

Notice of investigation under regulation 17 of the Electricity Industry (Enforcement) Regulations 2010

Investigation of alleged breach of the Electricity Industry Participation Code 2010 by South Pacific Energy Limited

On 11 May 2023, Energy Clearing House Limited reported to the Authority that South Pacific Energy Limited had breached clause 14.31(1)(a) of the Electricity Industry Participation Code 2010 (Code).

On 15 September 2023, the Authority appointed an investigator to investigate the alleged breach under regulation 12 of the Electricity Industry (Enforcement) Regulations 2010 (Regulations).

Under regulation 16, the investigator must promptly notify the industry participant alleged to have breached the Code of the allegation that is being investigated. On 22 September 2023, the investigator gave South Pacific Energy Limited such notice.

Under regulation 17, at the same time as the investigator sends a notice under regulation 16, the investigator must publicise the information about the matter under investigation, including the content of the notice given under that regulation. This notice publicises the information about the matter under investigation, and a copy of the notice given under regulation 16 is attached.

Are you affected and want to become a party?

Any participant that considers it is affected by the matter being investigated and that wishes to become a party to this investigation, should notify the investigator within 10 working days after the date on which this notice is published (by 5pm, 11 October 2023).

The investigator can be contacted, citing the reference 2305SPEL1 in the subject line, by email at compliance@ea.govt.nz, or at:

Compliance Investigator
Electricity Authority Te Mana Hiko
PO Box 10041
Wellington 6043

NOTICE UNDER REGULATION 16 OF THE ELECTRICITY INDUSTRY (ENFORCEMENT) REGULATIONS 2010

Date	22 September 2023
Addressee	South Pacific Energy Limited
Subject	South Pacific Energy Limited is alleged to have not made payment to the clearing manager within the required timeframe
Investigator	Investigator appointed under Regulation 12 of the Electricity Industry (Enforcement) Regulations 2010 (Regulations)
Notifying industry participant	Energy Clearing House Limited (the clearing manager)
Clauses allegedly breached	Clause 14.31(1)(a) of the Electricity Industry Participation Code 2010 (Code)
Circumstances of alleged breaches	<p>On 11 May 2023, the clearing manager alleged that South Pacific Energy Limited (SPEL) had breached clause 14.31(1)(a) of the Code on 20 April 2023 when it failed to meet the deadline for payment of funds to the clearing manager.</p> <p>The payment arrived in the clearing manager's operating account 41 minutes after the deadline.</p> <p>On 16 May 2023, a fact finding letter was sent to SPEL by the Electricity Authority requesting details of the alleged breach by 30 May.</p> <p>On 9 June 2023, a further email was sent, requiring a response by 19 June 2023. To date, no response has been received by the Authority relating to this matter.</p>
Date and time of alleged breaches	from 20/04/2023 01:00 PM - 20/04/2023 01:41 PM
	Please note, under regulation 16 of the Regulations, you must respond to this allegation, in writing, to the investigator within 10 working days of receipt of this notice (unless the investigator allows, in writing, a longer period). Please provide your response to this allegation, or request a longer period to respond, via the Authority's Compliance portal .
Include the following in your response:	<ul style="list-style-type: none">• Whether you believe you have breached the Code• Whether there is another provision you consider more accurately describes the nature of the event A full explanation of the circumstances surrounding the alleged breaches• Identification of any information provided in your response that you consider confidential and that should not be included in the investigator's report under regulation 19 of the Regulations (regulation 15(2) of the Regulations). If your response includes confidential information, please provide a second copy where the confidential information has been redacted in case your response needs to be shared with any other parties.