

Proposal to amend the Electricity Industry Participation Code 2010


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The more information you include, the faster your proposal will be able to be assessed and progressed.

This form is to propose:

- An amendment to an existing clause in the Electricity Industry Participation Code 2010; or
 A new clause in the Electricity Industry Participation Code 2010.

Proposer's details

Name:	Victoria Parker
Title:	Head of Grid Pricing
Company:	Transpower New Zealand Limited
Telephone:	04 590 8516
Email:	victoria.parker@transpower.co.nz
Signature:	
Date:	2 February 2024

The proposal / preferred option

Suggested proposal name (please keep it short)	Clarifying the continuing BBI mechanism for low-value investments and anticipatory BBIs.
State the objective of your proposal	To address ambiguity in respect of the continuing BBI mechanism and clarify the definition of low-value post-2019 BBI under the simple method as being the group of BBIs within an investment region during the relevant simple method period.
Does the proposal relate to an existing Code clause? If yes, please state the full clause reference.	Yes, clauses 84(5) & (6) and 85(4) & (5).

<p>Describe the specific amendment(s) that you propose be made to the Code <i>OR</i> attach a draft of the proposed Code amendment (optional). See guidance in the Code drafting manual on our website.</p>	<p><i>The proposed amendments are tracked in the amended version of the TPM accompanying this form.</i></p> <p>Issue: In October 2022, Transpower proposed amendments to the TPM (October 2022 Proposal) to address the following issues with the continuing BBI mechanism contained in Part F:</p> <ul style="list-style-type: none"> - The commissioning dates for the Appendix A BBIs, CUWLP, and potentially other high-value intervening BBIs are difficult or impossible to determine precisely. - Applying the continuing BBI mechanism to low-value post-2019 BBIs would involve a cumbersome asset-by-asset approach. <p>Refer to Authority consultation paper - Amendments to correct issues in the new TPM - 18Oct2022 (Issue 6) and Transpower Proposal to amend the Code - TPM - form #6 - Continuing BBIs 3Oct2022.</p> <p>Amendments were subsequently made to the TPM to allow Transpower to:</p> <ul style="list-style-type: none"> - estimate certain BBI commissioning dates; and - impose a 12.5-year cut-off date in respect of continuing BBIs that are low-value BBIs under the simple method. <p>Refer to Authority decision paper - Amendments to correct issues in the new TPM - 22Nov2022.</p> <p>The rationale underlying the 12.5-year cut-off date, was that there is a significant workability issue if Transpower has to identify individual commissioning dates for assets/projects when applying the continuing BBI mechanism.</p> <p>Since these amendments were made, Transpower has identified that:</p> <ul style="list-style-type: none"> - the workability issues rationale underlying the 12.5-year cut-off date has not been fully addressed in the provisions relating to continuing BBIs; and - consequently, the TPM could still be interpreted as requiring Transpower to disaggregate BBIs within an investment region when applying the continuing BBI mechanism to adjustment events, <p>which results in residual ambiguity and risk of disputes or legal challenge when the continuing BBI mechanism is applied.</p> <p>Fundamentally, the TPM is still not clear whether the 12.5-year cut-off date is measured in respect of:</p> <ul style="list-style-type: none"> - each individual asset/project within an investment region (Interpretation 1); or - the group of assets within an investment region (Interpretation 2). <p>Interpretation 1 presents Transpower with a major workability issue, in that disaggregating BBI in order to apply the continuing BBI mechanism in Part F would involve a cumbersome asset-by-asset approach. The workability issue is explained in the October 2022 Proposal.</p> <p>Additionally, the ambiguity in the TPM exposes Transpower to a risk of legal challenge if a customer interprets the TPM differently in respect of adjusted charges following an adjustment event. It is very important for the continuing BBI mechanism to be clear, as adjustment events happen frequently.</p>
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	<p>We therefore propose to amend clauses 84(5) & (6) and 85(4) & (5) of the TPM to make it clear that, for the purposes of applying the continuing BBI mechanism in Part F, all low-value post-2019 BBI under the simple method within a particular investment region (excluding anticipatory BBI and high-value intervening BBI under the simple method) are to be treated as a single BBI for that investment region during the relevant simple method period.</p> <p>As part of proposing this change, we also propose an amendment to provide clarity that anticipatory BBI are excluded from the continuing BBI mechanism altogether because they do not relate to interconnection assets and are only determined under the simple method in order to recover the portion of their covered cost which is not recoverable through connection charges.</p>
<p>Identify how your proposal would support the Authority's objective, as set out in section 15 of the Electricity Industry Act 2010 (Act)ⁱ, specifically addressing the competition, reliability and efficiency dimensions of the objective.</p>	<p>The proposed amendments will fix workability issues in the TPM that could otherwise make the continuing BBI mechanism difficult, or potentially impossible, to apply. This will support the efficiency limb of the Authority's statutory objective by enabling Transpower to efficiently apply the continuing BBI mechanism without ambiguity.</p>
<p>Which of the purposes listed in section 32(1) of the Act does your proposal most closely relate to?</p>	<p>32(1)(c): The efficient operation of the electricity industry.</p>
<p>Identify whether you consider your proposed change to be urgent, providing supporting rationale.</p>	<p>We consider this change to be urgent.</p> <p>The proposed amendments have implications for the calculation of customer allocations following adjustment events in respect of current and future pricing years. As a result, it is necessary and desirable in the public interest for the proposed amendments to be progressed in a timely manner.</p> <p>Further, Transpower needs to resolve this issue as soon as possible because adjustment events occur frequently. Transpower is currently corresponding with Contact Energy in relation to the disconnection of the Te Rapa Cogen plant, to which this is directly relevant. This change is also relevant to assessing prudent discount applications, which Transpower could receive at any stage.</p>
<p>Please set out the expected costs and benefits of your proposal. These should include your assessment of the direct cost to develop and implement the proposed Code amendment, and the consequential costs and benefits as a result of the amendments, to all affected parties</p>	<p>No material costs on the Transpower side as this is purely to resolve ambiguity in the wording of the TPM.</p> <p>Other material benefits of the proposal include:</p> <ul style="list-style-type: none"> - supporting efficiency; - improving workability; and - avoiding undue administrative effort and cost across Transpower's systems when applying the continuing BBI mechanism.
<p>Who is likely to be substantially affected by this proposal?</p>	<p>No customers are likely to be substantially affected by the proposed amendment given it is limited to resolving ambiguity remaining after the Authority's decision to approve the October 2022 Proposal.</p>

