

## Notice of the Electricity Industry Participation Code Amendment (Real Time Pricing) 2022

1. Under section 38 of the Electricity Industry Act 2010 (“Act”), and the Legislation Act 2019 and having complied with section 39 of the Act, the Electricity Authority (“Authority”) gives notice of making the Electricity Industry Participation Code Amendment (Real Time Pricing) 2022 (“amendment”).
  2. The amendment was made on **20 September 2022**.
  3. The amendment comes into force on **1 November 2022**.
  4. The amendment amends the Code to settle the spot market for electricity on prices determined in real time. Amendments are made to Part 1 (Preliminary provisions), Part 3 (Market operation service providers), Part 8 (Common quality), Part 9 (Security of supply), Part 13 (Trading arrangements), and Part 14 (Clearing and settlement) to give effect to this. The amendments concern the following significant areas, being:
    - i. the process for calculating final energy and reserve prices based on the system operator’s dispatch schedules;
    - ii. energy and reserve deficit values (revision of the prices that would apply during an energy and/or instantaneous reserve shortfall);
    - iii. pricing error claim process (the assumption by the clearing manager of responsibility for investigating an alleged pricing error, and the definition of pricing error is amended to specify the circumstances under which final prices can be considered in error);
    - iv. real-time price calculation under a scarcity pricing situation (clause 13.69B is amended and a new schedule added to the Code that describes how scarcity pricing will be implemented in the real-time dispatch schedule);
    - v. dispatchable demand enhancements (amendments made to reflect proposed enhancements to the dispatchable demand regime);
    - vi. the addition of dispatch notification participation for aggregated demand and generation resources in the wholesale electricity market; and
    - vii. pricing publication when the system operator’s primary modelling system is unavailable (amendments made to describe the system operator’s change in obligations to produce dispatch prices when its primary modelling system is unavailable).
  5. The amendment includes a number of transitional provisions and also makes a number of technical and non-controversial amendments to the Code.
  6. The amendment is secondary legislation for the purpose of the Legislation Act 2019 and is administered by the Authority.
  7. A copy of the amendment is available on the Authority’s website at: <http://www.ea.govt.nz/code-and-compliance/the-code/>.
  8. A copy of the amendment and the Code may also be inspected free of charge or purchased from the Electricity Authority, Level 7, Aon Centre, 1 Willis Street, Wellington.
- Dated at Wellington this 20th day of September 2022.
- DR NICOLA LANE CRAUFORD, Chair, Electricity Authority.