

Annual Corporate Plan

2023/2024

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Foreword

Ehara taku toa i te toa takitahi, engari kē he toa takitini.

My success should not be bestowed onto me alone, it was not individual success but the success of a collective.

Electricity is fundamental to our way of life. New Zealand's high-performing electricity system plays a key role in contributing to the overall health and efficiency of the economy – creating both benefits for end consumers and pathways for growth, innovation, greater service and investment.

The Electricity Authority (Authority) is the regulator of the electricity system – we oversee the operation of the electricity system and markets by developing, setting, and enforcing the rules the market must follow, and holding the industry to account by actively monitoring the market's behaviour and performance.

As the regulator of New Zealand's electricity system, our purpose is to enhance New Zealanders' lives, prosperity and environment through electricity.

The electricity sector has a major role to play in New Zealand's shift to a low carbon future. As the sector drives towards more renewable electricity, a decarbonised system will support the

accelerated electrification of transport and heat – the most significant contribution to New Zealand achieving net zero carbon by 2050. The Authority is focused on ensuring the transition is as efficient as possible while maintaining energy security, system adaptability, and affordability for consumers.

Leading through change: three priority areas

It is a privilege to lead the Authority having been appointed Chief Executive in January 2023. With the benefit of three years at the Authority as the General Manager Legal, Monitoring and Compliance I feel well placed to work alongside industry and agencies to steward the sector through the next few years.

Our immediate regulatory environment reflects the uncertainty of wider social and economic pressures, as well as the pace and scale of transformation required to achieve the Government's emissions reduction targets.

The Authority is not immune to these pressures. We are at an inflection point, poised to take the leap in capacity and capability to respond to changes required to reach an increasingly renewable based system and a net zero carbon future. Capacity and capability are a key focus for me this year.

We no longer have the benefit of time or a steady environment in which to develop and implement incremental reform. As an organisation we have experienced little growth since we were established in 2010. To support the necessary leap in capacity and capability the Authority has requested an uplift in baseline funding and is currently under review by our monitoring agency, the Ministry of Business, Innovation and Employment to better understand current cost pressures and future funding needs. The outcome of this review will inform our levy consultation for 2024/25 later this year and may impact the activities in this plan and intended progress.



Building capacity and capability is the necessary foundation to deliver against my other two key priorities – reputation and engagement, and strategy. I am focused on making sure we attract and retain talent, as well as diversify our skills set. Professional development is a critical element of my internal focus – supporting our people to better understand the industry; know how to develop and deliver rules in a more agile way that leverages industry expertise; understand our dual role as rule maker and rule enforcer; continue to develop our contract management capability and be more proactive and creative in our communications and engagement.

We must find ways to work more closely with the sector to address the short, medium and long-term challenges. We need to better understand the practicalities of the system to develop rules that can be implemented and will have the intended positive impact for New Zealanders. There are several new and emerging issues we need to work through with others from the beginning to understand the extent of the challenge; identify options and agree on solutions.

This year we will trial different ways of developing policy and rules so we can move more quickly, more collaboratively and be more action oriented.

Thinking ahead and being more strategic about what we work on, when and how is front of mind for me. The Authority has a critical role in the transition to a low emissions future and it's essential we are focused on the right work at the right time. The execution of strategy is just as important as the strategy itself – this also goes to the heart of reputation.

Working towards our strategic ambitions

We reset our organisational strategy in 2020 with the drivers for change then still present and pressing – uncertainty; rapidly developing technology; changing consumer expectations; climate change and resilience. We set five strategic ambitions through a collaborative process with industry that describe success and how the electricity industry can make a difference. They are intentionally high level and ambitious – trust and confidence, consumer centricity, low-emissions energy, thriving competition, innovation flourishing.

The three limbs in our main statutory objective – competition, reliability and efficiency – are implicit across all five ambitions. Consumers are at the centre of everything we do and with the additional objective, the Authority has an explicit responsibility for protecting small household and business consumers. The low-emissions energy ambition has become the lens through which we view most of our activities with a focus on how we support the transition at least cost to consumers.

The activities in our annual plan seek to deliver against our statutory objectives and the five strategic ambitions. The plan includes key regulatory projects as well as our own organisational development to make sure we deliver against all expectations of the regulator. Like our operating environment, this plan needs to have a bit of flex to respond to new and competing priorities. We may need to make changes, but any amendments will be communicated well in advance and an updated plan published on our website.

Everything in this plan seeks to benefit the people of New Zealand. We will continue to keep consumers front and centre of our decisions as we continue to navigate change alongside the industry.

