

Notice of the Authority's decision under regulation 29 of the Electricity Industry (Enforcement) Regulations 2010

Under regulation 29(1) of the Electricity Industry (Enforcement) Regulations 2010 (Regulations) the Electricity Authority (Authority) must publicise every decision made under regulation 23(3) of the Regulations, together with the reasons for the Authority's decision.

Background

On 3 April 2024, Transpower New Zealand Limited as the grid owner notified the Authority that it likely breached clause 4(4)(a)(ii) of Technical Code A of Schedule 8.3 of the Electricity Industry Participation Code (Code) when the operation of a protection scheme was not selective resulting in the temporary loss of supply to the Huirangi grid exit point (HUI0331).

Clause 4(4)(a)(ii) of Technical Code A of Schedule 8.3 requires that each asset owner must ensure that it provides protection systems for its assets that are connected to, or form part of, the grid and that each asset owner must ensure that it provides protection systems and are designed, commissioned and maintained, and settings are applied to:

- electrically disconnect any faulted asset in minimum practical time and minimum disruption to the operation of the grid or other assets
- be selective when operating, so that the minimum amount of assets are electrically disconnected
- as far as reasonably practicable, preserve power system stability.

Investigation process

On 7 March 2025, the Authority appointed an investigator to investigate the alleged breach. No other parties joined the investigation, so no settlement was possible.

On 25 August 2025, the Authority received a report from the investigator recommending it lay a formal complaint with the Rulings Panel, under regulation 23(3)(b) of the Regulations.

The Authority's decision

On 25 August 2025, the Authority decided to lay a formal complaint with the Rulings Panel against Transpower under regulation 23(3)(b) of the Regulations concerning an alleged breach of clause 4(4)(a)(ii) of Technical Code A of Schedule 8.3 of the Code.

Reasons for the Authority's decision

The reasons for the Authority's decision to lay a formal complaint with the Rulings Panel are:

- The reported breach had a high overall level of severity
- The grid owner appears to have made a conscious decision not to address the risks identified in relation to the protection settings.

- There was a moderate operational impact and consumer impact as a consequence of the alleged breach.
- The potential operational and security impact could have been greater if the trip event had occurred on a larger grid connection point
- the grid owner has a pattern of alleged non-compliance with clause 4(4) of Technical Code A of Schedule 8.3
- Common quality obligations are in place to support the system operator's role and to reflect the impact that asset owners may have on other parts of the grid or network
- The Authority aims to prevent similar incidents happening in the future