

Notice of the Electricity Industry Participation Code Amendment (Hedge Market Arrangements) 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 (Hedge Market Arrangements) 2022 (“amendment”).
2. The amendment was made on **14 July 2022**.
3. The amendment comes into force on **1 September 2022**.
4. The amendment amends Part 1 and Part 13 of the Code to update regulated market-making requirements for the trading of financial hedge contracts for electricity. The amendments to Part 1 of the Code include the amendment of the definition of “NZ electricity future”, and the insertion of a number of new defined terms for the purposes of subpart 5B of Part 13 only. Part 13 is amended by the replacement of clause 13.236L (Requirement to quote) to introduce a voluntary volume refresh mechanism and alter the total maximum volume required of each regulated market-maker for every NZEF market-making period (to 2.4MW from the current 3.0MW). Clause 13.236N (Exemptions from requirement to quote) of Part 13 is also amended. These amendments are intended to align the regulated market-making requirements for the trading of financial hedge contracts for electricity with the introduction of commercial market-making.
5. The amendment is secondary legislation for the purpose of the Legislation Act 2019 and is administered by the Authority.
6. A copy of the amendment is available on the Authority’s website at <http://www.ea.govt.nz/code-and-compliance/the-code/>.
7. 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 Los Angeles this 14th day of July 2022.

DR NICOLA LANE CRAUFORD, Chair, Electricity Authority.