Noho ora mai,



Sarah Gillies
Chief Executive

29 June 2023

Our strategic ambitions

The Authority's strategy focuses on five strategic ambitions for the sector. The ambitions provide focus in both the pursuit of our statutory objective and our purpose – making sure we take well considered and deliberate action on behalf of New Zealand consumers.



Low-emissions energy

We are focused on unlocking the potential for more renewable generation. We work hard maintaining, developing and implementing market rules that give investors confidence and signal where additional generation is required. We need to promote a stable investment environment with robust roles and clear price signals. This will ensure the transition is as efficient as possible while maintaining energy security, system adaptability, and affordable electricity for consumers.



Thriving competition

We encourage participation and reinforce competition in traditional and emerging markets by putting in place the mechanisms needed to maintain a level playing field. Our regulatory environment needs to enable participants to better manage risks and provide consumers value for money through a growing range of innovative products, services, and opportunities to participate.



Consumer centricity

We create long-term benefits for consumers through development of market-oriented solutions to place downward pressure on price, embrace new technology and enhance consumers' choice of plans, packages, and retailers.



Innovation flourishing

We help unlock the full benefits of innovation for consumers by making sure the settings are conducive to innovation and industry success. This demands a proactive, agile, and forward-looking regulatory approach to match the pace of change and help innovation flourish.



Trust and confidence

We seek to actively build trust and confidence in the industry and regulation through greater transparency, understanding and improved behaviours. Consumers expect participants to be held to account to rules designed to provide long-term benefit. Participants require a stable investment framework and regulatory environment to enable decision making that will deliver further benefit to consumers.

Strategy at a glance

Statutory objectives

To promote **competition in, reliable supply by, and the efficient operation of**, the electricity industry for the long-term benefit of consumers.

And, to **protect the interests of small consumers**, in relation to the supply of electricity to those consumers.



Purpose

Enhance New Zealanders' lives, prosperity and environment through electricity.



Strategic ambitions



Low-emissions energy



Thriving competition



Innovation flourishing



Strategic impacts

Electrification is a key enabler in the transition to a low-emissions economy.

Market competition is a key enabler to deliver a better energy future – driving progress, affordability, efficiency and valuable outcomes for New Zealand.

Evolution of the electricity system will be achieved through innovation and disruption, with both participants and the Authority thinking beyond the status quo.



Consumer centrality

When decision-making is centred around consumer outcomes more diverse needs can be met, and expectations exceeded.



Trust and confidence

High levels of trust and confidence drive action, acceptance, and reduce intervention.

Our plan

Our planned activities for 2023/24 can be categorised into five broad themes:

- System security and resilience
- Enabling investment and innovation
- Consumer protection
- Monitoring, compliance, education and enforcement
- Building trust and confidence through improved capability, transparency and engagement.

Linking our planned activities to our strategic ambitions

Each year, as part of our prioritisation of activities, we consider how each activity aligns with our strategic ambitions, and the impacts we want to have (see 'Strategy at a glance' on previous page).

The transition to low-emissions energy is a critical focus for our work in 2023/24, and the bulk of our activities sit under themes that directly link to this ambition. However, our strategic ambitions do not exist in isolation of each other – they are interconnected, and progress towards one ambition can also drive progress on another.

Inputs into this plan

The *Annual Corporate Plan* for 2023/24 has been informed by:

- our strategic framework, and the activities that will help deliver our strategic ambitions
- our key market development activities
- submissions we received on the consultation for our 2022/23 and 2023/24 levy-funded appropriations
- responses we received in our annual surveys
- ministerial expectations outlined in the annual letter of expectations from the Minister of Energy and Resources for 2023/24 and the 2019 enduring letter of expectations for Crown entities.

It should also be read alongside our:

- *Statement of Intent 2021-2025*, which outlines our long-term strategic intentions for the period of 1 July 2021 to 30 June 2025.¹
- *Statement of Performance Expectations 2023/24*, which outlines our forecast financial statements and business-as-usual functions for the 2023/24 year.²

¹ Our *Statement of Intent* was originally published in June 2021, and subsequently amended in June 2023 following the introduction of the additional statutory objective to protect the interests of small electricity consumers. It is available on our website here: www.ea.govt.nz/about-us/corporate-documents

² www.ea.govt.nz/about-us/corporate-documents

Working with the government and our Minister

The Authority is an independent Crown entity. Our independence is valuable for promoting high-performing electricity markets – reducing the risk of intervention and increasing predictability in the way regulatory regimes operate. This is important for the electricity sector, which is technically complex and relies on long-lived capital-intensive investments.

