

MINUTES OF CQTG MEETING 1

Held on 6 July 2023, 9am – 3pm
Electricity Authority office – Wellington

Members present: Sheila Matthews (Chair), Graeme Ancell, Chris Conway, Matt Copland, Barbara Elliston, Brad Henderson, Stuart Johnston, Stuart MacDonald, Mike Moeahu, Rob Orange, Jon Spiller, Gareth Williams

In attendance: Phillip Beardmore, Rob Mitchell, Nyuk-Min Vong (Vong)

1. Introduction

- 1.1 The Chair welcomed members to the first meeting of the Common Quality Technical Group (CQTG). A quorum was established, with all members in attendance. Stuart Johnston was in attendance remotely via Microsoft Teams.
- 1.2 The meeting opened with a karakia from Sina Tolovae of the Electricity Authority (Principal Advisor – Communications and Engagement).
- 1.3 The Chair presented an overview of the Authority’s Future Security and Resilience (FSR) work programme and explained the CQTG’s role.

2. Additional common quality issues identified through consultation

- 2.1 Rob presented a table summarising common quality issues raised in the 23 submissions received by the Authority on the 4 April 2023 Part 8 common quality issues paper.
- 2.2 The CQTG agreed virtually all the common quality issues raised in submissions came within the seven issues set out in the issues paper.
- 2.3 The CQTG requested the Authority make minor amendments to the summary description of the first, second, third, and fifth of the seven issues described in the issues paper.

Action: Incorporate feedback from the CQTG in the summary description of the first, second, third, and fifth of the seven issues set out in the April 2023 Part 8 common quality issues paper.

3. Criteria for evaluating options to address issues

- 3.1 Phillip presented the seven evaluation criteria that will be used to assess options to address the identified common quality issues relating to Part 8 of the Code.

3.2 The CQTG noted these evaluation criteria.

4. Long list of options

4.1 Phillip led a discussion on a draft long list of options to address the identified common quality issues.

4.2 The CQTG agreed several additional options should be included in the long list.

Action: Authority to include in the long list of options the additional options agreed by the CQTG at its meeting 1.

5. Medium list of options

5.1 Phillip led a discussion on a draft medium list of options to address the identified common quality issues. The CQTG secretariat had prepared the medium list by evaluating the draft long list of options against the first of the seven evaluation criteria – namely:

The option is feasible / implementable with little or no risk of unintended consequences.

5.2 The CQTG agreed with the secretariat's assessment of those options that met / did not meet this criterion. The CQTG noted the secretariat would undertake the same assessment for the options added to the draft long list earlier in the meeting.

Action: Authority to evaluate against the first of the seven evaluation criteria the options added to the draft long list during the CQTG's meeting 1.

5.3 The CQTG noted the Authority does not regulate the obligation on distributors to keep the supply of electricity to installations operating at 230 volts alternating current (AC) within 6% of 230 volts AC. The CQTG requested the Authority prepare a letter from the CQTG to the Ministry of Business, Innovation and Employment (MBIE), urging MBIE to prioritise proposing an amendment to the Electricity (Safety) Regulations 2010, to increase the 6% threshold to 10%. Such an increase in the threshold would enable distributors to host a material amount of additional distributed/embedded generation on their networks.

Action: Authority to prepare a letter from the CQTG to MBIE, urging MBIE to prioritise proposing an amendment to the Electricity (Safety) Regulations, to permit the supply of electricity to installations operating at 230 volts AC to be within 10% of 230 volts AC.

5.4 The CQTG noted the secretariat would prepare a draft short list of options for consideration at the CQTG's next meeting. This would comprise the secretariat evaluating the medium list of options, including any of the additional options that met the first of the evaluation criteria, against the remaining six evaluation criteria.

Action: Authority to prepare a draft short list of options to address the Part 8 common quality issues.

