

**Notice of the Electricity Industry Participation  
(High Spring Washer Price Situation) Code  
Amendment 2012**

1. Pursuant to section 38(3)(b) of the Electricity Industry Act 2010 (“Act”), the Electricity Authority (“Authority”) gives notice of the making of the Electricity Industry Participation (High Spring Washer Price Situation) Code Amendment 2012.
2. The amendment comes into force on **21 September 2012**.
3. The amendment changes the methodology that the system operator must apply to resolve a high spring washer price situation. It replaces an earlier amendment to the Electricity Industry Participation Code 2010 (“Code”) that was made urgently under section 40 of the Act.
4. The amendment:
  - (a) provides that the high spring washer price relaxation factor (“relaxation factor”), which is applied when high spring washer price situations arise, will be 1MW;
  - (b) replaces the previous requirement, that the relaxation factor be applied to parallel transmission security constraints in certain circumstances, with a requirement that the relaxation factor be applied in an iterative process; and
  - (c) makes consequential amendments.
5. A copy of the amendment and the Code is available on the Authority’s website  
[www.ea.govt.nz/act-code-regs/code-regs/](http://www.ea.govt.nz/act-code-regs/code-regs/)
6. A copy of the amendment and the Code may also be inspected free of charge or purchased from the Electricity Authority, Level 7, ASB Bank Tower, 2 Hunter Street, Wellington.

Dated at Wellington this 20th day of August 2012.

DR THOMAS BRENT LAYTON, Chairperson, Electricity Authority.

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