While this means we give advice, we are attuned to the external environment in which we operate and the Government's priorities. Our work needs to meet the requirements of legislation and best practice guidance provided by central agencies, the Office of the Controller and Auditor-General and Audit New Zealand.

We operate in accordance with no surprises and provide briefings on key projects to our monitoring agency, the Ministry of Business, Innovation and Employment and the Minister of Energy and Resources.

During the year we also provide advice and insights to the Minister, including updates on current market conditions. An example of this is advice on the Section 44B backstop regulation powers, how the Electricity Industry Participation Code 2010 (Code) addresses this power, and how the power furthers the Authority's statutory objectives.

Reporting progress against our activities

We report on the progress against our *Annual Corporate Plan* activities every four months and publish these reports on our website.

In line with our *Statement of Performance Expectations*, we also measure how many planned activities that promote market development achieve published annual outcomes. In this *Annual Corporate Plan*, we have identified the activities which are in scope for this measure (ie, the activities intended to promote market development). We report the results of this measure each year in our *Annual Report*.

System security and resilience

Electrification is critical to moving New Zealand to a low carbon economy. Alongside industry and other agencies, we have a key role to support decarbonisation of the sector as quickly as possible to support the rest of New Zealand to decarbonise, while maintaining overall system security and resilience.

This requires making sure the rules enable innovation and investment in generation while ensuring a reliable electricity system during the transition. We are working on programmes of work that seek to prepare us for the future, keep up with transformation and strengthen regulatory settings across the system to incentivise investment, competition, and the right market behaviours.

Moving to an increasingly renewable electricity supply will have major implications for future security and resilience of the power system in (or close to) real time. This is the focus of the Authority’s future security and resilience work programme

– a key initiative expected to run for several years and have very significant long-term implications.

In 2023/24 we will continue to focus on the distribution sector – looking at how the regulatory settings for distribution networks can better support the transition and progressing our work on distribution pricing reform (which is discussed under “Enabling Investment and Innovation” below).

We will also continue our work to ensure electricity supply remains secure and reliable through times of peak demand, such as those anticipated in winter months, and that the grid is resilient in the long-term. This includes working with industry on options to ensure there is an orderly retirement of thermal generation.

Importantly, we will continue to focus on immediate issues including ongoing preparation for winter peaks.

Planned activities

Activity area	Annual focus	2023/24 outcomes
Future security and resilience work programme* Ensuring New Zealand’s power system remains stable, secure and resilient as it evolves over the coming decades.	Future security and resilience phase 3 year 2 Review Part 8 of the Code to ensure relevance for new technology, including identification of the standards new technology needs to meet to support the reliability of the power system.	Preferred options are identified, and consultation on the proposed options is underway by June 2024.
	Future system operation year 1 Year one of a multi-year workstream. Review issues and opportunities with the current system operations that will need to be managed given expected changes to the electricity system.	Publish a discussion paper considering NZ’s current state of system operations and the challenges that could evolve by October, with key issues and options identified by June 2024.

Activity area	Annual focus	2023/24 outcomes
<p>Distribution networks regulatory reform*</p> <p>Improving competition and innovation on distribution networks to support a low-emissions economy.</p>	<ul style="list-style-type: none"> • Work with the sector to identify and triage the priorities that matter most. • Undertake action on key priorities. For example, further analysis of issues, identification of options to address the issues, Code amendments (where required). 	<p>Consultation on options to address key priorities by end of 2023.</p> <p>Initial decisions made by June 2024.</p>
<p>Managing peak winter electricity demand*</p> <p>Improving the reliability of New Zealand's electricity supply by ensuring there is enough electricity at times of increased demand.</p>	<ul style="list-style-type: none"> • Review the options implemented for winter 2023. • Identify which, if any, options need to be made permanent for winter 2024. • Identify further enhancements required to manage peak demand periods. 	<p>A package of preferred options is identified and ready to implement for winter 2024.</p>
<p>Extended reserves implementation*</p> <p>Supporting increased flexibility and resilience in the electricity system.</p>	<p>Support the system operator's work with distributors to complete the management and coordination plan for the transition to the 4-block AUFLS scheme, with transition implementation underway.</p>	<p>System operator transition plans with North Island EDBs finalised by December 2023.</p> <p>Physical transition of assets started by early 2024.</p>
<p>Ensuring an orderly thermal transition*</p> <p>Investigating the implications of major thermal retirement decisions.</p>	<p>Consider options to mitigate the potential risks associated with thermal retirement.</p>	<p>Consultation with industry complete and identification of whether regulatory changes are required and implementation if required.</p> <p>Consultation on risk and potential options complete by July 2023, with further consultation on specific proposals underway in early 2024 (if required).</p>

*For the purposes of our SPE, this activity area is considered to promote market development.

