

From: Sean Martin
Sent: Monday, 4 March 2024 2:03 pm
To: s9(2)(a)
Subject: RE: August 9 prices query

Hi s9(2)(a)

Thanks for your patience.

Please find the following response to your questions (*attributable to an EA spokesperson*)

The Authority notified the clearing manager on Friday when we became aware of a potential issue with the finalised prices the clearing manager published for trading periods 37-42 on 9 August 2021.

An input error was made by the clearing manager resulting in prices being finalised without a virtual provider element which resolves pricing infeasibilities. The clearing manager asked participants to disregard those prices until further notice.

Corrected prices were published by the clearing manager as interim on 4 March (Monday) and will be finalised on 5 March (Tuesday).

The real time pricing reforms introduced in November 2022 fundamentally changed the process by which spot prices are calculated which means this process for finalising prices is no longer used.

ENDS

Regards
Sean

From: s9(2)(a)@freemanmedia.co.nz>
Sent: Monday, March 4, 2024 10:18 AM
To: Sean Martin s9(2)(a)
Subject: August 9 prices query

Kia ora Sean,

It was great to catch up last week - thank you for your time and the coffee!

I have some questions about the potential issue found with the prices for 9 August 2021 which were finalised, then made interim again on Friday afternoon. NZX says that you're the best contact.

I'm keen to get an idea of what the potential price issue is and what is being done to remedy it.

Also, can you provide any details on how these prices are calculated? We had some comments on Friday afternoon expressing surprise at prices being as high as they were and it would be good to provide some context around why they may be that high.

I understand from NZX that the prices will be finalised tomorrow. Is there any comment from the EA on what could be done or has been done to avoid a similar situation in the future?

(This may come back to the better communication policies already enacted by Transpower and others as part of their winter security planning.)

Ngā mihi,

s9(2)(a)

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