

SRC Meeting Date: 4 August 2021

MEETING WITH THE ELECTRICITY AUTHORITY BOARD ON 3 AUGUST 2021

SECURITY AND RELIABILITY COUNCIL

The Security and Reliability Council (SRC) are meeting with the Electricity Authority Board on 3 August 2021, the day prior to the SRC's 4 August meeting. This paper gives biographical information about the Board and background information on possible discussion topics.

Note: This paper has been prepared for the purpose of the SRC. Content should not be interpreted as representing the views or policy of the Electricity Authority.

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Meeting with the Electricity Authority Board

Background

This paper provides information to support the SRC with its meeting on 3 August 2021 with the Electricity Authority (Authority) Board. It summarises the key issues the SRC are likely to discuss with the Board. In addition, it includes biographical profiles of the Authority Board members (Appendix A).

Agenda

The SRC and the Authority Board will meet for 45 minutes of formal meeting time before having a further opportunity for informal discussions while mingling.

The agenda for the 45 minutes of formal meeting time is set out in Table 1 below.

Table 1: Agenda for joint meeting of the Authority Board and SRC

#	Agenda item
1	High level summary of the Statement of Intent 2021-2025 and 2021-22 Annual Corporate Plan and alignment with future SRC work
2	Feedback on the advice provided by the SRC
3	Performance of the system operator - opportunity for candid feedback
4	Priority issues the Board wishes the SRC to consider

The Authority's strategy and alignment with future SRC work

The Chief Executive will give a brief summary of the key points from the Authority's Statement of Intent 2021-2025¹ and 2021-22 Annual Corporate Plan². There is then an opportunity for the Board to discuss with the SRC any messages or themes the Board would like the SRC to take particular notice of.

Feedback on the advice provided by the SRC

An opportunity created by this meeting is for the Board to give the SRC any feedback on the quality or timeliness of the SRC's advice. It is also an opportunity for the SRC to give the Board any feedback on the quality or timeliness of the Board's responses. As such, SRC members should be prepared to give any feedback to the Board.

Performance of the system operator - opportunity for candid feedback

The meeting with the Board is an opportunity for SRC members to share any candid views with the Board about the performance of the system operator.

¹ <https://www.ea.govt.nz/assets/dms-assets/28/Statement-of-Intent-2021-2025.pdf>

² <https://www.ea.govt.nz/assets/dms-assets/28/Final-2021.22-Annual-Corporate-Plan.pdf>

Priority issues the Board wishes the SRC to consider

This discussion topic is a placeholder for whichever topics the Board members are interested in SRC advice on.

Authority 2021/22 Annual Corporate Plan items with implications for security/reliability

Some key themes and examples from the annual corporate plan relevant to the role of the SRC are:

- (a) **Customer centricity:** Putting all types of consumers, and the Authority's understanding of their varied perspectives, front and centre. This is relevant for the SRC, as the theme for the following day's meeting includes the impacts of disruption on the longer-term outlook for security and reliability. This aligns with the Authority's workstreams to clearly identify the issues affecting the distribution sector and options to address the issues and prioritise and stage options based on urgency, value, and ability to implement.
- (b) **Low emissions energy:** Ensure electricity market settings and conditions support an efficient transition to low-emissions energy, through competition, whilst maintaining reliability. This is relevant for the SRC as the SRC should be providing advice on the impact of increasing renewables on security and reliability. Additionally, the SRC will be providing significant input to the future power systems resilience report (EPR recommendation G2) on which they will receive an update on aspects being progressed from James Tipping at their August meeting, along with an update from MBIE on the NZ Battery Project.
- (c) **Trust and confidence:** Increase the Authority's industry leadership and build trust and confidence in how it takes up its kaitiaki role; and monitor and enhance the operational efficiency and reliability of the electricity industry on an on-going basis. These two areas are relevant to the SRC, as providing advice to the Board on reliability is one of the key functions of the SRC. The quality of that advice, and the Board's response are also key in building trust and confidence in the Authority's role as kaitiaki. As part of this work the SRC have recently looked at the fitness for purpose of various regulatory arrangements and have an opportunity at their August meeting to input into the scope for the dry year risk review. Other relevant Authority work includes completing the actions to correct for the 2019 UTS, actively monitoring trading conduct within the context of the new provisions, and publishing analysis and insights in relation to high standards of trading conduct (HSoTC) to increase transparency and support industry compliance.