<p>Identify whether you consider (providing supporting rationale):</p> <p>(i) your proposed change to be technical and non-controversial; or</p> <p>(ii) there is widespread support for your proposed change among the people likely to be affected; or</p> <p>(iii) there has been adequate prior consultation so that all relevant views have been considered.</p>	<p>We consider the proposed amendments to be consistent with, and supplementary to, the changes made as a result of the October 2022 Proposal and therefore technical and non-controversial. The proposed amendments address workability issues in a way that is consistent with the intent of the TPM.</p>
<p>Why is this your proposed option?</p>	<p>The TPM needs to change to remove ambiguity remaining after the Authority's decision to approve the October 2022 Proposal such that the continuing BBI mechanism is workable for all BBIs.</p>
<p>Any other relevant information you would like the Authority to consider?</p>	<p>The TPM is a complicated document and was drafted in a short amount of time. It was anticipated that some early changes to the drafting may be required. The Electricity Industry Participation Code Amendment (Transmission Pricing Methodology Related Amendments) 2022 was made with this in mind. Clause 12.94A(a) of the Code allows the Authority to make technical and non-controversial changes to the TPM outside the normal TPM review and amendment process.</p>

Assessment of alternative options

Please list and describe any alternative means of achieving the objective you have described for your proposal. For each alternative, please provide the information in the table below (ie, repeat this table below for each alternative). The list of alternatives should include both regulatory (ie, Code amendments) and non-regulatory options (eg, education, information, voluntary compliance). If you have a preferred option, please identify and explain why it is your preferred option.

