HELLO TOMORROW | genesis ENERGY

Media Statement

8 November 2012

Genesis Energy moves to support UTS review

Genesis Energy today announced that it is withdrawing its appeal of the High Court decision with regard to the Electricity Authority's (Authority) finding of an Undesirable Trading Situation (UTS) in the events of 26 March 2011.

The withdrawal recognises the Authority's proposed review of the UTS provision in the Electricity Industry Participation Code 2010, which is currently on hold but is now expected to start within the next 12 months.

The Authority has identified that a review of the UTS provisions is a priority for the 2013/14 year. The Authority says it will develop and consult on amended UTS provisions to remove the high level of uncertainty that currently exists. Genesis Energy supports this review and the withdrawal of Court of Appeal proceedings will allow the Authority to complete this work in its preferred time frame.

Genesis Energy's Chief Executive Albert Brantley said, "We still hold our position that the Authority incorrectly identified a UTS and that the High Court decision did not provide clarity or certainty on the circumstances that would constitute a UTS and the normal functioning of the market. However, we also believe it is in the best interests of the industry if all market participants are able to proactively participate in a non-adversarial review process with the Authority to create certainty."

"Although the market has learned a great deal from the process over the last year, and market participants appear to be actively using the market avenues available to them to better manage their own risk, Genesis Energy considers a review of the UTS provisions is essential for the effective operations of the market," he said.

ends

For more information contact:
Richard Gordon
Public Affairs Manager
Genesis Energy
P: 09 580 4782
M: 021 681 305