

Compliance monitoring framework

December 2025

Version control

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1.0	June 2022	Created
2.0	December 2022	Updated in light of Electricity Industry Amendment Act 2022
3.0	December 2025	Updated

Executive summary

This Compliance monitoring framework (Framework) sets out how the Electricity Authority Te Mana Hiko (Authority) will proactively monitor participants' compliance with the Electricity Industry Participation Code 2010 (Code). It is an updated version of our 2022 Framework and has considered existing, new and amended Code provisions that are currently in force.

The Authority's statutory functions include monitoring, investigating and enforcing compliance with the Electricity Industry Act 2010 (Act), regulations made under the Act (regulations) and the Code. This Framework uses a risk-based framework to help us decide where to focus our monitoring efforts and effectively allocate our available monitoring resources.

This Framework allows us to prioritise the areas we monitor, based on the level of harm from non-compliance and likelihood of undetected non-compliance occurring.

The shortlist of high-priority areas for proactive compliance monitoring are set out in Table 5 of this paper. The Compliance team will undertake proactive monitoring in those areas and may use findings from that monitoring for enforcement or educational purposes.

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1. Introduction

- 1.1. Section 16(1)(c) of the Act states that one of the functions of the Authority is to monitor compliance with the Act, regulations and the Code.
- 1.2. This Framework identifies the highest risk Code provisions that the Authority intends to prioritise as part of its compliance monitoring function.
- 1.3. This version of the Framework includes a reassessment of existing Code obligations, which were initially assessed in the first version of the Framework that was published in December 2022¹. This version also contains an assessment of most new Code obligations, which were in effect as of 1 January 2025.
- 1.4. The Framework does not contain an assessment of the new Consumer Care Obligations in Part 11A of the Code. This is because we intend to assess and monitor those obligations under a separate Compliance monitoring framework. It also does not contain an assessment of Code provisions that have expired or were not yet in force as of 1 January 2025².
- 1.5. The original Framework did not identify any provisions in the Act or regulations that met the risk threshold. A reassessment of the Act and those regulations did not identify any significant changes.³ Therefore, this Framework continues to only focus on high-priority Code provisions.
- 1.6. We intend to review this Framework every two years.

2. Background

- 2.1. The Authority's Compliance strategy sets out its compliance approach and how it will focus its resources on the most serious and highest-priority risks. The Compliance strategy establishes the guiding principles and objectives for our compliance activities, which are consistent with the Authority's objectives and functions. Policies and procedures will sit under the Compliance strategy for specific compliance activities, such as participant registration, participant auditing, education, monitoring, investigation, domestic and small business consumer protection and enforcement.
- 2.2. This Framework is one of the documents that sits below the Compliance strategy. It sets out our approach to proactive monitoring of participants' compliance with the Code and includes:

¹ The Framework replaced the Authority's previous compliance monitoring programme that was last updated in 2019.

² The only exception is the Electricity Industry Participation Code Amendment (Updates to Registry Fields) 2024, which came into force on 1 August 2025. This provision was assessed as part of the review.

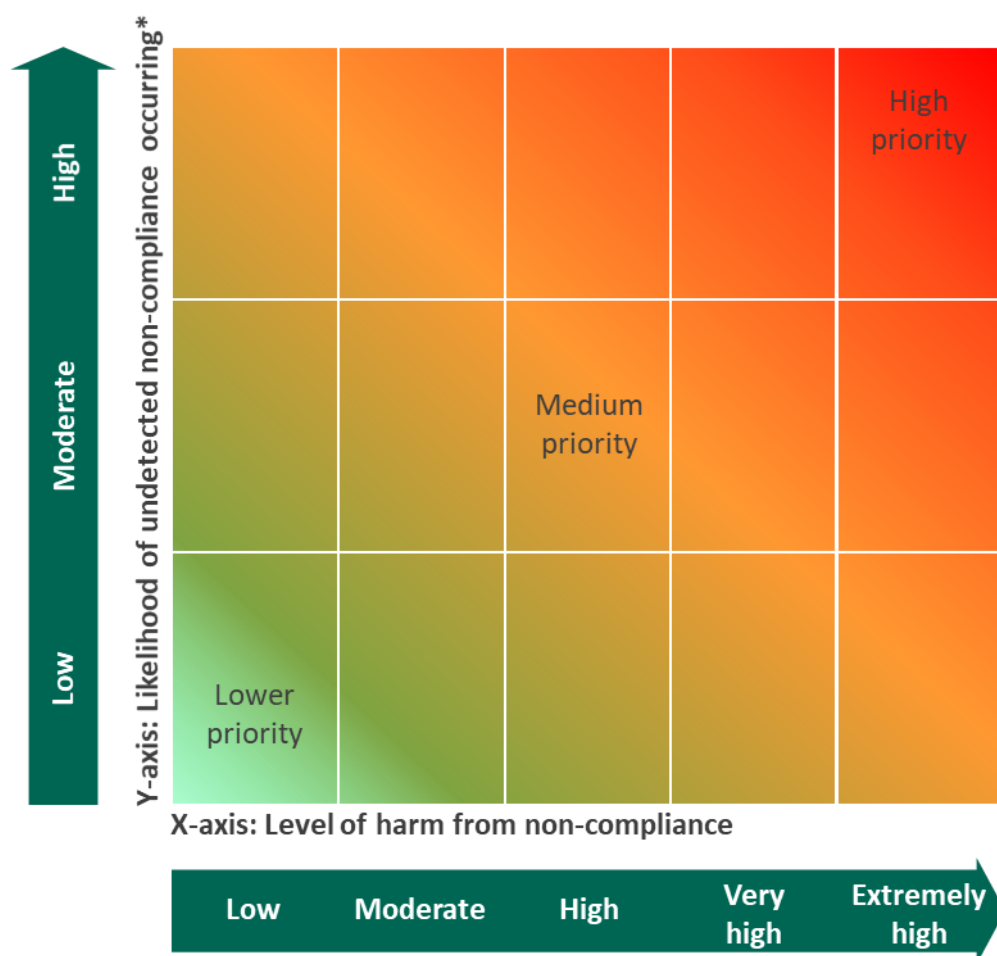
³ The regulations originally considered, and reassessed in this review, were the Electricity Industry (Levy of Industry Participants) Regulations 2010 and the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Regulations 2004. Other regulations that do not impose obligations on participants were not considered, namely the Electricity Industry (Participants and Roles) Regulations 2012 and the Electricity (Exemptions from Registration) Regulations 2022. Finally, the Electricity Industry (Enforcement) Regulations 2010 were not originally considered and therefore were outside the scope of the reassessment.

