

FN-25-02 Fortnightly report 31 January 2025

This report summarises items that may be of interest to the Minister for Energy but not necessarily require a formal briefing. Further information on any topic can be provided on request. Substantive items and decision papers will be provided to the Minister in the form of briefings.

Electricity Authority contact: Sarah Gillies, Chief Executive

Mobile: s9(2)(a)

1. Current and upcoming publications and advice

The Authority has appointed three ordinary members and the Chair to the Security and Reliability Council	
Strategic outcome	Secure and resilient: <i>Effective risk management</i>
Purpose	<p>These appointments fill three existing vacancies in the SRC. They will commence on 1 April 2025 and have a term of three years.</p> <p>The appointees are:</p> <ul style="list-style-type: none"> • Hon. Heather Roy (independent Chair, reappointed) • Chris Ewers (reappointed) • David Binnie • Steve Duggan
Action and timing	We will announce the members and the independent Chair via our <i>Market Brief</i> on February 4, 2025.
Consultation paper: Omnibus #5	
Strategic outcome	Secure and resilient: <i>Effective risk management</i>
Purpose	To consult on three discrete amendments to the Electricity Industry Participation Code 2010 (Code) to support security of supply in winter 2025. The amendments are to update the stress test regime, provide for pricing if usual systems are unavailable, and to extend trader default provisions to all retailers.
Action and timing	<p>Approved by the Board: 30 January 2025</p> <p>Intended publication: 4 February 2025</p>
Decision paper: Retail market monitoring clause 2.16 information notice	
Strategic outcome	Affordable: <i>Consumer care and affordability & Effective competition</i>
Purpose	<p>We are strengthening our monitoring of the retail market to ensure consumers are protected, benefit from robust competition and security of supply is protected. Important information about medically dependent and prepay consumers, and disconnections will help us monitor the effectiveness of the Consumer Care Obligations. We are issuing a new comprehensive and ongoing information gathering request to retailers using our powers under the Code and expect to start receiving and publishing data in the second half of this year. Mandatory monthly reporting will reduce the number of individual requests we need to make.</p>
Action and timing	s9(2)(f)(iv)

Decision paper: Review of forecasting provisions for intermittent generators – final Code amendments

Strategic outcome	Secure and resilient: <i>Effective risk management</i> & Efficient: <i>Accurate and efficient pricing</i>
Purpose	s9(2)(f)(iv) [Redacted] [Redacted]
Action and timing	s9(2)(f)(iv) [Redacted]

Open letter to retailers and distributors on price change communications

Strategic outcome	Affordable: <i>Consumer care and affordability</i>
Purpose	The Authority is publishing an Open letter to retailers and distributors introducing our updated guidelines for communicating price changes. With some large price increases expected when the 2025 Commerce Commission electricity default price-quality path reset takes effect from 1 April, we will write to emphasise the importance of clear and effective communication with customers about upcoming price changes.
Action and timing	Intended publication: 29 January 2025

2. Consultations underway

Entrant generators – context, headwinds and options for power purchase agreements

Strategic outcome	Affordable: <i>Effective competition</i>
Purpose	The working paper tests the scope and focus of Task Force initiative to consider requiring gentailers to offer long-term firming for Power Purchase Agreements (PPAs) (initiative 1A), which is premised on the potential for PPAs to support business models that would intensify competition to build new generation and sell electricity. The working paper is a key input into developing and evaluating options for consultation in April 2025.

Action and timing	Consultation closes: 28 February 2025
-------------------	---------------------------------------

3. Upcoming Electricity Industry Participation Code amendments

The following table has Electricity Industry Participation Code amendments that need to be presented to the House by the Minister's office **within 20 working days** following the date on which it is made.

Tracking number	Name	Date made	Date of Gazette notification	Date in force	Due date for presentation to the House
	NA				

4. Key external engagements

- Indian Energy Regulator meeting: 3 February
- BEC Breakfast: 11 February
- MEUG Executive Committee: 11 February
- Summer School in Energy Economics: 17 February
- Australian Regulators delegation: 18 February
- The Electricity Authority Quarterly Update: 20 February
- Downstream 2025: 20 March