

Utilities Exemption 2006 (No 1)

Disallowable Instrument DI2006- 47

made under the

Utilities Act 2000, s22 (Exemption)

EXPLANATORY STATEMENT

The *Utilities Act 2000* (the Act), at section 22, provides that the Minister may, by the making of a disallowable instrument, exempt a person from the requirement for a licence in relation to provision of a utility service. The instrument of exemption may include compliance conditions to which the exemption is subject.

Licences under the Act are primarily intended to report the activities of utility distributors and retailers and their direct interface with consumers. This range of reporting is not applicable to Transmission providers as these direct relationships do not exist.

This instrument grants TransGrid, as transmission provider, an exemption from the licensing regime set out under s22 of the Act on the basis that they comply with specific conditions relating to minimum reliability standards governing bulk electricity supply arrangements and compliance with appropriate technical, safety and prudential standards.