- (a) the risk-based framework we have used to determine the high-risk provisions in the Code
 - (b) our assessment of what the high-risk provisions are.
- 2.3. Participants are expected to comply with their Code obligations regardless of whether those obligations are assessed as high risk and subject to proactive monitoring under this Framework.

3. Our risk-based approach

- 3.1. The Authority has limited resources for monitoring compliance with the Code and therefore needs to prioritise which provisions in the Code it proactively monitors. Key to this is using a risk-based framework to determine which provisions are highest risk and therefore should be prioritised for monitoring.
- 3.2. The Authority notes that there are various ways to assess the highest risk provisions in the Code. There are some Code provisions that are highly unlikely to be breached, but if they are, would create significant consequences. There are other Code provisions that are breached more frequently and may only have significant consequences in particular circumstances or as breaches accrue over time.
- 3.3. At this time, this Framework considers provisions to be high risk where there is both:
 - (a) a high likelihood of undetected non-compliance occurring; and
 - (b) a high level of harm from non-compliance.
- 3.4. The basis of this risk-based Compliance monitoring framework is that we will:
 - (a) prioritise monitoring of high-risk provisions
 - (b) consider whether there are other approaches to ensuring compliance of high-risk provisions (eg, amending the Code or educating participants).
- 3.5. The basis of the risk-based framework is the risk matrix (shown in Figure 1). The risk matrix allows us to assign to each provision a priority for monitoring by considering both the level of harm resulting from non-compliance (the x-axis) and the likelihood of undetected non-compliance occurring if there is no monitoring (the y-axis).
- 3.6. A provision that has an extremely high level of harm and a high likelihood of undetected non-compliance (ie, at the top-right of the matrix) will be a higher priority for monitoring than a provision that has both a low level of harm and a low likelihood of undetected non-compliance (ie, at the bottom-left of the matrix).

Figure 1 – risk matrix



* Likelihood of undetected non-compliance occurring if there is no monitoring.

- 3.7. We have developed a framework for determining where each provision in the Code, Act and regulations sits on the risk matrix and therefore which provisions are a high priority for monitoring.⁴ For each provision:
- the likely level of harm resulting from non-compliance is rated on a scale from one (low) to five (extremely high); and
 - the likelihood of undetected non-compliance occurring (where there is no monitoring) is rated from one (low) to three (high) as shown in the risk matrix in Figure 2 sets out the different steps involved in developing the risk-based compliance monitoring approach.

⁴ Note that provisions that do not include any obligations on participants are not assessed.

Figure 2 – steps in the risk-based compliance monitoring approach



4. The Authority's framework for determining high-risk provisions

- 4.1. We have assessed each provision in the Code to determine the level of harm from non-compliance (Step A in Figure 2) and the likelihood of undetected non-compliance if there is no monitoring (Step B in Figure 2). This requires a subjective assessment, but key is ensuring that the relative risk between different provisions is appropriately captured (rather than focusing on the absolute position on the risk matrix).

