

Meeting Date: 2 March 2022

PURPOSE AND SCOPE OF NEXT
MEETING'S SUBSTANTIVE PAPERS

SECURITY
AND
RELIABILITY
COUNCIL

Note: This paper has been prepared for the purpose of the Security and Reliability Council. Content should not be interpreted as representing the views or policy of the Electricity Authority.

1 Purpose and scope of next meeting's substantive papers

1.1 This is the SRC's opportunity to provide verbal guidance for next meeting's substantive papers

1.1.1 The purpose of this paper is to allow the SRC to provide expectations for the following meeting's substantive papers and improve the efficiency and effectiveness of the secretariat's preparation. If there is any particular context or SRC concerns/questions, these would be valuable to share with the secretariat.

1.1.2 The next meeting's substantive papers are:

- a) Risk and asset management planning – Distributors
- b) Risk and asset management planning – Grid owner

1.2 Risk and Asset Management - Distributors

1.2.1 With regard to asset management of generation participants, the chair and secretariat considered the timing of a further round of papers or interviews was not ideal, coming so soon after the emergency preparedness interviews and cyber security survey, both of which generators participated in fully.

1.2.2 The proposal is therefore for the secretariat to focus on distributor asset management for the Q2 meeting and expand the group of distributors it will approach for information.

1.2.3 The secretariat can then include generator asset management into the discussion proposed for the forward work programme (see 1.3 below) to retain the themed approach as much as possible and include other Authority initiatives and workstreams impacting security and reliability.

1.2.4 The list of distributors to approach for information currently includes Vector, Powerco, Orion, Wellington Energy, and Unison. This list could be expanded to include others who could bring unique or different experiences, for example Aurora Energy, Top Energy and Westpower. Members are asked to consider other distributors to include and what perspective they can offer.

1.2.5 The secretariat also seeks members' thoughts on how this work can be achieved. Some options to consider are:

- a) a survey, the data from which the secretariat would collate for discussion (potentially anonymised)
- b) a consultancy firm conducting interviews and preparing a report (potentially anonymised)

1.3 Risk and Asset Management – Grid Owner

1.3.1 The secretariat will arrange for the grid owner to prepare a presentation and to present this at the meeting. The focus of the presentation will be on how the grid owner manages its assets to maximise security/reliability and to minimise restoration time.

1.3.2 Areas to consider are:

- a) Management of the HVDC and especially the submarine cables and shore stations
- b) Lifecycle maintenance / replacement principles
- c) Spare parts logistics
- d) Design considerations
- e) Condition monitoring and inspection

1.4 Commerce Commission's role in asset management

- 1.4.1 In 2018 the secretariat arranged a presentation from the Commerce Commission on their role in asset management, as economic regulator of monopoly utilities. A copy of the SRC paper containing the Commerce Commission presentation is available [here](#).
- 1.4.2 The secretariat proposes to invite the Commerce Commission to present at the Q2 meeting to update on its work and provide information on any areas of concern.

1.5 Revisions to the SRC's Forward Work Programme

- 1.5.1 The secretariat proposes this important planning item for the Q2 agenda. While not technically a substantive paper, it is included here to give members the opportunity to consider the forward work programme and positive changes that could be made to it.
- 1.5.2 For the Q1 meeting, members are asked to consider the forward work programme, as it is currently, and what items they think should be added, moved or removed, for best alignment with the SRC's role.
- 1.5.3 Members may also like to consider how the SRC can best retain its themed approach for its meetings, and still allow agenda time to input on other in-scope Authority and wider-industry projects and initiatives relevant to the SRC's role.
- 1.5.4 Members are asked to start thinking about broad options and ideas at the stage, enabling the Chair and secretariat to collate and prepare a discussion paper for the Q2 meeting.