



Customer Advice Notice

To: CAN NZ Participants

From: The System Operator

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Revision of:

Market System Update 20th January 2012

Planned Market System Update 20th Jan 2012

Background

The System Operator is planning an update to its market system on the 20th January 2012. The purpose of this is to support the commissioning of Pole 3 in late 2012. The update on the 20th January will include the removal of some Pole 1 specific functionality that is no longer used, as well as the addition of some functionality only to be used during the Pole 3 commissioning process. The majority of the changes will have no visible effect on the market solutions prior to commissioning of Pole 3.

Pole 1 will continue to operate as normal following this update.

Changes

Participants should expect to see the following changes after this update:

- The following DC constraints will no longer be used

DCNPole1Max

DCSA_BenP1Aout

DCSA_BenP1Bout

DCSA_HayP1Aout

DCSA_HayP1Bout

- The following new DC constraints may be used

DCP1Nmin

DCP2Nmin

DCP1Smin (Note 1)

DCP2Smin

Note 1; DCP1Smin will always be zero as Pole 1 can no longer be used for south transfer. All P1 constraints will be replaced with equivalent P3 constraints prior to P3 commissioning at which time this functionality will be used.

- Pole 1 Outage Blocks, as visible in WITS, amended to include both Pole1 and Pole3 components.

Prior to the decommissioning of Pole 1, some references to Pole 3 internally within the market system will represent the current Pole 1. The addition of Pole 3 components to the Pole 1 outage block ensures that everything representing Pole1 in the market system is removed for a Pole 1 outage.

- Removal of the decommissioned half of pole1 and all half pole branches from the Scheduling, Pricing and Dispatch (SPD) model

We are also taking the opportunity to remap the market HVDC branches (BEN_HAY1.1, BEN_HAY2.1, HAY_BEN1.1 & HAY_BEN2.1) to the ends of their related converter transformer branches. This is a tidy up exercise to resolve the issue of the converter transformers branches being reported as spurs in the SPD solution. All HVDC losses will continue to be associated with the HVDC branches. The converter transformer branches will continue to be modelled without losses. A new partial SPD diagram that shows this planned connectivity is available



on www.systemoperator.co.nz/pole3 .

Normal market notification related to the deployment of the market system update will be sent closer to the 20th January deployment date.

- The half pole component flows will no longer exist and therefore will disappear from the WITS HVDC component flow data. At the same time the filtering out of HVDC components with zero flow will be removed so the Pole1 and Pole2 component flows will always be published for all trading periods.

If you have any further questions please contact Market Services on 04 494 7470 or

market.services@transpower.co.nz .

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