

Submission

Annual director certification of compliance with AUFLS obligations	
Question	Comments
Q6.1. Do you support the Authority's proposal to require annual director certifications of compliance with AUFLS obligations? Please explain your answer.	- The System Operator supports the strengthening of AUFLS compliance and accountability through a mandatory certification process. We agree that an annual director certification is one way to achieve that. - However, the current drafting creates a much wider compliance certification framework that extends beyond AUFLS obligations and proposed clause 8.28A(2) lists clauses that relate to wider AOPO, Technical Code, and CACTIS compliance.
Q6.2. Do you agree that the benefits of the proposed Code amendment outweigh its costs?	- The costs will depend heavily on the Authority's prescribed certification form, any supporting evidence expected from participants, and the level of compliance monitoring and reporting required. The strengthening of AUFLS compliance through mandatory certification will have power system benefits going forward provided the certification and compliance framework is targeted at AUFLS Code obligations. - The main cost risk is increased compliance and verification effort. The proposal would likely generate additional information requests, evidence checks, and administrative work for the System Operator. - This impact is material given the number of affected participants, including 23 North Island connected asset owners and 13 South Island connected asset owners, as well as the South Island Grid Owner and the System Operator. - Some obligations may require additional System Operator verification or supporting analysis. Examples include exclusions for 10 MW+ BESS demand, interruptible load, and emergency reserve, particularly where participants do not have access to a single authoritative data source. - The proposed 1 June certification date is workable because it falls between annual AUFLS data submission and the annual System Operator assessment cycle.

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Q6.3. Do you agree the proposed amendment is preferable to the alternative options considered? If not, please explain your preferred option and how would better promote the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.	We agree that mandatory certification is preferable to voluntary certification or informal assurance on request. Mandatory certification is likely to strengthen compliance focus and formal accountability.
Q6.4. Do you agree with the analysis presented in this Regulatory Statement? If not, why not?	- We generally agree with the regulatory analysis and objectives of the proposed amendment but consider it important that the scope of the proposed amendment be limited to the accountability, and oversight of AUFLS compliance in line with the Code obligations on each party and stated objectives of the proposed amendment. - We consider that the regulatory statement understates the additional resourcing impact on the System Operator, particularly given the material increase in work effort already associated with the AUFLS Portal and annual assessment framework.
QE.1. Do you agree with the proposed Code amendment drafting? If not, why not?	- No. We recommend that the proposed certification obligations should be more targeted at only the AUFLS Code obligations, which could be achieved by the following: - tighten the scope of certification. Clause 8.28A(2)(b) should be limited to AUFLS specific AOPO, Technical Code, and CACTIS obligations, noting that only selected CACTIS chapters may apply to connected asset owners or their assets. - clarify expectations for data and evidence certification, as required under Technical Code B, to support the quality and completeness of data submitted through the AUFLS Portal and post-event reporting. - ensure all Code defined words are in bold – the draft contains Code defined words that are not in bold.