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John Rampton
Electricity Authority
86 Customhouse Quay
Wellington

By email: submissions@ea.govt.nz

Dear John

Removal of Technology-Specific References to Frequency Keeping Provisions

Thank you for the opportunity to submit on the Electricity Authority's (the Authority) consultation paper *Removal of Technology-Specific References to Frequency Keeping provisions*, published 14 May 2013.

Our interest in this matter lies as system operator with responsibility for the procurement of Frequency Keeping (FK) services.

We support increased competition for FK service provision

We recognise the need to advance initiatives for greater participation in the frequency keeping market. We are already working with the Authority to facilitate the use of multiple parties to meet the FK bandwidth and to explore the possibility of a national FK market.

Consistent with these initiatives we support the proposal to remove technology-specific references from the current frequency keeping provisions to incentivise the entry of potential providers with different FK technologies to the market.

In general terms we think a Code change proposal is more efficient at the end of a market development project process, when technical and operational requirements have been addressed and can be reflected in the drafting. Nevertheless, given the minor amendments needed to enable the policy intent, we support the proposal to change the Code prior to necessary further development and any consequential Code and / or Procurement Plan changes.

Further development of technical and operational requirements

The Authority identifies that this proposed Code change is not sufficient on its own to enable alternative non-generation technologies to participate in the frequency market. The prospective parties will need to work closely with the system operator to ensure all technical and operational requirements are met.

Any subsequent changes to the system operator's tools and processes could require resources and time in addition to the procurement process and may need to be prioritised through the our Joint Work Plan.

We have responded to the questions at appendix A. If you wish to clarify any of the points raised in this submission please contact me on 04 590 7544.

Yours sincerely

A handwritten signature in black ink, appearing to be 'JC' followed by a long horizontal stroke.

Jeremy Cain
Chief Regulatory Advisor

Appendix A – Responses to Consultation Questions

Question No.	Question	Response
1	Do you agree with the Authority's evaluation of the proposed amendments? If not, what alternative evaluation would you make, and why?	We agree.
2	Is there any alternative that you consider better meets the objectives of the proposal? If so, please describe the alternative and why you prefer it.	We have not considered any alternatives.
3	What comment do you have on the proposed drafting to enable non-generators to participate in the frequency keeping market? If you disagree with what is proposed, please provide alternative drafting.	No comments to make.