Step A: Level of harm from non-compliance (the x-axis of the risk matrix)

Types of harm

- 4.2. To assess the level of harm from non-compliance we first consider the different types of harm that could arise. Our Compliance strategy⁵ helps us identify the categories of harm that may warrant closer monitoring. We consider 'harm' to include things that prevent us from:

⁵ Available on our website: [Our compliance strategy, framework and policies | Electricity Authority](#)

- (a) achieving our **main statutory objective** “to promote *competition* in, *reliable supply* by, and the *efficient operation* of, the electricity industry for the long-term benefit of consumers”⁶
 - (b) achieving our **additional statutory objective** “to protect the interests of domestic consumers and small business consumers in relation to the supply of electricity to those consumers”⁷
 - (c) successfully carrying out our **purpose** to enhance New Zealanders’ lives, prosperity, and environment through electricity
 - (d) carrying out our **functions** to operate the electricity system and markets; monitor, inform and educate; enforce compliance; promote market development; and protect the interests of small electricity consumers
 - (e) fulfilling our **role** as a regulator.
- 4.3. In our assessment of the level of harm from non-compliance we focus on the harms that prevent the Authority from fulfilling our statutory objectives – specifically competition, reliability, efficiency and the protection of domestic and small business consumer interests. However, these limbs are informed by the other components of our Compliance strategy.
- 4.4. Some types of harm fall outside the scope of the Authority’s statutory functions, so we do not directly consider them under this Framework. These include:
- (a) environmental harm, as this tends to be dealt with by other regulation (eg, the Resource Management Act)
 - (b) potential harm to the Authority’s reputation, which could prevent us from effectively fulfilling our role as regulator/kaitiaki of electricity.

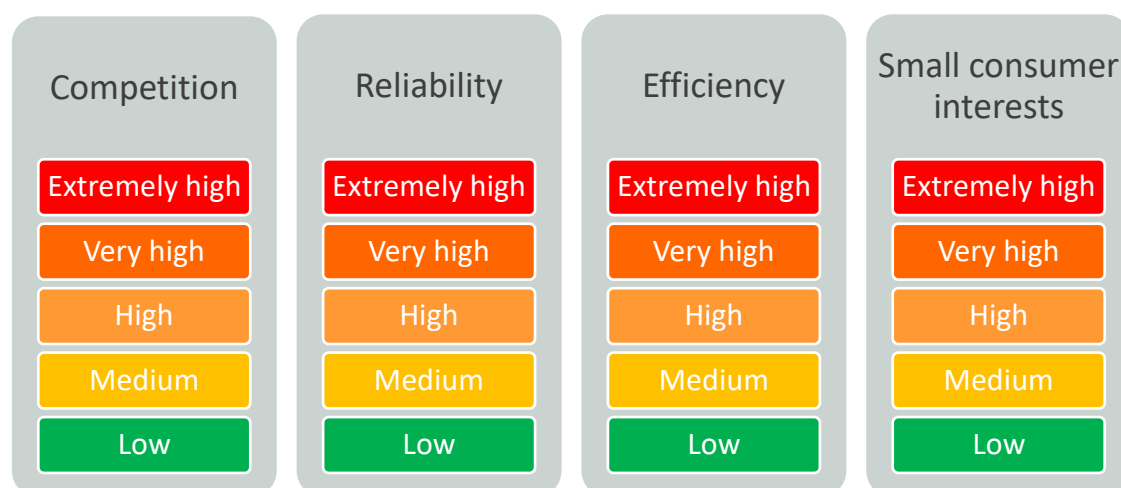
Level of harm assessment

- 4.5. We assess the level of harm for each provision under the competition, reliability, efficiency and protection of domestic and small business consumer interest limbs of the statutory objectives. Each provision is given a harm rating on a scale from “low” to “extremely high” as shown in Figure 3.

⁶ Emphasis added.

⁷ This was introduced by the Electricity Industry Amendment Act 2022 and took effect on 31 December 2022. Referred to subsequently in this document as “domestic and small business consumers”.

Figure 3 – Level of harm



- 4.6. The level of harm assessment splits the upper end of the ratings scale into three categories: “high”, “very high”, and “extremely high”. At first glance, many provisions can appear to have potentially serious consequences if they are not complied with. However, if too many provisions rank too highly in the risk assessment it becomes difficult to prioritise them. By providing more options to rate a high level of harm, we can better identify and prioritise the most harmful provisions without detracting from the seriousness of non-compliance with other provisions.
- 4.7. Regarding the competition, reliability and efficiency limbs of the main statutory objective, we assess the level of harm from non-compliance for all provisions where there is an obligation on a participant.
- 4.8. Regarding the additional statutory objective of protecting domestic and small business consumer interests, we assessed the level of harm from non-compliance for all provisions where an obligation on a participant relates to a direct dealing between the participant and a domestic or small business consumer⁸. A direct dealing includes a direct relationship, direct interaction, or direct conduct towards, the consumer. Table 1 (below) sets out some factors we consider when assessing the level of harm from non-compliance.

