) After subclause 14A.22(6), insert:

(6A) A **retailer** to whom subclause (4)(a)(i) applies may increase the post-default exit period to no more than 18 **trading days** by giving 20 **business days'** notice to the **clearing manager**.

(3) After subclause 14A.22(7), insert:

(7A) The post-default exit period under subclause (4)(a)(i) takes effect 20 **business days** after the date a **retailer** advises the **clearing manager** that it is recorded in the **registry** as being responsible for 1,000 **ICPs** or fewer.

Made at Wellington on 18 August 2026

John Harbord
Chair
Electricity Authority

Certified in order for signature:

Nichola Lambie
Manager Legal – Legislation
Electricity Authority
14 August 2026

Rachael Brown
Partner
Bell Gully
11 August 2026

Explanatory Note

This note is not part of the amendment but is intended to indicate its general effect.

This amendment to the Electricity Industry Participation Code 2010 comes into force on 30 November 2026.

The amendment amends Parts 11, 14 and 14A of the Code to:

a. reduce the post-default exit period from 18 to 14 trading days for retailers recorded in the registry as being responsible for 1,000 or fewer ICPs, with associated changes to the process to be followed for an event of default involving a trader or retailer; and

b. reallocate residual funds held in the clearing manager's operating accounts to wholesale market purchasers of electricity, in direct proportion to the amount each purchaser has paid the clearing manager in the applicable period.

This is secondary legislation issued under the authority of the Legislation Act 2019.	
Title	Electricity Industry Participation Code (Improving Prudential Security Arrangements) Amendment 2026
Principal or amendment	Amendment
Consolidated version	No
Empowering Act and provisions	Electricity Industry Act 2010, section 38
Replacement empowering Act and provisions	Not applicable
Maker name	Electricity Authority
Administering agency	Electricity Authority
Date made	18 August 2026
Publication date	26 August 2026
Notification date	25 August 2026
Commencement date	30 November 2026
End date (when applicable)	Not applicable
Consolidation as at date	Not applicable
Related instruments	Electricity Industry Participation Code 2010