

## Variation to AoG Consultancy Services Order 18-19C05 – Variation C

### Part D – Variation to AoG Consultancy Services Order

~~The Authority will complete Part D if it wishes to change any details of the original Consultancy Services Order.~~

#### Details of Variation

In order to pay the Provider for additional Consultancy Services it performed during Step 3 of the CBA and require the Provider to perform additional Consultancy Services for Steps 4 and 5 of the CBA, the Authority would like to amend the Consultancy Services Order as follows:

1.1 insert after the table following clause 2.8) of the CSO:

#### "2.9) Step 3 scope extension

The Authority and the Provider extend the scope of services provided under Step 3 to provide for the 139.5 hours of additional Consultancy Services the Provider performed in delivering the additional items to include:

- (a) Correcting an error in price data received from the Authority.
- (b) Preparing for, and attending, meetings with Transporter to obtain transmission cost data.
- (c) Re-running and rewriting a parameter for residual allocation percentage.
- (d) Analysing whether a lagged AMD charge can be considered to have a fixed-like effect.
- (e) Assisting with the April Board meeting policy assessment, ie, HVDC in and out of benefit-based charge.
- (f) Analysing 'gross' vs 'net' allocation of transmission charges, for the Authority's policy analysis.
- (g) Obtaining additional node information requested by the Authority Board in December 2018 and managing the complexity of additional nodes in the model.
- (h) After Authority approval of the Step 2 report, responding to Authority queries and feedback, and revising the Step 2 report beyond the Step 2 timeframe.
- (i) Actions from the Authority Board's request for additional transmission nodes.
- (j) Assisting Authority staff to clarify the policy intent of the proposed Code amendment relating to amending the TPM without a material change in circumstances.

#### Step 4 – CBA finalisation for release

2.10) The Provider will provide additional support to the Authority to finalise the CBA from the period after the CBA results were presented to the Authority Board on 4 April to release of the CBA as part of the 2019 issues paper for the TPM review for consultation, including:

- (a) Following the April Authority Board meeting, re-running and re-writing the main CBA model, with some existing assets excluded from Area of Benefit (AoB) charges (eg, Otahuhu GIS)
- (b) Battery modelling including analysing cost, state of charge, implementing in the model, and rewriting
- (c) Top-down modelling of investment efficiency benefits

- (d) Modelling of slight variations or more sensitivities on request
  - (e) Revising CBA modelling following Authority feedback on details of the methodology and updates to minor policy changes.
- 2.11) The Provider will provide information and respond to queries to support the Authority to check the draft CBA, including:
- (a) Updating and extending technical documents
  - (b) Collating and explaining workings of input data sets
  - (c) Responding to checkers' queries about Python code, including the main model, assessment of prudent discount policy (PDP) costs and benefits, estimated TPM costs, including ACOT, and update CBA
  - (d) Reviewing the Authority's CBA report to critique for correct use of numbers and description of method.
- 2.12) The Provider will complete preparing for release of the technical documents and support the Authority to understand and check the Python code by:
- (a) Updating and finalising the working draft of the CBA report prepared by SEC/Sense Partners
  - (b) Supporting the Authority to document assumptions for a published CBA assumptions appendix
  - (c) Supporting the Authority to tidy the presentation of the Python code including checking the tidy code produces the same results
  - (d) Preparing a large schematic flow chart of how the central scenario in appendix A works and links to appendix F
  - (e) Providing the Authority with a complete list of technical files and the files themselves ready for publication on EMI.
- 2.13) The Provider will support the Authority to complete the preparation of the CBA report by:
- (a) Preparing charts for sensitivities on the CBA order of magnitude
  - (b) Attending up to two Authority Board meetings in June 2019
  - (c) Providing information from the CBA modelling to flesh out examples in other parts of the 2019 issues paper, eg:
    - (i) geographical differences in grid congestion / spare capacity
    - (ii) scale of possible avoided charges from batteries that are shifted onto others
    - (iii) scale of problem around grid use
    - (iv) numbers on undergrounding
    - (v) numbers on Otahuhu
  - (d) Assisting with preparation of communications messages relating to the CBA.

#### **Step 5 – CBA support during consultation**

- 2.14) The Provider will support the Authority during the TPM consultation period and cross-submissions period on its 2019 issues paper by:
- (a) Preparing for and presenting at up to four workshops on the CBA

- (b) Supporting the Authority to respond to questions from stakeholders
- (c) Providing other CBA-related support to the Authority on request."

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