

MINUTES

Meeting number: 18

Venue: Electricity Authority, Board Room, Level 7 Harbour Tower, 2 Hunter Street, Wellington and Via Zoom

Time and date: 09:30am Wednesday, 19 February 2020

Attendees

- Tony Baldwin (Chair) – Via Zoom
- Paul Baker
- James Flannery
- James Flexman – Via Zoom
- Stu Innes
- Andrew Kerr
- Rebecca Osborne
- Ann Whitfield – Via Zoom
- Al Yates
- Murray Henderson

Apologies

- No Apologies

In attendance

- Tim Street (Manager Wholesale Markets, Electricity Authority) [joined 10.20am]
- Alistair Dixon (Principal Adviser Market Design, Electricity Authority) [left 11:30am]
- Mike Collis (Senior Advisor Market Design, Electricity Authority) [joined 11:34am, left 12:30pm]
- Hannah Hopper (Advisor Market Design, Electricity Authority) [joined 10.01am, left 11:01am]
- Sal Shah (Advisor Market Design, Electricity Authority)
- Phillip Beardmore (Director, Strata Energy Consulting Limited) [joined 11.34, left 12.30pm]

The meeting opened a 09:31am

Introduction

The Chair welcomed members to the meeting.

1 Meeting Administration

Apologies

No Apologies were noted

Action point here – use action point style for subsequent action points

Interest Register

No interests were updated

Minutes of previous meetings

The Group agreed to publish minutes from meeting 17, 17a and 17b

Actions list

The Group noted the Actions list

Correspondence

Letter from Haast Energy to Tony Baldwin – 11 February 2020

Action 18.1: Chair to respond to Haast letter

Action 18.2: Secretariat to write covering letter for Chair's response to Haast letter

Workplan update

There was no discussion of the workplan update.

2 Trading Conduct discussion paper

The Group discussed comments from Electricity Authority Chair and Chief Executive on the draft Code to implement MDAG's trading conduct proposal. The Group decided no change was required to the overall approach as set out in the Code, but that Bell Gully should be asked to consider whether clause (3)(c) of the proposed Code, which defines 'economic costs' for the purposes of clause (3)(a) of the proposal, should be specified in the Code or guidelines.

Action 18.3: Secretariat to ask Bell Gully to review the current draft Code, and for them to consider if clause (3)(c) of the draft should be in the Code or in guidelines

Action 18.4: Secretariat to add into paper questions about

- Whether the test would cause unintended effects on investment or recovery of capital costs
- If the test should be narrowed to apply to pivotal or net pivotal, rather than all offering behaviour.

Action 18.5: Secretariat to respond to Brent Layton on the comments he provided on the High Standards of Trading Conduct discussion paper

Action 18.6: Secretariat to circulate an updated version of the paper once feedback from members has been incorporated

The Group discussed the High Standards of Trading Conduct workshops scheduled for the first week of March. Members were encouraged to attend their local workshops if available and were informed by Authority staff that details of the workshops would most likely be part of the Authority's next Market Brief.

3 Letter from Haast and Electric Kiwi to Tony Baldwin (Chair), James Stevenson-Wallace and MDAG 16 December 2019

The Group discussed the letter sent to the Chair, CE (Electricity Authority) and MDAG on independence of advisory groups. The Chair provided a list of proposed changes from Haast and Electric Kiwi to the current MDAG protocols with comments on each suggestion.

The group agreed with all the comments made by the Chair on the proposed changes to the MDAG protocols with a minor change to the wording in 5.5.

Action 18.7: Secretariat to publish

- updated MDAG protocol
- list of proposed changes with Chair's comments

Action 18.8 Chair to write response to Haast

4 New Generating Technologies

Mike Collis provided the Group a recap of feedback and points raised at the 30 October 2019 MDAG meeting. The Chair invited members to provide feedback on the latest version of the new generating technologies paper. Through a round table discussion the members each provided opinion and suggested changes to the paper. Overall the Group agreed the paper was clear, and well written.

Action 18.9: Circulate a current version of the recommendations paper to members

Action 18.10: Secretariat to update the recommendations paper based on feedback of the Group

5 Publication of paper

The Group decided to publish:

- The meeting agenda
- Minutes from previous meetings
- Updated MDAG Protocols document

- Associated cover letter to Haast Energy and Electric Kiwi
- Document with suggested changes by Haast and Electric Kiwi with comments by the Chair

5 General Business

Members raised that meeting packs can be overwhelming to receive all at once with multiple documents and that they were happy to receive the meeting pack in multiple instalments.

The meeting ended at 12:49pm