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Recommendation Number	Name	Key action					Responsible party	Options Paper code	Comments relative to Options Paper
			Accurate pricing (price discovery)	Tools (to manage risk)	Competition	Public confidence			
TRANCHE 1									
①	Short-term forecasts	Improve short-term forecasts of wind, solar, and demand					Authority (in progress)		
②	Hedge market transparency	Improve transparency of hedge info (especially non-base load) covering offers, bids and agreed prices					Authority (in progress)	 	
③	DSF activity monitoring	Monitor provision and uptake of DSF-rewarding activity (including tariffs)					Authority (in progress)		
④	Pricing to optimise distribution investment	Use Part 4 regime to require distribution pricing signals for DSF					Authority and Commerce Commission		
⑤	Price-driven secure distribution dispatch	Develop design and trial tools to enable security constrained economic dispatch on the distribution network					Authority for concept design then 'common good' EDB trials		A longer term solution is required for coordination on distribution networks. This is a new measure arising from consideration of Option C12.
⑥	New reserve product	Develop new reserve product to cover sudden reduction from intermittent sources					Authority (in progress)		
⑦	Stress testing	Strengthen existing stress testing regime					Authority		
⑧	New flexibility products (standardised)	Develop standardised flexibility product(s) (including DSF)					Industry co-design with Authority as backstop	Combined  	B5 and C4 were previously separate measures. Now integrated into common standardised products
⑨	Contract process disclosure rules	Develop rules requiring disclosure of process steps by parties negotiating OTC contracts					Authority (with stakeholder input)	 	

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CONTINUED OVERLEAF

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			Accurate pricing (price discovery)	Tools (to manage risk)	Competition	Public confidence			
TRANCHE 1 CONTINUED (from previous page)									
10	DSF interface systems and protocols	Broad based trials (with significant funding from government) to establish common system interface protocols for DSF across full value chain					MBIE and Ara Ake		
11	FSR Project (as it relates to DSF)	Improve visibility of DSF for System Operator and remove Code barriers to DSF offering ancillary services					Authority (in progress)		
12	Competition dashboard	Develop dashboard of competition indicators for flexibility segment of wholesale market					Authority		
13	"Virtual disaggregation (high level outline)"	Develop high level outline of 'virtual disaggregation', to 'put in draw' ready for use if other measures are not effective					Authority		Gives effect to paras 3.65, 10.25 + 10.29 of Options paper: "an outline..should be developed early on..."
14	FSR Project (Governance)	Strengthen governance for next phase of FSR project with guiding principles					Authority (in progress)		
15	Seasonal outlook report	Calibrate public expectations with quarterly briefings on current and expected market conditions					Authority		












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			Accurate pricing (price discovery)	Tools (to manage risk)	Competition	Public confidence			
TRANCHE 2									
16	Scarcity pricing parameters	Update default shortage values in Code factoring in related elements	✓				Authority	A3	
17	Information on development pipeline	Publish aggregated information on pipeline of new developments, energy and capacity adequacy	✓				Authority or Transpower (with stakeholder input)	B3	
18	Sunset profiling	Sunset profiling if smart meters in place	✓				Authority (in progress)	C2	
19	Network capacity in DSF dispatch	Ensure distribution network capacity is reflected in wholesale DSF dispatch	✓				Authority	C12	C12 has been split into two related but separate recommendations. R19 is the interim solution, R5 (price driven secure distribution dispatch) is the longer-term solution
20	Consumer awareness of DSF	Increase consumer awareness of the opportunities and benefits from providing DSF to the wholesale market	✓				Authority	Combined C13 C14	Previously separate measures for large users and domestic customers
21	Monitoring and enforcement of Code	Enhance monitoring and enforcement of the Code with more autonomy				✓	Authority	E4	
22	Information programme for opinion-makers	Strengthen structured information programme for wider stakeholders on how the market works				✓	Authority	E1	
23	International experts	Increase inter-change with international experts				✓	Authority	E3	
TRANCHE 2 - CONTINGENT MEASURES									
24	Market making for flexibility products	Enhance price discovery by requiring market making in flexibility products	✓				Authority	B8 D5	To be put in place if previous measures not sufficiently effective

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			Accurate pricing (price discovery)	Tools (to manage risk)	Competition	Public confidence			
TRANCHE 3									
25	WoF for regulatory agencies	Establish periodic warrant of fitness review for independent regulatory agencies					Authority and MBIE	E5	
TRANCHE 3 - CONTINGENT MEASURES									
26	UTS over-ride	Remove UTS over-ride of trading conduct provisions					Authority	A7	Subject to the trading conduct provisions continuing to perform satisfactorily
27	Ahead market	Investigate and develop ahead market					Authority	A6	To be considered if previous measures not sufficiently effective
28	Market making for longer-dated futures	Enhance price discovery by requiring market-making for longer dated futures					Authority (with stakeholder input)	B2	To be put in place if previous measures not sufficiently effective
29	Negative offers/prices	Allow negative offers/prices in the wholesale market as a tool to signal oversupply					Authority	A8	To be considered when resources are available
30	'Last resort' DSF scheme	Develop procurement process for 'last resort' DSF					Authority	C10	To be developed in place if previous DSF measures not sufficiently effective
31	Virtual disaggregation	Implement virtual disaggregation of flexible generation base (use outline developed under R13)					Authority	D7	To be put in place if previous measures not sufficiently effective

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