

## ACTION LIST

The following are the current SRC actions for completion.

Action	Date for completion	Status
Secretariat to arrange for the Authority legal team to present on the Authority's additional objective in the amended Act at the Q1 2023 meeting	Mar-23	<b>Complete.</b> A representative from the Authority's legal team, will give a short update at this meeting.
Secretariat to check the reference hyperlinks in Diligent to confirm why some of the links did not work in the October meeting's papers	Mar-23	<b>Ongoing.</b> Available documents will be checked before upload.
The secretariat to include time in the agenda for discussion on Cyclone Gabrielle	Mar-23	<b>Complete.</b> The secretariat has allocated time in the morning session, arranged for the grid owner to give a verbal update, and has included links and available information in this paper
The secretariat to provide regular updates to the SRC regarding the status of the Hazards from Trees Regulations	Ongoing	<b>In progress.</b> The secretariat to invite MBIE to update at Q2 meeting, where is it proposed the ENA will give its view, as part of a broader topic of industry associations. The ENA briefed the Energy Minister on cyclone damage in late February
Secretariat to review the SRC risk register and whether COVID should remain at the top.	Mar-23	<b>Complete.</b> The secretariat has included a revised 'risk radar' for discussion at this meeting.

## 1. Updates

This section provides information on matters that do not warrant a dedicated agenda item, such as articles relevant to the meeting's theme, updates on recent matters relevant to security and reliability that have previously been discussed by the SRC or published by the Authority.

For some of the articles, the secretariat has noted some key points members may wish to focus on.

### 1.1 System operator security of supply updates

- 1.1.1 Please use this link to access the latest security of supply information from the system operator: <https://www.transpower.co.nz/system-operator/about-system-operator/security-supply-and-capacity>
- 1.1.2 If members have concerns, or require further information, about the system operator security of supply updates, they can raise these with the secretariat.

## 1.2 System operator weekly market movements

- 1.2.1 Link to Transpower's [Market Operations Weekly Report | Transpower](#).
- 1.2.2 In this report the system operator provides an overview and update on security of supply (energy and capacity), generation breakdown and risk curves, amongst other information.
- 1.2.3 The secretariat recommends members sign up to receive these regularly via email and note any security or reliability risk patterns or trends, for further discussion.

## 1.3 New Zealand Generation Balance - NZGB

- 1.3.1 To review the latest NZGB, please use the following link: [Customer Portal - NZGB \(transpower.co.nz\)](https://transpower.co.nz). Note, Transpower has migrated the hosting of this site, from its previous location.
- 1.3.2 At members' request, the secretariat is no longer preparing a paper on this topic but will provide a link to the latest review in this section in the papers for each SRC meeting. The information presented here is to provide members with the latest published version.
- 1.3.3 If members have questions or need further information, they are welcome to raise this with the secretariat. If members have security and reliability concerns, it would be appropriate to raise these during item #7 (the risk radar).

## 1.4 Recent weather events (including Cyclone Gabrielle)

- 1.4.1 The secretariat includes below a range of articles and updates, relating to Cyclone Gabrielle, and its impact on infrastructure and management of the power system. While ongoing repair and rebuild means some statistics and information in these articles will have been updated, they offer insights into the cyclone's impact and recovery work in progress.
- 1.4.2 The **system operator has provided the Authority with a preliminary report** in accordance with its system operator service provider agreement (SOSPA) obligations. The report "*outlines the initial summary facts around the Hawke's Bay loss of supply incident which commenced on 14 February 2023 as a result of damage caused by Cyclone Gabrielle*". A copy of the report is available: [here](#). Members are encouraged to take the time to read the report to aid the discussion.
- 1.4.3 The system operator's [Weekly Market Movements](#) report for the week ending 19 February 2023 includes information about the load changes experienced before, during and after Cyclone Gabrielle; an indication of the unprecedented infrastructure damage and significant work being undertaken by the sector to restore power to those affected in Gisborne and Hawkes Bay. The loss of the Redclyffe substation is clearly shown in the load profile in the graph at the foot of page 2.
- 1.4.4 Distribution network damage estimate: [ENA estimates \\$100 million cost to distribution companies to restore power](#): Members may note the ENA's estimates that half the network damage was avoidable, if distributors had been able to remove or cut back trees that threatened lines and poles. According to the above article the ENA has briefed the Minister and reiterated its call for MBIE to release its discussion document on the tree regulations.

