

## MINUTES OF IPAG MEETING

Meeting number: 34

Held on 10 February 2022 at 10am

Location: Zoom

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**Members in attendance:** John Hancock (Chair), Glenn Coates, Allan Miller, Terry Paddy Tim Rudkin, Scott Willis, Neil Williams, Buddhika Rajapakse, Andrew Sibley, Margaret Cooney, Victoria Parker

**Other attendees** Charlie Sheppard (Electricity Authority), John Rampton (Observer – Commerce Commission), Nathan Spence (Electricity Authority), Chris Otton (Electricity Authority), Moshika Chandra (Electricity Authority), Alistair Dixon (Electricity Authority), Simon Coates (Concept Consulting)

**Apologies:** Corrie Stobie (IPAG member), Ross Parry (Concept Consulting)

The Chair welcomed the members to the meeting.

**1.1 Existing group members present on what they see as the key challenges and opportunities for the sector**

1.2 Members identified challenges and opportunities for the sector, including:

- (a) Decarbonisation – cohesive vision, regulatory certainty, collaboration, competition, and digitisation.
- (b) Data and innovation – improve market data flow, security and trust, interoperability, and data led decision making.
- (c) Equity and sustainability – need to consider electrification and energy poverty, and business models withstanding extreme events.
- (d) The role of IPAG and the role of the Authority.
- (e) The need for a least regrets road map to decarbonisation that optimises DER.
- (f) The need for a roadmap for data access as an enabler.

- (g) Value stacking – there needs to be clarity on how flexibility services can value stack.
- (h) Standards around distributed generation and smart chargers.

### 1.3 **Electricity supply arrangements for EVs - Simon Coates, Concept Consulting (continued)**

1.4 Concept Consulting continued their presentation on electricity supply arrangements for EVs.

1.5 Topics discussed included the implications for the procurement of flexibility through network tariff design, in particular:

- (a) Role of non-locational network managed appliance tariffs in unlocking flexibility from EVs and hot water.
- (b) Difficulties involved with locational tariffs at the low voltage level.
- (c) Overheads involved with dynamic pricing.
- (d) Importance of understandable and acceptable electricity prices (rather than network tariffs) for good consumer outcomes.

## 2. **EA Market Policy Team – Update and UK access to smart meter data**

2.1 Authority staff are looking at access to smart metering data as part of updating the distribution regulatory settings review and frameworks other jurisdictions have in place to enable access.

2.2 The UK's smart meter data framework provides an example of accessing smart meter data.

2.3 The UK framework has 3 broad objectives:

- (a) Safeguarding consumer privacy.
- (b) Ensure consumers receive accurate information.
- (c) Facilitating innovation.

2.4 Authority staff and IPAG discussed the following questions:

- (a) Do members consider the UK smart metering framework aligns with the aims of updating the distribution regulatory settings review?
- (b) What barriers to members see to implementing a similar framework in NZ?
- (c) What would members change about this approach if implemented?

2.5 An authorising structure needs to be set up to allow efficient access to data. Australia has specified access rights for data for different users.

2.6 There are frameworks associated with the open energy platform in the UK. Governance and authorisation is key.

### **3. Barriers to community energy engagement – Scott Willis**

- 3.1 The vision for the Blueskin Energy Network was to be an enabler of a prosumer model, working with the EDB.
- 3.2 Blueskin collaborated to trial peer to peer trading and develop type 2 retail of electricity. Consumers could earn rewards for off-peak power use.
- 3.3 Blueskin were denied consent for a 3MW wind farm in 2017, and the retail partnership ended in 2020.
- 3.4 Community energy taps into value that accelerates decarbonisation.
- 3.5 Other community projects include:
  - (a) Sustainability Trust – Poneke Power is a community support retailer.
  - (b) Xtreme Zero Waste Trust – Raglan Community Energy retail and generation partnership.
- 3.6 Conversations on iwi energy and international inspiration to continue at the next IPAG meeting.

**Action Item** Add community energy continued to the March IPAG Agenda.

**Action Item** Chair to circulate the Blue Skin case study from the Smart Energy Forum.

### **4. MDAG market design changes and update on Future Security and Resilience project – Alistair Dixon**

- 4.1 The Authority's Future Security and Resilience project was part of a recommendation from the Electricity Price Review.
- 4.2 The Authority engaged Transpower (as System Operator) to support its work programme to ensure the future security and reliance of New Zealand's power system.
- 4.3 This project has two parts:
  - (a) Part 1: Transpower identified opportunities and challenges relating to the rise of DER and a changing generation portfolio. Each challenge was given indicative timeframes of when they were expected to arise and a priority rating of low medium or high.
  - (b) Part 2: A roadmap or path forward to understand with detailed activities for each challenge and opportunity. The roadmap will be released later this year and there will be workshops and stakeholder engagement.
- 4.4 MDAG have just released a discussion paper on price discovery under 100 percent renewable energy supply.
- 4.5 Two workshops will be held on Thursday the 17<sup>th</sup> to go over the paper and answer questions.

**Action Item** Secretariat to circulate registration for the workshops.

**Action Item** Chair to change the timing on the VPP presentation.

## **5. Administration**

5.1 Apologies

(a) Corrie

5.2 Interests register

5.3 Minutes of previous meeting #33

(a) The minutes of the previous meeting were approved

5.4 Matters Arising

(a) <https://www.current-news.co.uk/blogs/we-must-improve-visibility-to-unlock-contract-stacking-in-flexibility-markets>

The meeting closed at 4.19pm.

### **Action Point Summary**

**Action Item** Add community energy continued to the March IPAG Agenda.

**Action Item** Chair to circulate the Blue Skin case study from the Smart Energy Forum.

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