

# Electricity Industry Participation Code Amendment (Transmission Pricing Methodology Related Amendments) 2022

Under section 38 of the Electricity Industry Act 2010, and having complied with section 39 of that Act, I make the following amendment to the Electricity Industry Participation Code 2010.

At Wellington on the 20th day of June 2022



Dr Nicola Lane Crauford  
Chair  
Electricity Authority

Certified in order for signature:



Nicholai Mumford  
Senior Legal Counsel  
Electricity Authority

17 June 2022



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16 June 2022

## Contents

|   |                                                           |   |
|---|-----------------------------------------------------------|---|
| 1 | Title                                                     | 1 |
| 2 | Commencement                                              | 1 |
| 3 | Code amended                                              | 2 |
| 4 | New cross heading and clause 12.94A inserted              | 2 |
| 5 | New cross heading and clauses 12.102A to 12.102B inserted | 2 |

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## Amendment

- Title**  
This is the Electricity Industry Participation Code Amendment (Transmission Pricing Methodology Related Amendments) 2022.
- Commencement**  
This amendment comes into force on 25 July 2022.

**3 Code amended**

This amendment amends the Electricity Industry Participation Code 2010.

**4 New cross heading and clause 12.94A inserted**

After clause 12.94, insert—

*“Amending the transmission pricing methodology*

**“12.94A Amending the transmission pricing methodology**

“Despite anything else in this Code, the **Authority** may amend the **transmission pricing methodology** under section 38 of the **Act** if—

- “(a) the **Authority** is satisfied on reasonable grounds regarding any of the matters in section 39(3)(a), (b) or (c) of the **Act** (in which case sections 39(1)(b) and (c) of the **Act** will not apply to the amendment); or
- “(b) section 40 of the **Act** applies (in which case section 39(1) of the **Act** will not apply to the amendment).”.

**5 New cross heading and clauses 12.102A to 12.102B inserted**

After clause 12.102, insert—

*“Information for calculating transmission charges*

**“12.102A Information held by system operator may be used to calculate charges**

- “(1) The **system operator** may provide to **Transpower** any information the **system operator** holds that the **system operator** or **Transpower** considers **Transpower** reasonably needs to calculate charges under the **transmission pricing methodology**.
- “(2) **Transpower** may use any information provided to it by the **system operator** under this clause to calculate charges under the **transmission pricing methodology**. **Transpower** must not use the information for any other purpose except—
  - “(a) as provided for in this Code; or
  - “(b) as required by law; or
  - “(c) if the information is or becomes publicly available; or
  - “(d) if the information is or has been provided to **Transpower** other than under this clause and without restriction as to **Transpower’s** use of it for the other purpose; or
  - “(e) otherwise as may be agreed with the **participant** or other person who is the subject of the information.

**“12.102B Information about embedded electricity**

- “(1) In this clause, “AMDR”, “capacity”, “consuming plant”, “difference cap”, “embedded electricity”, and “generating plant” have the meanings given to those terms in the **transmission pricing methodology**.
- “(2) This clause applies where the **Authority** or **Transpower** reasonably considers a **participant** owns generating plant with a total capacity of 10 MW or more directly or indirectly connected to the same **point of connection** in respect of which **Transpower** holds insufficient information to calculate embedded electricity under the **transmission pricing methodology**.

- “(3) If subclause (2) applies, the **Authority** or **Transpower** may request that the **participant** provide the information specified in subclause (5) to **Transpower** in a format reasonably requested by the **Authority** or **Transpower**.
- “(4) The **Authority** or **Transpower** (as applicable) must withdraw a request made under subclause (3) if the **participant** satisfies the **Authority** or **Transpower** (as applicable) within 10 **business days** (or such longer period as provided for by the **Authority** or **Transpower**) of the request that—
- “(a) the **participant** does not own the generating plant referred to in subclause (2); or
  - “(b) the generating plant does not have a total capacity of 10 **MW** or more directly or indirectly connected to the same **point of connection**; or
  - “(c) the total capacity of any consuming plant supplied or potentially supplied by the generating plant, without that **electricity** first flowing through a **point of connection**, is 1 **MW** or less.
- “(5) The information referred to in subclause (3) is any information about the **electricity** generated by the **participant’s** generating plant referred to in subclause (2) (whether **metered** or estimated) for any **trading period** or **trading periods** specified by the **Authority** or **Transpower** from (and including) **trading period 1** on 1 July 2014 to (and including) **trading period 48** on the day immediately before the date of the request under subclause (3).
- “(6) **Transpower** may use any information provided to it by a **participant** under this clause to calculate charges under the **transmission pricing methodology**. **Transpower** must not use the information for any other purpose except—
- “(a) as provided for in this Code; or
  - “(b) as required by law; or
  - “(c) if the information is or becomes publicly available; or
  - “(d) if the information is or has been provided to **Transpower** other than under this clause and without restriction as to **Transpower’s** use of it for the other purpose; or
  - “(e) otherwise as may be agreed with the **participant**.
- “(7) Subject to subclause (9), if—
- “(a) a **participant** does not provide to **Transpower** any or all of the information requested by the **Authority** or **Transpower** under subclause (5) within 20 **business days** (or such longer period as provided for by the **Authority** or **Transpower**) of the date of the request under subclause (3); or
  - “(b) any or all of the information provided is not provided in the requested format or another format **Transpower** can reasonably use for calculating charges under the **transmission pricing methodology**; or
  - “(c) **Transpower** reasonably considers any or all of the information provided is not sufficiently reliable for calculating charges under the **transmission pricing methodology**,
- “**Transpower** must use the values specified in subclause (8) to calculate charges under the **transmission pricing methodology** in place of the information that is not provided, is not in the requested format or another format **Transpower** can reasonably use, or is not sufficiently reliable.

- “(8) The values referred to in subclause (7) are, for calculating the relevant **designated transmission customer’s** AMDR and difference cap under the **transmission pricing methodology**, a value or values of **electricity** generated by the generating plant calculated as if it were operating at its capacity.
- “(9) Subclause (7) is subject to any requirement on **Transpower** in this Code to use information from a specific source to calculate charges under the **transmission pricing methodology**.”.
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### **Explanatory Note**

*This note is not part of the amendment, but is intended to indicate its general effect.*

This amendment to the Electricity Industry Participation Code 2010 comes into force on 25 July 2022.

The amendment inserts provisions to clarify the Authority’s ability to amend the transmission pricing methodology under section 38 of the Electricity Industry Act 2010, and to enable Transpower to access information held by the system operator and certain participants that own generating plant to calculate transmission charges.

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