Questions for the SRC to consider

The SRC may wish to consider the following questions.

Q1. What further information, if any, does the SRC wish to have provided to it by the secretariat prior to next year's meeting with the Board?

Q2. What feedback or advice, if any, does the SRC wish to provide to the Authority?

Attachments

The following item is included as an attachment to this paper:

- Biographical profiles of the Authority Board members (Appendix A)

Appendix A: Biographical profiles of the Authority Board members

Biographical profiles of the Authority Board members are set out below.

Dr. Nicola (Nicki) Crauford (Chair)



Dr Nicola Crauford (Nicki) has extensive industry knowledge and governance experience. Nicki is currently Chair of GNS Science and Director at Kāinga Ora, Watercare Services and CentrePort. Previously Nicki has held executive roles in the sector with Transpower and governance roles with Genesis Energy, Orion New Zealand and Pioneer Energy.

Nicki's industry and governance experience also includes roles at Environmental Protection Authority, Wellington Water, Fire and Emergency New Zealand, and the Institute of Directors.

Nicki has a doctorate in the investigation and modelling of fire spread in buildings from the University of Southampton and a Bachelor of Science (Hons) in Chemical Engineering from the University of Newcastle-upon-Tyne.

Allan Dawson



Allan has an extensive background in energy regulation, market development and market operations in multiple jurisdictions.

He was formerly the Chief Executive of the energy market operator/regulator in Western Australia (Independent Market Operator) and Singapore (Energy Market Company).

Allan was a senior member of the team that developed, implemented and operated the New Zealand Electricity industry rules and arrangements in the 1990s.

He has previously chaired the Association of Power Exchanges (6 years), the global member organisation representing the interests of over 50 electricity market operators/regulators. Having a strong industry governance experience as Chair of Governance Board in both electricity and gas markets in Singapore and Western Australia. Since returning to New Zealand in 2016, Allan has also been appointed to the Board of a number of SaaS/technology companies.

Sandra Gamble



Sandra a non-executive director, chair & committee member with over two decades of board level experience as both a director and board advisor. She has worked across the public, private and not for profit sectors with particular experience in the utilities, infrastructure and the energy industries.

Along with being an Authority Board Member, Sandra is a Tribunal Member with the Independent Pricing and Regulatory Tribunal of New South Wales. She is the Chair of its Electricity Networks Regulation Committee and its Energy Savings Scheme Committee.

Sandra's former senior executive roles include General Manager Business Strategy and Resilience at Sydney Water Corporation, and General Manager Regulation and Strategy at Jemena Limited.

Sandra holds a Master of Business Administration (Technology Management) and a Bachelor of Electrical Engineering with Honours, and she is a Fellow of the Australian Institute of Company Directors

Mark Sandelin



Mark is a barrister, practicing from Mills Lane chambers in Auckland.

He has practiced law for the past 35 years and was previously a litigation Partner at Minter Ellison Rudd Watts.

He has other governance roles including Chair of Sleepyhead Group Ltd, Deputy Chair of Fairway Resolution Ltd and Chair of Auckland Grammar school.

Lana Stockman



Lana has recently returned to New Zealand from Australia, where she was Vice President Regulation at Aurizon Network, a top-50 ASX listed company offering rail and road-based freight and infrastructure solutions. She was also a General Manager at Energy Australia, a board member of the Electricity Retailers Association of Australia, and a member of the Ministerial Advisory Council on smart meters in Victoria.

Lana also has experience in the New Zealand electricity industry, including as an advisor to the Electricity Authority and its predecessor. She is degree qualified in both engineering and finance and coupled with a broad energy market experience, brings fresh thinking, and strong leadership, communication and relationship management skills.