Table 1 – Factors considered when determining the level of harm

Type of harm	Question	Factors considered ⁹
Competition	How much would non-compliance reduce competitiveness in the electricity industry?	<ul style="list-style-type: none"> • Barriers to entry • Barriers to growth • Change in number of suppliers in the market • Type of behaviour • Information asymmetry • Procedural fairness

⁸ This excludes an assessment of the Consumer Care Obligations in Part 14A of the Code. These obligations are assessed under the Authority’s separate compliance monitoring framework for Consumer Care Obligations.

⁹ The lists of factors are not exhaustive.

		<ul style="list-style-type: none"> • Scale of potential impacts
Reliability	How much would non-compliance reduce reliability in the electricity industry?	<ul style="list-style-type: none"> • Likelihood of outage occurring • Number of people affected by outage • Timing and duration of outage • Length of warning • Participant and consumer confidence in system reliability • Impact on quality factors (eg, frequency, voltage)
Efficiency	How much would non-compliance reduce efficiency in the electricity industry?	<ul style="list-style-type: none"> • Allocative efficiency • Productive efficiency • Dynamic efficiency
Domestic and small business consumer interests	How much would non-compliance impair the interests of domestic and small business consumers in relation to the supply of electricity to those consumers?	<ul style="list-style-type: none"> • Retailer supply terms for domestic and small business consumers • Disconnection of domestic and small business consumers for non-payment • Management of domestic and small business consumers' debt • Access by domestic and small business consumers to useful information provided by the retailer or distributor • Compensation of domestic and small business consumers for incidents or events that negatively affect them • Processes for acquiring retail customers • Processes for arranging a point of connection for a domestic and small business consumer • Any discriminatory behaviour by a participant towards a domestic and small business consumer.

Step B: Likelihood of undetected non-compliance occurring (the y-axis of the risk matrix)

- 4.9. The likelihood of undetected non-compliance is broken down into two key components:
- (a) the likelihood of non-compliance occurring, and
 - (b) the likelihood of non-compliance going undetected.
- 4.10. These likelihoods assume that the provision in the Code, Act, or regulations are not specifically monitored.
- 4.11. To assess the likelihood of undetected non-compliance occurring, each component is considered individually and then a combined score determines whether the likelihood of undetected non-compliance is low, moderate or high.

Component one: Likelihood of non-compliance occurring

- 4.12. Often non-compliance is unintentional, but some non-compliance can be intentional:

- (a) *Intentional* non-compliance involves a participant failing to take the required action or choosing to take non-compliant action to gain some benefit or advantage.
- (b) *Unintentional* non-compliance may result from a participant being unaware of an obligation, unsure of how to comply with the obligation or unable to comply for another reason (for example, where compliance depends on a third party or process and/or human errors prevent compliance).
- 4.13. The likelihood of each of type of non-compliance (intentional and unintentional) is assessed and scored separately for each provision in the Code using three rating categories: “low”, “moderate” and “high”. The ratings are based on several factors that could affect the likelihood of non-compliance occurring.
- 4.14. Table 1 sets out factors we consider when determining the likelihood of unintentional or intentional non-compliance occurring and how the likelihood of the two types of non-compliance are scored. The response to the question on *intentional* non-compliance is given a greater weighting than the response to the question on *unintentional* non-compliance because the Authority is concerned about participants who are deliberately not complying.

Table 2 – How to assess the likelihood of intentional and unintentional non-compliance occurring

Questions	Factors to consider	Scoring
1a. If the provision isn't specifically monitored, is there likely to be <i>intentional</i> non-compliance?	<ul style="list-style-type: none"> Is there some benefit to a participant of not complying with this provision (eg, increased revenue from increased market share)? Is it difficult or costly for participants to comply with this provision (eg, does it require substantial resource to comply)? Is the penalty to a participant if non-compliance is caught relatively low (relative to any benefit of not complying and/or the cost of complying)? Are participants likely to think they won't get caught if they don't comply? Is a participant unlikely to suffer substantial reputational damage if they don't comply with this provision? <p><i>If we answer “yes” to some (or all) of these questions this suggests a higher likelihood of intentional non-compliance.</i></p>	Low (0)
		Moderate (2)
		High (3)
1b. If the provision isn't specifically monitored, is there likely to be <i>unintentional</i> non-compliance?	<ul style="list-style-type: none"> Is the provision poorly known? Is the provision difficult to interpret? Are there complex actions required by a participant to comply with the provision? Does compliance rely on the actions of a third party? <p><i>If we answer “yes” to some (or all) of these questions this suggests a higher likelihood of unintentional non-compliance.</i></p>	Low (0)
		Moderate (2)
		High (3)

Component two: Likelihood of non-compliance being undetected

- 4.15. To assess the likelihood of non-compliance with a provision being undetected we question “If the provision isn’t specifically monitored, is it likely that non-compliance won’t be detected?”. To assist in answering this, we consider whether:
- other safeguards exist that help detect non-compliance (such as regular auditing)
 - non-compliance is likely to be observable by the Authority and/or other industry participants
 - participants would be incentivised to report any non-compliance by another participant.
- 4.16. Table 3 sets out how we determine a score for the likelihood that any non-compliance would not be detected.