<p>Brief description of an alternative means of achieving the objective. Note if this is your preferred option.</p>	<p>Consistent with the October 2022 Proposal, we have not identified any alternative means of achieving the objective of the proposed amendments.</p>
<p>The extent to which the objective of your proposal would be promoted or achieved by this option.</p>	<p>N/A.</p>
<p>Who is likely to be substantially affected by this option?</p>	<p>N/A.</p>

The expected costs and benefits of this option, including direct costs to develop it, and consequential costs and benefits to all affected parties.	N/A.
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ⁱ Section 15: Objectives of the Electricity Authority

1. The main objective of the Authority is to promote competition in, reliable supply by, and the efficient operation of, the electricity industry for the long-term benefit of consumers.
2. The additional objective of the Authority is to protect the interests of domestic consumers and small business consumers in relation to the supply of electricity to those consumers.
3. The additional objective applies only to the Authority's activities in relation to the dealings of industry participants with domestic consumers and small business consumers.

Proposal to amend the Electricity Industry Participation Code 2010


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Company:	Transpower New Zealand Limited
Telephone:	04 590 8516
Email:	victoria.parker@transpower.co.nz
Signature:	
Date:	2 February 2024

The proposal / preferred option

Suggested proposal name (please keep it short)	Correction to the calculation of Appendix A BBI allocations for new customers.
State the objective of your proposal	To address an unintended result that may arise when Transpower calculates a new customer's BBI customer allocation for an Appendix A BBI where a comparator Appendix A customer is not a suitable comparator despite being the same type (generator or connected asset owner) as the new customer.
Does the proposal relate to an existing Code clause? If yes, please state the full clause reference.	Yes, clause 83. We propose to insert a new subclause 83(9A) to create an exception to subclause 83(6).

<p>Describe the specific amendment(s) that you propose be made to the Code <i>OR</i> attach a draft of the proposed Code amendment (optional). See guidance in the Code drafting manual on our website.</p>	<p>Issue</p> <p>When calculating a new customer’s BBI customer allocation for an Appendix A BBI, Transpower is required to use the benefit factors of Appendix A customers of the same type (generator or connected asset owner) as the new customer, either at the new customer’s connection location or the connection location electrically closest to the new customer’s connection location at which there is at least one Appendix A customer of the same type (subclause 83(6)).</p> <p>Selecting comparator Appendix A customers based on their type alone (generator or connected asset owner) may not always be appropriate or produce BBI customer allocations that are broadly proportionate to expected positive net private benefits.</p> <p>For example, Transpower is aware of a new baseload generation investment being considered in Hawke’s Bay where the electrically closest Appendix A customer generating plant would be Whirinaki. Because Whirinaki is a high-SRMC generator designed to operate rarely, as a peaker dispatched typically only against very high prices, it has high benefit factors. If used, Whirinaki’s benefit factors would produce Appendix A allocations for the new customer that are also very high and, in Transpower’s view, not reflective of expected benefits for a low-SRMC baseload generation investment.</p> <p>Where there are situations like this, we consider Transpower should be able to exclude the benefit factors of the non-comparable Appendix A customer(s) from the calculation under subclause 83(6).</p> <p>Transpower therefore proposes that a new clause 83(9A) be inserted as follows:</p> <p>Proposed new subclause</p> <p>(9A) Despite subclause (5B) and paragraph (6)(a), Transpower may exclude from the calculation under subclause (5B) or paragraph (6)(a) (as the case may be) any other customer’s generating plant, consuming plant or a local network that is not reasonably comparable to the new customer’s generating plant, consuming plant or local network, whether by reason of different expected operating modes or otherwise.</p> <p>As part of considering this change, we also spotted a minor tidy up change that should be made to subclause 83(6), by inserting the text shown in red as follows:</p> <p>BF_j is Appendix A customer j’s benefit factor for the Appendix A BBI and the new customer’s connection location (or the electrically closest connection location, as the case may be) (which may be zero).</p> <p>This paragraph is subject to subclause (9A); and</p>
<p>Identify how your proposal would support the Authority’s objective, as set out in section 15 of the Electricity Industry Act 2010 (Act)ⁱ, specifically addressing the competition, reliability and efficiency dimensions of the objective.</p>	<p>The proposed amendments will fix an issue in the TPM that:</p> <ul style="list-style-type: none"> could otherwise result in new customers receiving BBI customer allocations that are not broadly proportionate to expected positive net private benefit; and may result in inefficient investment decisions being made/not made by potential investors if the issue is not addressed. <p>This will support the efficiency limb of the Authority’s statutory objective.</p>

