

Part A1: Glossary and Interpretation

1. Glossary

In this Contract, unless the context otherwise requires:

Procurement Plan

means the Ancillary Services Procurement Plan commencing on 7 August 2025;

Accepted Claim

means a claim under clause 3.3 of Part A2: General Terms that is accepted by the Ancillary Service Agent, or determined through Dispute Resolution, to be correct pursuant to clause 3.3 of Part A2: General Terms;

Act

means the Electricity Industry Act 2010;

Ancillary Service Agent

means the party or parties described in clause 1 of Part A: Foundation – Ancillary Service Procurement Contract and where more than one party means each of them jointly and severally;

Ancillary Service Schedule

means any schedule to this Contract providing for the provision by the Ancillary Service Agent of an Ancillary Service;

Associated Person

means in relation to either the System Operator or Ancillary Service Agent, as the case requires, its directors, officers, employees, authorised agents, contractors, sub-contractors and professional advisers;

Authority

means the Electricity Authority constituted under the Act;

Business Day

has the meaning in paragraph (b) of the definition of “business day” in Part 1 of the Code;

Code

means the Electricity Industry Participation Code 2010;

Contract

means this Ancillary Service Procurement Contract comprising Parts A, A1, A2 and B and the attached Ancillary Service Schedules;

CPI

means the Consumers Price Index (all groups) published by Stats NZ or the equivalent Government Department or authorised agency required to publish such an index. If Stats NZ or the equivalent Government Department or authorised agency ceases to compile and report figures for the Consumers Price Index (all groups), the parties must endeavour to agree on a substitute index that approximates the purpose and composition of the Consumers Price Index (all groups). If the parties cannot agree on a

substitute index then a substitute index is to be selected by the President for the time being of Chartered Accountants Australia & New Zealand;

Dispute Resolution

means a dispute resolution process undertaken in accordance with clause 8 of Part A2: General Terms;

Equipment

means, in relation to an Ancillary Service, the equipment used by the Ancillary Service Agent from time to time to provide and monitor the provision of the Ancillary Service, as specified or described in the relevant Ancillary Service Schedule;

Force Majeure or an event or circumstance of Force Majeure

means an event or circumstance described in clause 6.1(a), (b), or (c) of Part A2: General Terms;

Good Industry Practice

means:

- (a) in the case of the System Operator, the exercise of that degree of skill, diligence, prudence, foresight and economic management, as determined by reference to good international practice and that would reasonably and ordinarily be expected from a skilled and experienced system operator engaged in the co-ordination of an integrated transmission network under the same or similar circumstances as apply in New Zealand at the time; and
- (b) in the case of the Ancillary Service Agent in relation to each Ancillary Service, the exercise of that degree of skill, diligence, prudence, foresight and economic management that would reasonably and ordinarily be expected from a skilled and experienced asset owner engaged in the provision of that Ancillary Service under the same or similar circumstances as apply in New Zealand at the time;

Performance Standards

means, in relation to an Ancillary Service, the performance standards for the Ancillary Service, as specified or described in the relevant Ancillary Service Schedule;

Regulations

means the Electricity Industry (Enforcement) Regulations 2010 and any other regulations made under the Act;

Representative

means each representative appointed under clause 4.7 or clause 5.2(a) of Part A2: General Terms;

System Operator

means Transpower in its capacity as system operator under the Act;

Test

means a test of Equipment required or requested under clause 4.1 or clause 4.3(a) of Part A2: General Terms;

Trading Agent

has the meaning given to it in clause 1 of Part B: Appointment of Trading Agent; and

Transpower

means Transpower New Zealand Limited.

2. Definitions in Code

2.1 Code Definitions:

Any terms used in this Contract that are capitalised and defined in the Code or the Procurement Plan, but are not defined in this Contract, have the meanings given to them in the Code or the Procurement Plan, as applicable.

3. Interpretation

In this Contract, unless the context otherwise requires:

3.1 Parts and Ancillary Service Schedules:

references to Parts and Schedules are references to Parts of, and Ancillary Service Schedules to, this Contract;

3.2 Clauses in a Part etc:

references in a Part or Ancillary Service Schedule to clauses are references to clauses of that Part or Ancillary Service Schedule, as the case may be;

3.3 Inconsistency:

- (a) if any provision in an Ancillary Service Schedule is inconsistent or conflicts with any provision in Part A: Foundation – Ancillary Service Procurement Contract, Part A1: Glossary and Interpretation, Part A2: General Terms or Part B: Appointment of Trading Agent, the provision in the Ancillary Service Schedule will prevail; and
- (b) if any provision of this Contract is inconsistent or conflicts with the Regulations or the Code, the provisions of the Regulations or the Code will prevail;

3.4 Including:

"including" and similar words do not imply any limitation;

3.5 Headings:

headings are for ease of reference only and are to be ignored in the interpretation of this Contract;

3.6 Plural:

references to the singular shall include the plural, and vice versa;

3.7 Parties:

references to a party or a person include any form of entity and their respective successors and permitted assignees;

3.8 Dollars:

all amounts are in New Zealand dollars and are expressed exclusive of GST;

3.9 Negative Obligations:

any obligation not to do anything is deemed to include an obligation not to suffer, permit or cause that thing to be done;

3.10 Statutes, Regulations:

references to a statute include references to regulations, orders, notices, exemptions, rules and codes made under such statute, and all amendments to, or substitutions for, such statute;

3.11 Documents:

references to a document or agreement include references to all amendments to, substitutions for or novations of that document or agreement;

3.12 Month and Year:

references to a month or year are references to a calendar month or a calendar year;

3.13 Rights:

a right conferred by this Contract to do any act or thing is capable of being exercised from time to time; and

3.14 Terms Defined in Ancillary Service Schedule:

terms defined in an Ancillary Service Schedule that are used in Part A2: General Terms have the meanings given to them in the Ancillary Service Schedule.