

Meeting Date: 21 August 2024

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 agenda items 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 secretariat's suggestions for the SRC's Q4 2024 meeting, incorporating previous member input from previous discussions, are set out below for consideration and refinement at this (August) meeting.
- 1.1.3 The secretariat anticipates further themes and topics arising from the SRC's risk and strategy session and adjustments to the SRC's risk radar.
- 1.1.4 **Note:** - For items 1.3 and 1.4, below, these have been proposed before but postponed due to prioritisation of other topics. The secretariat proposes these as *either/or* options, given the scope of the potential topics listed, limited meeting time available and feedback that members prefer fewer items of longer duration to enable deeper consideration of the issues.

1.2 Annual self-review of system operator performance

- 1.2.1 The Electricity Industry Participation Code 2010 (Code) requires the Authority to review the system operator's performance each year. When doing this, it must take account of a self-review that the system operator must perform each year under the Code.
- 1.2.2 The SRC was given a specific mandate for system operator performance because of the information asymmetry that arises between the Authority and the system operator.
- 1.2.3 The SRC receives the draft executive summary of the review, as this gives the appropriate level of detail. As a group with industry and consumer representation, the SRC can bring perspectives to the system operator's performance otherwise unavailable to the Authority.
- 1.2.4 The secretariat considers the purpose of this paper is to enable the SRC to formulate advice to the Authority about the system operator's performance in the 2023/24 year, based on the system operator's self-review and a draft of the Authority's review.
- 1.2.5 The SRC's feedback will be incorporated into the final version of the Authority's review.

1.3 Public Safety Supply Disruption

- 1.3.1 Management of the power system in weather events, including fire, earthquakes (for example, the Northland and Port Hills fires).

- 1.3.2 Presentations could be sought from the grid owner, Electricity Networks Aotearoa (ENA) and 2-3 distributors (ideally covering large/small, urban/rural, and potentially different ownership structures), FENZ, NEMA, Commerce Commission oversight.
- 1.3.3 Islanding networks – the extent to which batteries, EVs and V2G power flows can support resilience in contingent events
- 1.3.4 Lessons from Australia – AEMO, AER, case studies
- 1.3.5 This topic was also included in the proposed themes for the May meeting but was postponed when the Minister and MBIE accepted the SRC's invitation to present on the new government's approach for the sector.

1.4 Policy systems and processes

- 1.4.1 Members expressed an interest in hearing about how the system manages to recover from capacity shortfalls. In the light of this feedback, the secretariat considered it may be the right time to provide a meeting's (or half meeting's) content on policies and systems in place.
- 1.4.2 This would provide members with updates on relevant Authority and system operator workstreams, as examples of how the processes work in practice. Presentations can also be used as a future resource for members to build on the material covered in member induction sessions.
- 1.4.3 Topics within the theme, for further refinement, could include:
 - a) Policies
 - b) Business as usual information and reporting
 - c) Forecasting work – NZGB etc
 - d) How forecast tight situations are managed - CAN notices etc
 - e) Security of supply forecasting and information policy (SOSFIP)
 - f) The approach and content for industry exercises
- 1.4.4 This topic was proposed for the May meeting but postponed.

1.5 Additional items

- 1.5.1 The secretariat has included other potential topics, based on member suggestions, in the forward work programme paper (item #13).
- 1.5.2 In the secretariat's view those items may not warrant a theme but could be included, as part of a broader topic for a future meeting. Members are asked to review that paper and bring along additional suggestions and ideas for discussion during agenda item #13 and #14).

2 Questions for the SRC to consider

- 2.1.1 The SRC may wish to consider the following questions:

Q1. Does the SRC have any other suggested topics/papers for the Q4 2024 meeting, aligned with, or as a counterpoint to, the above items?

Q2. Does the SRC have further guidance for the secretariat about how it would like to receive information about the themes for upcoming meetings?