<p>Which of the purposes listed in section 32(1) of the Act does your proposal most closely relate to?</p>	<p>32(1)(c): The efficient operation of the electricity industry.</p>
<p>Identify whether you consider your proposed change to be urgent, providing supporting rationale.</p>	<p>We consider this change to be urgent.</p> <p>The proposed amendment has implications for the calculation of customer allocations following adjustment events in respect of future pricing years. As a result, it is necessary and desirable in the public interest for the proposed amendments to be progressed in a timely manner.</p> <p>Further, Transpower needs to resolve this issue as soon as possible because adjustment events occur frequently. Transpower has received a query on this point submitted on behalf of a customer considering a near-term investment decision for which the matter is material.</p>
<p>Please set out the expected costs and benefits of your proposal. These should include your assessment of the direct cost to develop and implement the proposed Code amendment, and the consequential costs and benefits as a result of the amendments, to all affected parties.</p>	<p>No material costs.</p>
<p>Who is likely to be substantially affected by this proposal?</p>	<p>No existing customers are likely to be substantially affected by the proposed amendment given it is limited to resolving an unintended consequence. However, it is material for potential new generation investment decisions.</p>
<p>Identify whether you consider (providing supporting rationale):</p> <ul style="list-style-type: none"> (i) your proposed change to be technical and non-controversial; or (ii) there is widespread support for your proposed change among the people likely to be affected; or (iii) there has been adequate prior consultation so that all relevant views have been considered. 	<p>We consider the proposed amendment to be technical and non-controversial as the amendment is correcting a situation where an unintended result arises. The proposed amendment addresses the issue in a way that is consistent with the intent of the TPM.</p>
<p>Why is this your proposed option?</p>	<p>The TPM needs to change to ensure that new customers receive Appendix A BBI customer allocations that are broadly proportionate to expected positive net private benefit.</p>

Any other relevant information you would like the Authority to consider?	The TPM is a complicated document and was drafted in a short amount of time. It was anticipated that some early changes to the drafting may be required. The Electricity Industry Participation Code Amendment (Transmission Pricing Methodology Related Amendments) 2022 was made with this in mind. Clause 12.94A(a) of the Code allows the Authority to make technical and non-controversial changes to the TPM outside the normal TPM review and amendment process.
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Assessment of alternative options

Please list and describe any alternative means of achieving the objective you have described for your proposal. For each alternative, please provide the information in the table below (ie, repeat this table below for each alternative). The list of alternatives should include both regulatory (ie, Code amendments) and non-regulatory options (eg, education, information, voluntary compliance). If you have a preferred option, please identify and explain why it is your preferred option.

Brief description of an alternative means of achieving the objective. Note if this is your preferred option.	We have not identified any alternative means of achieving the objective of the proposed amendment.
The extent to which the objective of your proposal would be promoted or achieved by this option.	N/A.
Who is likely to be substantially affected by this option?	N/A.
The expected costs and benefits of this option, including direct costs to develop it, and consequential costs and benefits to all affected parties.	N/A.