- 1.4.5 Government to review Tree regs: [https://www.energynews.co.nz/news/storm-damage/135287/govt-finally-review-tree-regs?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=energy-news-newsletter](https://www.energynews.co.nz/news/storm-damage/135287/govt-finally-review-tree-regs?utm_source=newsletter&utm_medium=email&utm_campaign=energy-news-newsletter)
- 1.4.6 The repair job ahead: [https://www.energynews.co.nz/news/substation/135063/big-repair-job-ahead-unison?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=energy-news-newsletter](https://www.energynews.co.nz/news/substation/135063/big-repair-job-ahead-unison?utm_source=newsletter&utm_medium=email&utm_campaign=energy-news-newsletter)
- 1.4.7 The secretariat understands the grid owner is undertaking assessments on grid damage and will update through its usual information channels, including Energy News.
- 1.4.8 Budgeting for resilience: [https://www.energynews.co.nz/featured-content/electricity-distribution/134556/cyclone-shows-edbs-must-budget-more-resilience?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=energy-news-newsletter](https://www.energynews.co.nz/featured-content/electricity-distribution/134556/cyclone-shows-edbs-must-budget-more-resilience?utm_source=newsletter&utm_medium=email&utm_campaign=energy-news-newsletter)
- 1.4.9 Advice for consumers to seek refunds or credits for periods without power: [People without power during Cyclone Gabrielle entitled to 'credit' or 'refund' - Consumer NZ \(todayfm.co.nz\)](https://www.todayfm.co.nz/news/people-without-power-during-cyclone-gabrielle-entitled-to-credit-or-refund-135063)

## 1.5 Winter 2023

- 1.5.1 In December, the secretariat shared with members links to recent Authority consultation on Winter 2023<sup>1</sup>.
- 1.5.2 The Authority has considered submissions and has decided on which options to progress to address potential tight supply situations for winter 2023. These options are described in the **decision paper published on 9 March**, available [here](#).

## 1.6 OMV seeking to sell New Zealand operations

- 1.6.1 OMV has invited parties to submit expressions of interest in its New Zealand operations, raising questions as to the potential impact on future investment in and development and maintenance of New Zealand's gas fields :  
[https://www.energynews.co.nz/news/oil-and-gas/134780/omv-seeks-buyer-nz-business?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=energy-news-newsletter](https://www.energynews.co.nz/news/oil-and-gas/134780/omv-seeks-buyer-nz-business?utm_source=newsletter&utm_medium=email&utm_campaign=energy-news-newsletter)

## 1.7 Annual review of the system operator's performance

- 1.7.1 The Authority has published its annual review of system operator performance. A copy of the final review is available: [here](#).
- 1.7.2 The SRC has already given its feedback to the Authority, following its October meeting (as noted in the correspondence for this meeting, at item SRC05). The link above is not essential reading for this meeting. However, members are welcome to note any additional feedback the secretariat can pass on to the Authority's commercial team for consideration as part of next year's report.

---

<sup>1</sup> [Driving-efficient-solutions-to-promote-consumer-interests-through-winter-2023.pdf](https://www.ea.govt.nz/assets/Uploads/Driving-efficient-solutions-to-promote-consumer-interests-through-winter-2023.pdf) (ea.govt.nz)

## 1.8 Electricity Industry Amendment Act 2022

- 1.8.1 At members' request the secretariat has arranged for Authority staff to provide a verbal update for members on how the Authority interprets the additional objective, as set out in the Electricity Industry Amendment Act 2022 (Amendment Act).
- 1.8.2 The verbal presentation at this meeting does not constitute legal advice and is offered by the Authority to members as guidance to assist them in their role of providing independent advice to the Authority. Members seeking further legal guidance may wish to seek independent advice.
- 1.8.3 The below information about the Amendment Act 2022 was previously circulated to members and given the verbal update, has been included here again for ease of reference.
- 1.8.4 *On 31 August 2022, the [Amendment Act] received Royal Assent. The Amendment Act amends the Electricity Industry Act 2010 and implements a number of recommendations from the 2019 Electricity Price Review to improve the electricity regulatory system.*
- 1.8.5 *The [Amendment Act] implements a number of recommendations from the 2019 Electricity Price Review to improve the electricity regulatory system.*
- 1.8.6 *The changes to the legislation include an additional statutory objective for the Authority to protect the interests of domestic consumers and small business consumers in relation to their electricity supply. This additional objective is specifically aimed at the direct dealings of industry participants with domestic consumers and small business consumers.*
- 1.8.7 *The amendment also transfers the Part 3 Arms-Length rules from the Act into the Electricity Industry Participation Code (a new Part 6A) to give the Authority the ability to respond quickly to technological changes and promote competition and innovation in emerging distributed energy markets. It also strengthens the Authority's enforcement regime through increased penalties and gives it the ability to set information and quality requirements for distributors.*
- 1.8.8 For those interested in reviewing the full Act, it is available [here](#).

## Questions for the SRC to consider

The SRC may wish to consider the following questions.

- Q1. What further information, if any, does the SRC wish to have provided to it by the secretariat in the updates section?**
- Q2. Does the SRC have a preference for how information in this paper is presented?**
- Q3. What advice, if any, does the SRC wish to provide to the Authority?**