Table 3 – How to assess the likelihood that non-compliance won’t be detected

Questions	Factors to consider	Scoring
2. If the provision isn’t specifically monitored, is it likely that non-compliance won’t be detected?	<ul style="list-style-type: none"> Do other safeguards exist that help detect non-compliance with this provision (eg, auditing requirements)? Is it likely to be obvious to the Authority when a participant doesn’t comply with this provision? Is it likely to be obvious to other industry participants when a participant doesn’t comply with this provision? Are there disincentives to other participants reporting non-compliance (eg, potential harm to industry relationships, inequality or undue influence)? <p><i>If we answer “no” to some (or all) of these questions this suggests a higher likelihood that non-compliance won’t be detected.</i></p>	Low (0)
		Moderate (2)
		High (3)

Combining components one and two to determine the likelihood of undetected non-compliance

- 4.17. After assessing component one (the likelihood of intentional or unintentional non-compliance occurring) and component two (the likelihood that non-compliance would not be detected), the combined scores of the two components are used to determine an overall score for the likelihood of undetected non-compliance occurring. To combine the scores, the maximum score from questions 1a and 1b (component one in Table 2) are added to the score for question 2 (component two in Table 3)
- 4.18. The scores are then categorised into a “low”, “moderate”, or “high” likelihood of undetected non-compliance occurring as shown in Table 4.