Section 15: Objectives of the Electricity Authority

1. The main objective of the Authority is to promote competition in, reliable supply by, and the efficient operation of, the electricity industry for the long-term benefit of consumers.
2. The additional objective of the Authority is to protect the interests of domestic consumers and small business consumers in relation to the supply of electricity to those consumers.
3. The additional objective applies only to the Authority's activities in relation to the dealings of industry participants with domestic consumers and small business consumers.

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Signature:	
Date:	2 February 2024

The proposal / preferred option

Suggested proposal name (please keep it short)	Correction to the funded asset component and funded rebate mechanism for connection charges.
State the objective of your proposal	To address an unintended consequence in the funded asset component (FA component) and funded asset rebate (FA rebate) mechanism in clauses 28 and 29 of the TPM that arises where the customer who funds a funded asset is not itself connected to the funded asset. This can result in Transpower collecting an FA component from another customer who connects to the funded asset but being unable to rebate the funded asset component to any other customer under the TPM.

<p>Does the proposal relate to an existing Code clause? If yes, please state the full clause reference.</p>	<p>Yes, clause 28.</p>
<p>Describe the specific amendment(s) that you propose be made to the Code OR attach a draft of the proposed Code amendment (optional). See guidance in the Code drafting manual on our website.</p>	<p>Issue and context</p> <p>One component of a customer’s annual connection charge is a customer’s FA component.</p> <p>The FA component mechanism (clauses 28 and 29 of the TPM) is a feature of the TPM designed to address what is referred to as type 1 first mover disadvantage for connection assets.¹</p> <p>The FA component mechanism relates to a connection asset for which all or part of the capital cost is funded by a customer under an investment agreement. When a subsequent customer connects to the funded asset, an FA component is calculated in relation to the funded asset and the subsequent customer.</p> <p>The part of a FA component paid by a subsequent connecting customer is rebated by Transpower to all prior existing connected customers (referred to as an FA rebate). All existing connected customers at the connection location receive an FA rebate as a contribution to their funding of the capital cost of the relevant funded asset.</p> <p>Transpower has become aware that clauses 28 and 29 of the TPM do not properly address situations where the customer who funds a funded asset is not itself connected to the funded asset.</p> <p>A specific situation has arisen where a customer (A) has funded new connection assets that it will not itself connect to. These funded assets are required due to other upgrades customer A is funding at the relevant connection location, to maintain connectivity for another customer (B) already connected at the connection location. Customer B will connect to the funded assets.</p> <p>Applying current clauses 28 and 29 to this situation:</p> <ul style="list-style-type: none"> - Customer B will be a non-contributing customer for the funded assets and will therefore be charged an FA component for them. - However, because customer A will not be connected to the funded assets: <ul style="list-style-type: none"> o customer A’s connection customer allocation for the funded assets will be 0; and o customer A will be a contributing customer but not a “prior contributing customer” to whom an FA rebate is payable under clause 29. Under the definition in clause 3, a prior contributing customer must be “connected to the funded asset <i>before</i> the non-contributing customer became connected to the funded asset”. Customer A will not be connected to the funded assets at all, and customer B is already connected at the connection location. - Therefore, while Transpower will receive an FA component from customer B under clause 28, Transpower will not be able to rebate that amount to customer A under clause 29. This could result in a revenue over-recovery by Transpower.

¹ More information about the “Funded Asset Component” mechanism under clause 28 is available in Transpower’s “Information sheet on connection charges: FAC mechanism to address Type 1 FMD v2” at [About the TPM | Transpower](#)

