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## TRUSTPOWER SUBMISSION: WHOLESALE MARKET INFORMATION DISCLOSURE: REVIEW OF THERMAL FUEL INFORMATION DISCLOSURE

### 1. Introduction and overview

- 1.1.1 Trustpower Limited (**Trustpower**) thanks the Electricity Authority (**the Authority**) for the opportunity to provide a submission on its *Wholesale market information disclosure: Review of thermal fuel information disclosure* consultation paper (**the Consultation Paper**).
- 1.1.2 The Authority is proposing four actions to improve thermal fuel information disclosure within the Consultation Paper:
- Amending the Electricity Industry Participation Code (**the Code**) to require quarterly reporting of disclosure activities and annual certification by major participants;
  - Updating the Guidelines regarding thermal fuel disclosure;
  - Creating a disclosure reference webpage to raise awareness of all existing information disclosures; and
  - Creating and/or specifying a centralised website where relevant parties should disclose information about their availability being impacted by a fuel constraint.

### 2. Trustpower's views

- 2.1.1 Trustpower considers that the current information disclosure arrangements for thermal fuel (gas, coal and diesel) ensure an efficient and well-functioning electricity market. We do not have any major concerns with the current arrangements but consider there are some opportunities for further improvement, which the Authority could facilitate.
- 2.1.2 More broadly, we continue to strongly support the Gas Industry Company and the Authority working together to ensure better alignment in standards of disclosure across both the gas and electricity sectors. Until recently, gas information disclosure standards had fallen behind those set by the electricity industry, and it is encouraging to now see the gas sector catching up.
- 2.1.3 Improvements to the availability of gas market information has been recently achieved via the implementation of a voluntary regime for outage disclosure information. While we maintain our view that a regulated disclosure regime will be necessary for the gas industry in the medium

term, the voluntary arrangement that has been implemented by producers provides a reasonable transitional solution. As the Authority is aware, Trustpower continues to be a strong advocate for the implementation of regulated information disclosure requirements for the gas sector.

- 2.1.4 We note that the gas sector provides information on the gas flow to the Stratford Delivery Point. This information, combined with adequate knowledge of how the gas transmission network is configured, the well-documented heat rates, and power production at the site, enables participants to deduce the injection and/or extraction from the Ahuroa gas storage facility.
- 2.1.5 Similarly, participants are currently able to determine coal usage information at the Huntly Power Station. The limitation with this information, however, is that it is often irregular and “lumpy” in nature. We are not certain whether this is merely due to a reporting limitation, or whether it is real-time information that reflects the irregular and “lumpy” delivery of coal.

## **2.2. Opportunities for improvement through enhancing market education**

- 2.2.1 Whilst we believe that there is sufficient thermal fuel information disclosure to enable effective risk management (thereby benefiting consumers in the long-term through a more efficient electricity price) we do acknowledge that some participants may not know where to find this information, or how to interpret it.
- 2.2.2 We also appreciate that the participants directly involved in the gas sector are more likely to know where to find this information and how to understand it, as compared to those who do not offer gas services to consumers.
- 2.2.3 We consider that the best mechanism through which the relevant participants can obtain the skills to find and interpret the relevant thermal fuel information that is disclosed, is via the development of a navigational landing page.
- 2.2.4 We do not consider that the information needs to be stored on this landing site, but rather suggest there might be value in this webpage containing links to all the relevant information that is already being disclosed. As outlined above, we consider that this will be sufficient to enable participants to undertake efficient decision making.
- 2.2.5 This webpage should also provide participants with resources that will assist them in interpreting the disclosed information (for example, Ahuroa gas storage availability as outlined above). We consider this to be a relatively low-cost option for improvement.
- 2.2.6 We do, however, caution the Authority that in proceeding with implementing a tool of this nature, it should seek to refrain from providing any advice to, or elucidating the disclosed information for, participants.
- 2.2.7 For any questions relating to the material in this submission, please contact me on 021-816-830.

Regards,



**CRAIG SCHUBAUER**  
**WHOLESALE MARKET MANAGER**