Table 4 – Rating the likelihood of undetected non-compliance occurring

	Low	Moderate	High
Likelihood of undetected non-compliance occurring	0-2	3	4-5

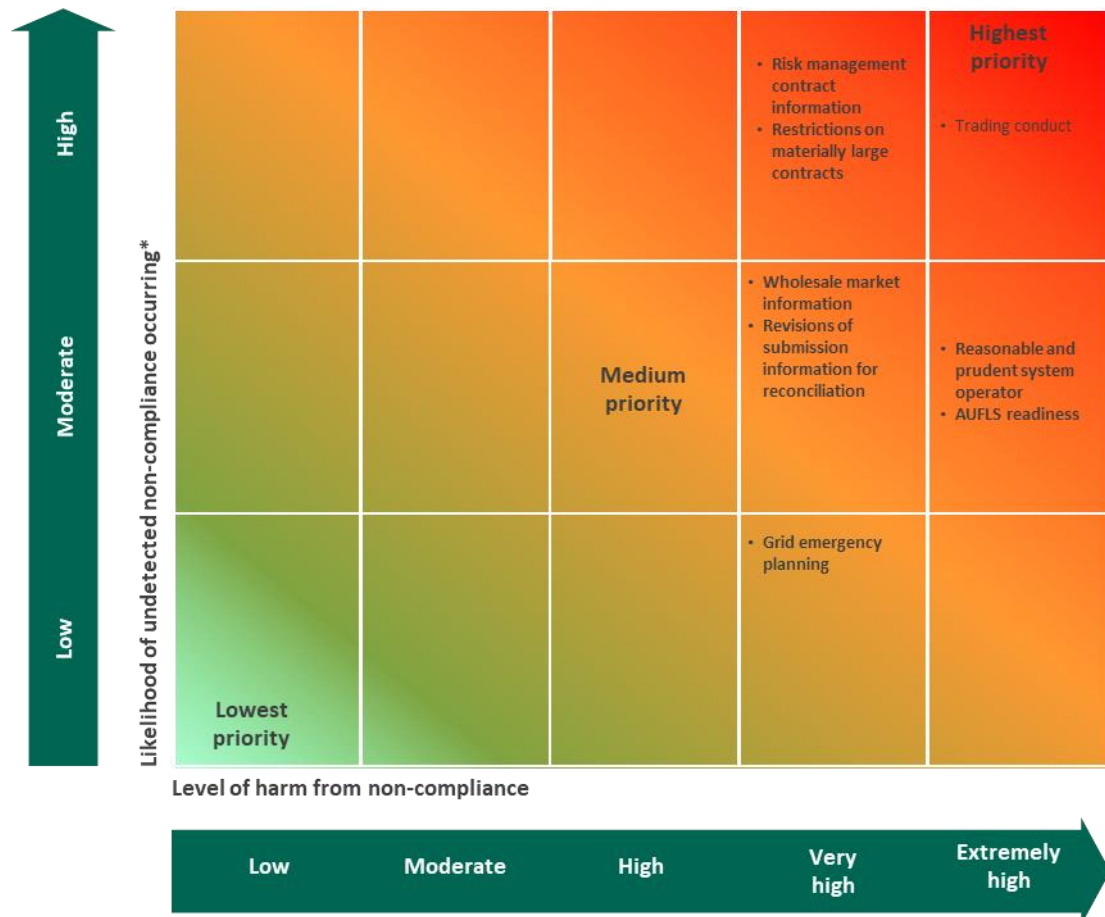
5. High-priority areas for monitoring

- 5.1. Each provision in the Code is assessed using the risk-based compliance monitoring framework described above. The assessment of each provision is set out in Appendix A.
- 5.2. From this assessment we have identified a short list of areas of the Code that are the highest priority for monitoring. Figure 4 below shows the highest priority for monitoring is trading conduct, followed by seven other areas with a slightly lower priority. The list is as follows:
 - (a) Trading conduct
 - (b) Reasonable and prudent system operator
 - (c) AUFLS readiness
 - (d) Wholesale market information disclosure
 - (e) Restrictions on Materially Large Contracts (MLC)
 - (f) Risk management contract information disclosure
 - (g) Revisions of submission information for reconciliation
 - (h) Grid emergency planning
- 5.3. Table 5 provides more detail on the obligations in each of these areas, including:
 - (a) where the provisions are in the Code
 - (b) what the obligations are
 - (c) who the obligations are on
 - (d) the greatest type(s) of harm.
- 5.4. This short list may change over time and these changes may not be reflected in this Framework. Therefore, our current monitoring priorities may differ to this initial high-priority short list.
- 5.5. These high-priority areas may combine more than one provision from the Code.¹⁰ Areas that are a high priority for monitoring meet all of the following criteria:

¹⁰ For example, in our assessment of the Code using the risk-based framework we assessed clauses 13.2 (misleading, deceptive, or incorrect information) and 13.2A (disclosure information must be made readily available) separately, but they have been considered together when determining areas of the Code that are a high priority for monitoring.

- (a) they have an “extremely high” or “very high” likelihood of harm from non-compliance
- (b) there is a “high” or “moderate” likelihood of undetected non-compliance (if there is no monitoring)
- (c) they can be monitored on an ongoing basis (because they require ongoing compliance activity by participants rather than event-based compliance).

Figure 4 – List of high-priority areas for compliance monitoring



* Likelihood of undetected non-compliance occurring if there is no monitoring.

Table 5 – Shortlist of high-priority areas for compliance monitoring

Priority area	Clauses	Description	Obligations on	Greatest type(s) of harm	Risk matrix position		Comment
					X-axis (level of harm)	Y-axis (likelihood of undetected non-compliance)	
Trading conduct	Code: Part 13 – cl 13.5A	Conduct in relation to generators' offers and ancillary service agents' reserve offers.	Generators, ancillary service agents	Competition, Efficiency	5	3	The level of harm from non-compliance is extremely high and the risk of non-compliance (if not monitored) continues to remain high. Remains the Authority's highest priority for monitoring.
Reasonable and prudent system operator	Code: Part 7 – cl 7.1A	System operator must carry out obligations to reasonable and prudent standard.	System operator	Reliability	5	2	Monitoring to primarily rely on the System Operator's annual review in Part 7. Otherwise difficult to monitor in its entirety as it relates to all obligations on system operator.
AUFLS readiness	Code: <ul style="list-style-type: none"> Part 8 – cl 8.19(5) Schedule 8.3 – Technical Code A – cl 8(2) Schedule 8.3 – Technical Code A – App B 	North Island connected asset owners must ensure AUFLS readiness and systems in place; South Island grid owner must ensure AUFLS readiness; Asset owners must test AUFLS systems.	Connected asset owner, grid owner	Reliability	5	2	Only relates to AUFLS provisions related to preparedness. Provisions that require participants to act during an event are best assessed on a post-event basis. Connected asset owners are required to report some information on AUFLS readiness to the system operator.

Priority area	Clauses	Description	Obligations on	Greatest type(s) of harm	Risk matrix position		Comment
					X-axis (level of harm)	Y-axis (likelihood of undetected non-compliance)	
	<ul style="list-style-type: none"> Schedule 8.3 – Technical Code B – cl 7 AUFLS Technical Requirements Report¹¹ 						
Wholesale market information disclosure	Code: <ul style="list-style-type: none"> Part 13 – cl 13.2, 13.2A, 13.2B 	Wholesale market information quarterly disclosure reports; disclosure of misleading, deceptive, or incorrect information; requirement to provide complete and accurate information.	Major participants	Competition	4	3	Monitoring likely to only be needed six-monthly.
Restrictions on Materially Large Contracts (MLC)	Code: <ul style="list-style-type: none"> Part 13 – cl 13.269, 13.270 	Prohibits generators from giving effect to MLCs unless the net value from the contract to the generator is positive relative to the generator's best alternative, or the buyer can on-sell unused Megawatt quantities under the MLC without the buyer	Generators	Competition, Efficiency	4	2	Can be incorporated within the current monitoring of other wholesale market information disclosure.

¹¹ A document incorporated by reference into the Code.