	<p>An amendment is required to address this situation and ensure that where a customer funds a funded asset it will not be connected to, the FA component contribution and FA rebate mechanism is not triggered.</p> <p>Proposed new subclause</p> <p>We propose a new paragraph 28(2)(c) as follows:</p> <p>(2) A customer’s funded asset component for a connection asset is 0 unless—</p> <ol style="list-style-type: none"> a) the connection asset is a funded asset; and b) the customer is, but for the funded asset component, a non-contributing customer for the funded asset; and c) <u>there is, in respect of the customer, at least one prior contributing customer who has a non-zero connection customer allocation for the funded asset.</u> <p>In the situation outlined above, the addition of this new paragraph would mean that the FA component and FA rebate mechanism would not be triggered because customer B’s FA component would be 0.</p>
<p>Identify how your proposal would support the Authority’s objective, as set out in section 15 of the Electricity Industry Act 2010 (Act)¹, specifically addressing the competition, reliability and efficiency dimensions of the objective.</p>	<p>The proposed amendment will fix an issue in the TPM that:</p> <ul style="list-style-type: none"> • will prevent the proper operation of the FA component and FA rebate mechanism for its intended purpose; and • may result in revenue over-recovery by Transpower. <p>This will support the efficiency limb of the Authority’s statutory objective.</p>
<p>Which of the purposes listed in section 32(1) of the Act does your proposal most closely relate to?</p>	<p>32(1)(c): The efficient operation of the electricity industry.</p>
<p>Identify any timing requirements for this Code change, providing supporting rationale.</p>	<p>The proposed amendment has implications for the calculation of connection charges for assets funded under investment agreements.</p> <p>We understand that the assets customer A is funding will be commissioned around mid-next year, which will trigger a connection charges adjustment event impacting charges for customers A and B.</p>
<p>Please set out the expected costs and benefits of your proposal. These should include your assessment of the direct cost to develop and implement the proposed Code amendment, and the consequential costs and benefits as a result of the amendments, to all affected parties.</p>	<p>No direct material costs for Transpower to develop and implement the change.</p>
<p>Who is likely to be substantially affected by this proposal?</p>	<p>No existing customers are likely to be substantially affected by the proposed amendment given it is limited to resolving an unforeseen situation in the TPM.</p>

<p>Identify whether you consider (providing supporting rationale):</p> <p>(i) your proposed change to be technical and non-controversial; or</p> <p>(ii) there is widespread support for your proposed change among the people likely to be affected; or</p> <p>(iii) there has been adequate prior consultation so that all relevant views have been considered.</p>	<p>We consider the proposed amendment to be technical and non-controversial as the amendment is correcting a situation where an unintended result arises. The proposed amendment addresses the issue in a way that is consistent with the intent of the TPM (and the rationale of the funded asset component mechanism).</p>
<p>Why is this your proposed option?</p>	<p>The TPM needs to change to ensure that FA component and FA rebate mechanism operates as intended and is only used to address a first mover disadvantage where the first mover is themselves connected to the funded asset. The TPM also needs to change to prevent a potential revenue over-recovery by Transpower.</p>
<p>Any other relevant information you would like the Authority to consider?</p>	<p>No.</p>

Assessment of alternative options

Please list and describe any alternative means of achieving the objective you have described for your proposal. For each alternative, please provide the information in the table below (ie, repeat this table below for each alternative). The list of alternatives should include both regulatory (ie, Code amendments) and non-regulatory options (eg, education, information, voluntary compliance). If you have a preferred option, please identify and explain why it is your preferred option.

<p>Brief description of an alternative means of achieving the objective. Note if this is your preferred option.</p>	<p>We have not identified any alternative means of achieving the objective of the proposed amendment.</p>
<p>The extent to which the objective of your proposal would be promoted or achieved by this option.</p>	<p>N/A.</p>
<p>Who is likely to be substantially affected by this option?</p>	<p>N/A.</p>
<p>The expected costs and benefits of this option, including direct costs to develop it, and consequential costs and benefits to all affected parties.</p>	<p>N/A.</p>

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The proposal / preferred option

<p>Suggested proposal name (please keep it short)</p>	<p>Other corrections to the TPM (such as typographical errors)</p>
<p>State the objective of your proposal</p>	<p>To correct typographical errors in, and make some other minor improvements to, the new TPM.</p>
<p>Does the proposal relate to an existing Code clause? If yes, please state the full clause reference.</p>	<p>Yes. See below and the amended TPM accompanying this form.</p>

