

# Electricity Industry Participation Code Amendment (Transmission Pricing Methodology Amendments) 2024

Under sections 38 and 39(3) of the Electricity Industry Act 2010, and having complied with section 39 of that Act, I make the following amendment to the Electricity Industry Participation Code 2010.

At Wellington on the 16<sup>th</sup> day of January 2024

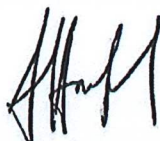


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21 December 2023

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## Amendment

- Title**  
This is the Electricity Industry Participation Code Amendment (Transmission Pricing Methodology Amendments) 2024.
- Commencement**  
This amendment comes into force on 1 March 2024.

### 3 Code amended

This amendment amends the Electricity Industry Participation Code 2010.

### 4 Schedule 12.4, clause 44 amended

- (1) In clause 44(2) of Schedule 12.4, replace paragraph (b) with:  
“(b) subject to subclauses (3) and 55(2), Transpower may—
  - (i) calculate **market regional NPB** for a **market BBI**; and
  - (ii) calculate **ancillary service regional NPB** for an **ancillary service BBI**; and
  - (iii) calculate **reliability regional NPB** for a **reliability BBI**; and
  - (iv) calculate or estimate **other regional NPB** for a **market BBI, ancillary service BBI or reliability BBI**; and”.
- (2) In clause 44(3) of Schedule 12.4, after paragraph (a) insert:  
“(ab) calculate **market regional NPB** for a **market BBI** if Transpower determines it is necessary to do so to produce **BBI customer allocations** for the **market BBI** that are broadly proportionate to positive NPB from the **market BBI**; and”.

### 5 Schedule 12.4, clause 50 amended

- (1) In clause 50(1) of Schedule 12.4, before paragraph (a) insert:  
“(aa) Transpower must determine the **market BBI’s modelled regions** based on the outcomes of the modelling under clause 49 except to the extent Transpower determines basing the **modelled regions** on those outcomes would not support the objective in paragraph (d):”.
- (2) In clause 50(1)(b) of Schedule 12.4, replace “modelled price” with “expected price”.

### 6 Schedule 12.4, clause 51 amended

In clause 51(9) of Schedule 12.4, delete “, taking into account total positive **market regional NPB** for the **market BBI** calculated under clause 52”.

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## Explanatory Note

*This note is not part of the amendment, but is intended to indicate its general effect.*

This amendment to the Electricity Industry Participation Code 2010 (the Code) comes into force on 1 March 2024.

The amendment amends Schedule 12.4 of the Code (the Transmission Pricing Methodology) to allow Transpower more flexibility in establishing regional net private benefits (NPBs) and modelled regions for market benefit-based investments (BBIs) under the price-quantity method for Benefit Based Charge (BBC) allocation.

More information about the amendments is available on the Electricity Authority’s website <https://www.ea.govt.nz/development/work-programme/pricing-cost-allocation/transmission-pricing-review/development/>