6. No regrets system studies

- 6.1 The CQTG agreed the system operator should begin scoping system studies for several options on the medium list that the CQTG considered would be highly likely to make a short list of options.
- 6.2 Vong agreed to lead the scoping of 'no regrets' system studies for several options to address Issue 1 (frequency) and Issues 2, 3 and 4 (voltage).
- 6.3 Two sub-groups of the CQTG were formed to assist Vong in scoping these 'no regrets' system studies.
- 6.4 Graeme Ancell, Brad Henderson, Stuart Johnston, Rob Orange and Jon Spiller volunteered to assist with scoping system studies related to the following options to address the frequency issue:
- Lower the 30MW threshold for generating stations to be excluded by default from complying with the frequency-related capability asset owner performance obligations (AOPOs) referred to in clause 8.21 of the Code
 - Set a permitted dead band beyond which a generation station must contribute to frequency keeping and instantaneous reserve
 - Procure more frequency keeping to manage frequency within the normal band (49.8–50.2 Hz)
 - Procure more instantaneous reserve to keep frequency above 48 Hz for contingent events and 47 Hz (in the North Island) and 45 Hz (in the South Island) for extended contingent events.
- 6.5 Graeme Ancell, Barbara Elliston, Brad Henderson, Stuart Johnston and Rob Orange volunteered to assist with scoping system studies related to the following options to address the voltage issues:
- Assign voltage support obligations to distributed energy resources (eg, by revising the 'point of connection' definition)
 - Manage the import and export of reactive power at a GXP (eg, by revising the GXP power factors distributors must maintain, as specified in the Connection Code)
 - Lower the 30MW threshold for generating stations to be excluded by default from complying with the fault ride through obligations in the Code.
- Action:** System operator to prepare draft scopes for 'no regrets' system studies for several options to address the Part 8 common quality issues.
- 6.6 The CQTG agreed two options for which 'no regrets' scopes could be prepared by the Authority were:
- (a) allocating frequency keeping costs to the causers of frequency deviations, and
 - (b) reviewing the dispensations and equivalence arrangements framework.
- 6.7 **Action:** Authority to prepare draft scopes of work for allocating frequency keeping costs to the causers of frequency deviations, and reviewing the dispensations and equivalence arrangements framework.

7. Next meeting

- 7.1 The CQTG agreed 9.30am Thursday, 10th August 2023 for its next meeting.
- 7.2 The meeting closed at 3pm with a karakia from Sina Tolovae of the Authority.

Summary of outstanding action points

Action	Who	When
<ul style="list-style-type: none">Incorporate feedback from the CQTG in the summary description of the first, second, third and fifth of the seven issues set out in the April 2023 Part 8 common quality issues paper.	Authority	14/07/2023
<ul style="list-style-type: none">Include in the long list of options the additional options agreed by the CQTG at its meeting 1.	Authority	14/07/2023
<ul style="list-style-type: none">Evaluate against the first of the seven evaluation criteria the options added to the draft long list during the CQTG's meeting 1.	Authority	28/07/2023
<ul style="list-style-type: none">Prepare a letter from the CQTG to MBIE, urging MBIE to prioritise proposing an amendment to the Electricity (Safety) Regulations, to permit the supply of electricity to installations operating at 230 volts AC to be within 10% of 230 volts AC	Authority	30/08/2023
<ul style="list-style-type: none">Prepare a draft short list of options to address the Part 8 common quality issues.	Authority	28/07/2023
<ul style="list-style-type: none">Prepare draft scopes for 'no regrets' system studies for several options to address the Part 8 common quality issues.	System operator	03/08/2023
<ul style="list-style-type: none">Prepare draft scopes of work for allocating frequency keeping costs to the causers of frequency deviations, and reviewing the dispensations and equivalence arrangements framework.	Authority	03/08/2023

Confirming the CQTG has approved these meeting minutes are a true and correct record.

Dated this 10th day of August 2023



Sheila Matthews

Chair