<p>Describe the specific amendment(s) that you propose be made to the Code <i>OR</i> attach a draft of the proposed Code amendment (optional). See guidance in the Code drafting manual on our website.</p>	<p>The proposed amendments, all of which are tracked in the amended TPM accompanying this form, are as follows:</p> <p>Clause 59(1)(b): Include a new subparagraph (iii) in relation to the “high-value post-2019 BBIs” to which Transpower applies the simple method” to reflect the new clause 43(4A) of the TPM.</p> <p>Clause 64 (figure 14): Minor correction to fix table alignment issue to ensure formulae are not cut off in the table. Note that this may just be an issue in the PDF version on the EA’s website.</p> <p>Clause 83(13): Change the word “if” to “of” in the following place: I is the number ifof investment regions for the simple method period</p> <p>Clause 129(e): Proposed change to subclause 129(e) (approved by the EA on 22 June 2023), has not been carried over into the TPM in full. The change is to remove “sub” before the word “clause”.</p>
<p>Identify how your proposal would support the Authority’s objective, as set out in section 15 of the Electricity Industry Act 2010 (Act)ⁱ, specifically addressing the competition, reliability and efficiency dimensions of the objective.</p>	<p>The proposed amendments will result in a higher quality TPM with some improvements in clarity and readability. This will support the efficiency limb of the Authority’s statutory objective.</p>
<p>Which of the purposes listed in section 32(1) of the Act does your proposal most closely relate to?</p>	<p>32(1)(c): Efficient operation of the electricity industry. 32(1)(e): Other matter specifically referred to in the Act as a matter for inclusion in the Code (section 21(2)(b): “pricing methodologies ... for Transpower”).</p>
<p>Identify any timing requirements for this Code change, providing supporting rationale.</p>	<p>The changes are not urgent. However, it would be efficient to make the proposed amendments at the same time as other technical and non-controversial proposed amendments under consideration.</p>
<p>Please set out the expected costs and benefits of your proposal. These should include your assessment of the direct cost to develop and implement the proposed Code amendment, and the consequential costs and benefits as a result of the amendments, to all affected parties.</p>	<p>No material costs for Transpower to develop and implement the changes. Unquantified benefits for all stakeholders from having a higher quality TPM with some improvement in clarity.</p>
<p>Who is likely to be substantially affected by this proposal?</p>	<p>No stakeholders are likely to be substantially affected by the proposed amendments.</p>

<p>Identify whether you consider (providing supporting rationale):</p> <p>(i) your proposed change to be technical and non-controversial; or</p> <p>(ii) there is widespread support for your proposed change among the people likely to be affected; or</p> <p>(iii) there has been adequate prior consultation so that all relevant views have been considered.</p>	<p>We consider all of the proposed amendments to be technical and non-controversial. The proposed amendments are consistent with the intent of the TPM and none of them will impact the calculation of transmission charges.</p>
<p>Why is this your proposed option?</p>	<p>The only other option is not to make the proposed amendments.</p>
<p>Any other relevant information you would like the Authority to consider?</p>	<p>No.</p>

Assessment of alternative options

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<p>Brief description of an alternative means of achieving the objective. Note if this is your preferred option.</p>	<p>There are no alternative means of achieving the objectives of the proposed amendments.</p>
<p>The extent to which the objective of your proposal would be promoted or achieved by this option.</p>	
<p>Who is likely to be substantially affected by this option?</p>	
<p>The expected costs and benefits of this option, including direct costs to develop it, and consequential costs and benefits to all affected parties.</p>	

Section 15: Objectives of the Electricity Authority

1. The main objective of the Authority is to promote competition in, reliable supply by, and the efficient operation of, the electricity industry for the long-term benefit of consumers.
2. The additional objective of the Authority is to protect the interests of domestic consumers and small business consumers in relation to the supply of electricity to those consumers.
3. The additional objective applies only to the Authority's activities in relation to the dealings of industry participants with domestic consumers and small business consumers.