Recommendation Number	Name	Key action	Accurate pricing (price discovery)	Tools (to manage risk)	Competition	Public confidence	Responsible party	Options Paper code	Comments relative to Options Paper
TRAI	NCHE 1	·						•	
1	Short-term forecasts	Improve short-term forecasts of wind, solar, and demand	$\odot$				Authority (in progress)	A1	
2	Hedge market transparency	Improve transparency of hedge info (especially non-base load) covering offers, bids and agreed prices	$\odot$				Authority (in progress)	B1 D2	
3	DSF activity monitoring	Monitor provision and uptake of DSF- rewarding activity (including tariffs)	$\odot$				Authority (in progress)	C1	
4	Pricing to optimise distribution investment	Use Part 4 regime to require distribution pricing signals for DSF	$\odot$				Authority and Commerce Commission	C11	
5	Price-driven secure distribution dispatch	Develop design and trial tools to enable security constrained economic dispatch on the distribution network	$\odot$				Authority for concept design then 'common good' EDB trials	C12	A longer term solution is required for coordination on distribution networks. This is a new measure arising from consideration of Option C12.
6	New reserve product	Develop new reserve product to cover sudden reduction from intermittent sources		$\odot$			Authority (in progress)	A4	
7	Stress testing	Strengthen existing stress testing regime		$\odot$			Authority	B4	
8	New flexibility products (standardised)	Develop standardised flexibility product(s) (including DSF)		$\odot$			Industry co- design with Authority as backstop	Combined B5 C4	B5 and C4 were previously separate measures. Now integrated into common standardised products
9	Contract process disclosure rules	Develop rules requiring disclosure of process steps by parties negotiating OTC contracts		$\odot$			Authority (with stakeholder input)	B6 D3	

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PARTIALLY SUPPORTED IN OPTIONS PAPER

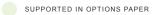
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Recommendation Number	Name	Key action	Accurate pricing (price discovery)	Tools (to manage risk)	Competition	Public confidence	Responsible party	Options Paper code	Comments relative to Options Paper
TRAI	NCHE 1 CONTINUE	D (from previous page)							
10	DSF interface systems and protocols	Broad based trials (with significant funding from government) to establish common system interface protocols for DSF across full value chain		$\odot$			MBIE and Ara Ake	C5	
11)	FSR Project (as it relates to DSF)	Improve visibility of DSF for System Operator and remove Code barriers to DSF offering ancillary services		$\odot$			Authority (in progress)	C8	
12	Competition dashboard	Develop dashboard of competition indicators for flexibility segment of wholesale market			$\odot$		Authority	D1	
13	"Virtual disaggregation (high level outline)"	Develop high level outline of 'virtual disaggregation', to 'put in draw' ready for use if other measures are not effective			$\odot$		Authority	D7	Gives effect to paras 3.65, 10.25 + 10.29 of Options paper: "an outlineshould be developed early on"
14)	FSR Project (Governance)	Strengthen governance for next phase of FSR project with guiding principles				$\bigcirc$	Authority (in progress)	A2	
15)	Seasonal outlook report	Calibrate public expectations with quarterly briefings on current and expected market conditions				$\odot$	Authority	E2	

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Recommendation Number	Name	Key action	Accurate pricing (price discovery)	Tools (to manage risk)	Competition	Public confidence	Responsible party	Options Paper code	Comments relative to Options Paper
TRAI	NCHE 2			•	•	•	•		
16)	Scarcity pricing paramaters	Update default shortage values in Code factoring in related elements					Authority	<b>A3</b>	
17)	Information on development pipeline	Publish aggregated information on pipeline of new developments, energy and capacity adequacy	$\odot$				Authority or Transpower (with stakeholder input)	В3	
18	Sunset profiling	Sunset profiling if smart meters in place	$\odot$				Authority (in progress)	C2	
(9)	Network capacity in DSF dispatch	Ensure distribution network capacity is reflected in wholesale DSF dispatch	$\odot$				Authority	C12	C12 has been split into two related but separate recommendations. R19 is the interim solution, R5 (price driven secure distribution dispatch) is the longer-term solution
20	Consumer awareness of DSF	Increase consumer awareness of the opportunities and benefits from providing DSF to the wholesale market	$\odot$				Authority	C13 C14	Previously separate measures for large users and domestic customers
21)	Monitoring and enforcement of Code	Enhance monitoring and enforcement of the Code with more autonomy				$\odot$	Authority	E4	
22	Information programme for opinion-makers	Strengthen structured information programme for wider stakeholders on how the market works				$\odot$	Authority	E1	
23)	International experts	Increase inter-change with international experts				$\odot$	Authority	E3	
TRANCHE 2 - CONTINGENT MEASURES									
24	Market making for flexibility products	Enhance price discovery by requiring market making in flexibility products	$\odot$				Authority	B8 D5	To be put in place if previous measures not sufficiently effective

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Recommendation Number	Name	Key action	Accurate pricing (price discovery)	Tools (to manage risk)	Competition	Public confidence	Responsible party	Options Paper code	Comments relative to Options Paper
TRAN	ICHE 3								
25	WoF for regulatory agencies	Establish periodic warrant of fitness review for independent regulatory agencies				$\odot$	Authority and MBIE	<b>E</b> 5	
TRAN	NCHE 3 - CONTINGE	ENT MEASURES		_	_				
26	UTS over-ride	Remove UTS over- ride of trading conduct provisions	$\odot$				Authority	A7	Subject to the trading conduct provisions continuing to perform satisfactorily
27	Ahead market	Investigate and develop ahead market	$\odot$				Authority	A6	To be considered if previous measures not sufficiently effective
28	Market making for longer-dated futures	Enhance price discovery by requiring market-making for longer dated futures	$\odot$				Authority (with stakeholder input)	B2	To be put in place if previous measures not sufficiently effective
29	Negative offers/ prices	Allow negative offers/ prices in the wholesale market as a tool to signal oversupply	$\odot$				Authority	A8	To be considered when resources are available
30	'Last resort' DSF scheme	Develop procurement process for 'last resort' DSF		$\odot$			Authority	C10	To be developed in place if previous DSF measures not sufficiently effective
31)	Virtual disaggregation	Implement virtual disaggregation of flexible generation base (use outline developed under R13)			$\odot$		Authority	D7	To be put in place if previous measures not sufficiently effective





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