Priority area	Clauses	Description	Obligations on	Greatest type(s) of harm	Risk matrix position		Comment
					X-axis (level of harm)	Y-axis (likelihood of undetected non-compliance)	
		being subject to any worse terms than if they had consumed the electricity themselves.					
Risk management contract information disclosure	Code: <ul style="list-style-type: none"> Part 13 – cl 13.218, 13.219, 13.223, 13.225, 13.230 	Parties to risk management contracts required to submit information and must annually certify that information submitted was correct.	Buyers and sellers (of risk management contracts)	Competition	4	3	Clause 13.222A is an additional hedge disclosure obligation for participants.
Revisions of submission information for reconciliation	Code: <ul style="list-style-type: none"> Part 15 – cl 15.2, 15.4, 15.35 	Participants to deliver revised submission information for reconciliation.	Participants	Competition, Efficiency	4	2	There is concern that “overs” and “unders” are not always being washed up because participants are not revising submission information for reconciliation. Monitoring will primarily rely on the existing audit programme and compliance plans.
Grid Emergency Planning	Code: <ul style="list-style-type: none"> Part 8, Schedule 8.3B - clause 3 	Participants must plan for a grid emergency.	All participants	Reliability	4	1	Relates to grid emergency planning, not actions during a grid emergency. Rolling outage plans must be submitted to the system operator for approval.

Appendix A Summary of risk-based assessment of the Code

- A.1. This appendix provides a summary of the results of the initial risk-based assessment of the Code. It sets out the type of obligations in each Part of the Code and the risk associated with those obligations (ie, the position on the risk matrix).
- A.2. Some key points to note in regard to this summary:
- a. the categories of obligations are not exhaustive, but are intended to capture the main categories of Code obligations
 - b. the ratings for each level of harm and likelihood of undetected non-compliance are the highest ratings of any clause that fits within that type of obligation (some clauses will rate lower)
 - c. within each category of Code obligations, the highest likelihood of harm may not coincide with the highest likelihood of undetected non-compliance (eg, in Part 14 of the Code, the procedures for events of default scores '5' for the level of harm, and the likelihood of undetected non-compliance scores '2', however the clauses that have a level of harm of '5' only have a likelihood of undetected non-compliance of '1').

The key types of harm relevant for each obligation are indicated, where C = competition, R = reliability, E = efficiency and SCI = small consumer interests.

Table 6 – Risk profile for each Part of the Code

Part	Heading	Types of obligations	Key type(s) of harm	Level of harm	Likelihood of undetected non-compliance
1	Preliminary provisions	No obligations	N/A	N/A	N/A
2	Availability of information	Responding to requests for Code information	C, R, E	1	2
		Provision of information to Authority under clause 2.16 notice	C, R, E, SCI	3	1
3	Market operation service providers	Market operation service providers to assist Authority to give effect to statutory objective	C, R, E ¹²	3	1
		Other market operation service provider obligations (includes force majeure and performance standards)	C, R, E ¹³	2	2
4	Force majeure provisions relating to ancillary service agents	Ancillary service agent must provide details of force majeure event	C, R, E	2	1
5	Regime for dealing with undesirable trading situations	Participants must comply with directions by Authority when there is a UTS	C, R, E	4	1
6	Connection of distributed generation	Distributors must act at arm's length	C, E, SCI	4	2
		Applications for distributed generation	C, R, SCI	3	2

¹² Key type of harm depends on which market operation service provider breaches the Code.

¹³ Key type of harm depends on which market operation service provider breaches the Code.

		Access to and testing and inspection of distributed generation equipment	R	2	1
6A	Separation of distribution from certain generation and retailing	Ownership separation of distribution from certain generation	C	4	1
		Corporate separation, arm's-length rules, and related rules	C	4	2
7	System Operator	System Operator must act reasonably and prudently	R	5	2
		System Operator's role in maintaining frequency	R	4	1
		Review of system operation documents	R	5	1
		System Operator must self-review performance	R, E	2	1
8	Common quality	Operation during normal conditions	C, R, E	5	2
		Grid emergencies	C, R, E	4	1
		Under-frequency, under-voltage and ride-through	R	5	2
		AUFLS and AUVLS (automatic under-voltage load shedding)	R, E	5	2
		Asset owner performance obligations	C, R	5	2
		Policy statement	C, R, E	5	1
		System security forecast	R	5	1
		Restoration	R, E	5	1
		Communications and data	R, E	4	2
		Planned outages	C, R, E	4	2
		Asset commissioning	R, E	3	2

		Generator visibility and offers	C, R, E	3	2
		Equivalence, dispensations, and alternative arrangements	C, R, E	3	2
		Interruptible load	R, E	3	2
		System Operator procurement	C, R, E	3	1
		System Operator reasonableness	C, E	3	1
		Cost recovery	E	2	1
9	Security of supply	System Operator rolling outage plan	R	5	1
		Supply shortage situation	R, E	5	1
		Temporary grid reconfiguration	C, R, E	4	1
		Official conservation campaigns	R, E	4	1
		Participant rolling outage plans	R	3	2
		Customer compensation schemes	C, R, E, SCI	3	2
		System Operator information gathering	C, R, E	3	1
10	Metering	General requirements under Part 10 (including use of contractors, provision of accurate information, use of metering installations to measure electricity conveyed)	R, E, SCI	3	2
		Obligations on participants other than metering equipment providers and ATHs in relation to metering installations	R, E	2	3

