

***M-co was instrumental in forming the New Zealand Electricity market – the first fully deregulated electricity market in the world. Today we are involved in running and evolving that market, along with other commodity markets in Australasia. So when Chinese officials wanted to prepare for changes in their local electricity industry they asked M-co to provide the training.***

### The challenge

China is reforming public electricity sectors in various provinces. One of these provinces, Heilongjiang, wanted local power company executives to gain the skills needed to develop, build and operate a pool-based electricity market. M-co was asked to provide training.

### The solution

M-co provided a comprehensive training programme covering both market theory and practical approaches to designing and operating an electricity market.

The training took place in New Zealand to enable attendees to observe what had been achieved here - but the approach was international. We looked at reforms in other countries and at cultural issues that could affect operations in china.

M-co used a variety of training methods to keep things interesting - lectures, tutorials, field trips, study tours and case studies. Plus participants had the chance to take advantage of New Zealand's lush scenery and exciting outdoor tourism adventures.

### Our approach

No two markets are the same. M-co training is customised to meet the aims of participants - and to ensure all information presented is relevant to the markets they are involved with.

M-co worked closely with the Heilongjiang Electric Power Company to identify their training objectives – and the theoretical and practical knowledge that would enable participants to input to any future electricity market in China.

Lecturer and session leaders are selected for their experience and expertise on the topic. For the Heilongjiang programme lecturers were typically senior managers with considerable experience in the development or operation of the New Zealand Electricity Market.

### The course

The course developed for the Heilongjiang executives had three components – theory, practical and study tours lasting for ten weeks.

The theoretical aspect covered market design, operation and evolution. Practical components included real-time market trading simulations, hands-on exercises and examining case studies. The group visited various market participants, along with generation and dispatch facilities.

***“The course exceeded my expectations. I would recommend others to attend a similar course at M-co.”*** - Feedback from one of the trainees

### Topics covered

The course began with an overview of the New Zealand Electricity Market, and examination of other electricity and commodity trading systems.

Participants then attended lectures on how to develop industry structure and rules, including:

- › Moving from a state owned system
- › Separating generation and transmission
- › Separating line and retail business
- › Privatisation and asset revaluation

Practical sessions covered the full range of electricity market operations including:

- › Transmission management and pricing
- › Pricing theory and practice
- › Trading strategies for offers and bids
- › Scheduling and dispatch
- › Reconciliation, clearing and settlement
- › Surveillance and dealing with breaches
- › Stakeholder communication

The course also covered the evolutionary aspects of the New Zealand market and provided case studies showing how a market can continue to evolve.

**Arranging training?** M-co will provide a flexible training programme that meets your objectives, timeframes and preferred format. We can also help arrange accommodation, and social or weekend activities for participants.

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