

Relationship charter – Electricity Authority and Transpower

*Me mahi tahi tātou mō te oranga te katoa
We should work together for the wellbeing of everyone*

Purpose

This charter describes our commitment to a productive and collegial relationship while acknowledging the distinct roles of each organisation. It specifies the guiding principles for kaimahi interactions across the organisation at all levels and reinforces the positive impact we can have collectively for the sector, for consumers and for the country.

The parties acknowledge that nothing in this charter affects the parties' obligations under law.

Context

The Electricity Authority's roles and objectives, and Transpower's role as the System Operator service provider, are set out in the Electricity Industry Act 2010.

Transpower's roles as Grid Owner, electricity trader, and registered metering equipment owner and provider, have obligations as industry participants under the Electricity Industry Participation Code 2010.

Transpower's roles and obligations as a service provider to the Authority – as the System Operator and the FTR Manager - are set out within the Electricity Industry Participation Code 2010, and the respective service provider agreements provide the delivery mechanism for these legislated roles and activities.

Across our various roles and responsibilities, our relationship includes four main interactions: through service provider contract management; market policy; market operation and administration; and compliance.

We share the goal of promoting a competitive, reliable and efficient electricity industry. Both organisations play a critical role in electrification which will support the country to meet its net zero carbon 2050 target.

Navigating the different engagement modes for the different interactions

There will be variety in our engagement modes depending on the roles being performed. Our teams need to be comfortable navigating these different ways of engaging.

Our organisations have significant interactions through service provider relationships where the primary modes of engagement are:

- **Supportive:** collaborating to support the Authority's strategic outcomes and statutory objectives.
- **Impartial:** the system operator has an obligation to operate impartially of any other role which Transpower has.

Through the following modes of engagement our organisations will work together more broadly to deliver long term benefit for consumers:

- **Collaborative partnership:** co-working with industry and each other in response to issues where there is a shared interest.
- **Authoritative:** a neutral approach in which the Authority discharges its responsibility as the regulator and takes an authoritative and objective position.

Guiding principles

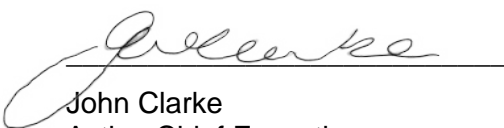
Our relationship is underpinned by principles that reflect our commitment to a constructive and productive working relationship that supports increased trust and confidence in the electricity sector.

- The foundation of our relationship is mutual trust.
- We will be honest and open-minded in our interactions, seeking to building a shared understanding of the position and needs of both parties.
- We will be transparent and operate a no surprises approach to the extent possible given parties' other legal obligations.
- We will seek to resolve issues between ourselves, using escalation as appropriate and communicating clearly between us to reach resolution.
- We will support all kaimahi with information about our roles and the importance of our relationship including clear expectations of the different interactions across the four key relationship areas.
- We will use our collective expertise to achieve sound and positive outcomes.

Implementing the relationship charter

The success of this charter relies on its communication and implementation across both organisations, at all levels. We commit to the following activities to ensure its success:

- We will use our induction processes and internal channels to educate kaimahi about our relationship; our key interactions; our distinct roles and our commitment to working together on behalf of the system and New Zealanders.
- We will publish this charter on internal and external channels to support wide understanding of our commitment as well as the opportunity for kaimahi, sector and the public to hold us to account.
- The relationship will be actively maintained through regular meetings with key personnel across contract management, market policy and operations, and compliance.
- We will seek opportunities to collaborate and communicate externally on current and emerging issues that are relevant to our shared objectives.
- We will develop and implement agreed working protocols that reflect our respective roles and responsibilities.
- Our leadership teams will meet at least once a year to:
 - measure our performance against the commitments set out in the charter
 - discuss opportunities in the years ahead to work together to support a reliable and efficient electricity industry in the future.



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Transpower



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Chief Executive
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