		Metering equipment provider obligations in relation to metering installations ¹⁴	R, E	2	1
		ATH obligations in relation to metering installations ¹⁵	R, E, SCI	3	1
11	Registry information management	General requirements under Part 11 (including use of contractors, provision of complete and accurate information)	C, SCI	3	2
		Provision of information about available retail tariff plans (including on electricity plan comparison site)	C, SCI	3	2
		Ensuring contracts with consumers allow for event of default	R, SCI	3	1
		Restrictions on retailers during and prior to switch protected period	C, SCI	3	1
		Use and creation of ICP identifiers; participant responsibilities for changes to ICPs and NSPs; management of ICP status	C, R, E	2	2
		Maintaining shared unmetered load	C, R, E	2	2
		Embedded generator switching	C, R, E	2	2
		Providing a consumer access to information about their own electricity consumption	C, SCI	2	2
		Provision of information to consumers on dispute resolution scheme	C, E, SCI	2	1
		Metering equipment provider switching	C, E	2	1

¹⁴ Note that metering equipment providers' compliance with Part 10 is required to be audited.

¹⁵ Note that ATHs' compliance with Part 10 is required to be audited.

		Registry manager obligations (including availability of registry and information processes)	E	2	1
		Obligations to not harass customers	C, SCI	3	1
		Participant obligations when a trader has committed an event of default	R, E, SCI	2	1
12	Transport	Grid configuration	R, E	4	1
		Good electricity industry practice (GEIP)	C, R, E	4	1
		Transmission agreements	C, R, E	3	2
		Transmission pricing methodology	C, R, E	3	1
		Grid reliability standard	R, E	3	1
		Economic grid investments	C, E	3	1
		Grid outage coordination	C, R, E	3	1
12A	Distributor agreements and arrangements	Default agreements	C, E	4	1
		Information exchange protocols	C, E	3	1
		Retailers must enter agreements	C, E	2	2
13	Trading arrangements	Trading conduct	C, E	5	3
		Preparation of and compliance with dispatch instructions	R	5	1

		Bids and offers during a grid emergency	R	5	1 ¹⁶
		Disclosure of wholesale market information	C	4	2
		Hedge arrangement disclosure	C	4	3
		Provision of internal transfer pricing information and gross margin reports	C	2	1
		Pricing processes	R, E	4	2
		Preparation of bids and offers	R, E	4 ¹⁷	1
		Provision of data and information on grid, HVDC and transformer capability	R	4	1
		Allowing for interrelationship between reserve and energy offers	R	4	1
		Financial transmission rights (FTRs) – allocation, creation, auction, and assignment of	C	3	1
		Must-run dispatch auction obligations	E	2	1
		Materially large contracts	C, E	4	2
14	Clearing and settlement	Procedures for an event of default ¹⁸	R	5	2
		Requirements for sale and purchase of electricity	R	5	1

¹⁶ Note that preparation for grid emergencies is dealt with in Part 8 where the likelihood of undetected non-compliance is higher.

¹⁷ Highest harm is in relation to information.

¹⁸ None of the clauses in this area (event of default) are in the list of high-risk areas that should be prioritised for monitoring. This is because the clauses that have the highest level of harm are unlikely to have undetected non-compliance (ie, the clauses that score '5' for 'level of harm' also score '1' for 'likelihood of undetected non-compliance').

		Notice of amounts owing and payable	R	5	1
		Requirements for amounts owing	R	4	1
		Payments of amounts payable	R	4	1
		Administrative obligations of clearing manager	R	4	1
		Requirements for lodging and cancelling of hedge settlement agreements	R	3	2
		Payments in event of settlement default	C, R	3	1
		Washup obligations	C, R, E	2	1
14A	Prudential requirements	Participants required to meet prudential requirements	R, E	3	2
		Clearing manager obligations to manage prudential requirements	R, E	3	1
		System Operator to provide clearing manager information of likely significant changes in an allocation to a participant	R	3	1
15	Reconciliation	Participant requirements to provide information under Part 15	C	3	2
		Retailers must maintain a distributed unmetered load database	R	3	1
		Requirements for production of profiles to be use for electricity trading	C, R, E	2	2
		Reconciliation information produced by reconciliation manager	C, R, E	2	1
		Revision obligations	E	4	2
		Requirement for reconciliation participants and dispatchable load purchasers to obtain and maintain certification	C, R, E	2	1

		Calculation and allocation of unaccounted for energy (UFE)	C, R, E	2	1
		Processing of dispatchable load information	C, R, E	1	1
16A	Audits	Requirements for audits including timeframes, how audits must be processed, and who bears cost of audit	C, R, E	4	2
17	Transitional provisions	Retention of records	C, R, E	1	1