Enabling investment and innovation

The power system will continue to transform as new technology is introduced and existing technology retires. We are regulating to keep up with the transition to low-emissions energy while ensuring electricity markets remain competitive, reliable and efficient.

This year we will prioritise and implement recommendations from recent reviews, such as our wholesale market competition review and the Market Development Advisory Group’s (MDAG) review into pricing in a renewables-based system.

Sending the right price signals is critical for an affordable and reliable electricity supply. The current and future electricity prices help investors make decisions about where and when to invest in renewable energy sources. This investment is critical to decarbonising the New Zealand economy.

The Authority continues to progress projects focused on ensuring price signals promote investment in the right place at the right time. We will continue to support the implementation of the new transmission pricing methodology and we will progress our work on distribution pricing reform.

Our work will also support an uptake of new technologies for more dynamic management of the power system – promoting demand-side participation so that industry participants can make consumption decisions in real time; and improving the forecasting arrangements for intermittent generation that is dependent on weather conditions, such as wind and solar.

Active monitoring of the system and industry behaviour will continue to be a key focus as we seek to publish more information in the interests of transparency and education.

Planned activities

Activity area	Annual focus	2023/24 outcomes
<p>Managing the transition*</p> <p>Supporting the wholesale electricity market to develop through the transition, including addressing recommendations from recent reviews to ensure competition in electricity markets while the system transitions to low-emissions energy.</p>	<p>Review the recommendations made across the wholesale market competition review, the MDAG price discovery in a renewables-based electricity system and other recent reports to identify a prioritisation approach to support the development of the wholesale market during the transition.</p> <p>Deliver on high priority enabling initiatives as part of this work, including supporting the delivery of the final MDAG report, financial transmission rights (FTR) conduct measures, supporting commercial market making and ‘over-the-counter’ (OTC) market facilitation.</p>	<p>A future wholesale market workplan is in place by the end of 2023.</p> <p>Key initiatives include:</p> <ul style="list-style-type: none"> • Final MDAG report delivered by the end of 2023. • Public consultation on FTR market conduct settings by October 2023 and decisions on any changes made by the end of 2023. • Further OTC market facilitation support scoped and in place by October 2023.

Activity area	Annual focus	2023/24 outcomes
<p>Increased monitoring of market activities and outcomes*</p> <p>Proactively monitoring market activities to ensure the market is appropriately responding to challenges.</p>	<p>Undertake a repeat of the generation investment study to ensure proposed projects are being converted into actual generation at a rate that supports the transition to a renewable electricity system.</p>	<p>Generation investment study intended to be completed by the end of December 2023. Next steps to be confirmed, dependent on results.</p>
<p>Ancillary services review*</p> <p>Enabling greater uptake of new technologies to support dynamic management of the power system.</p>	<ul style="list-style-type: none"> • Review of cost allocation to reflect changing power system conditions as we transition to a low-carbon energy system. • Review system operator Principal Performance Obligations (PPO) as they relate to procurement of ancillary services. • Stand-by ancillary service development to consider an hours-ahead ancillary service to firm up resource variability. 	<ul style="list-style-type: none"> • Consultation on cost allocation issues and options by end of December 2023. Decisions to follow by the end of June 2024. • Consultation on the PPO issues by the end of March 2024. • Identification of issues, with consultation by the end of March 2024.
<p>Promote demand-side responses*</p> <p>Enabling growth of intermittent generation and realising the benefits of real-time pricing.</p>	<p>Promote demand responses to support increased use of real-time pricing and enable demand-side participants to make decisions on their consumption in times of short supply or high demand.</p>	<p>Develop measures to promote demand-side response in the wholesale market.</p> <p>Consult on Dispatch notification enhancement issues and options by September 2023, with a decision to follow by December 2023.</p> <p>Ongoing engagement and support for implementation of demand-side responses.</p>
<p>Review of forecasting arrangements for intermittent generators*</p> <p>Improving the accuracy of forecasts to provide certainty for generation and consumption decisions.</p>	<p>Identify and implement improved forecasting of intermittent generation, in relation to wind generation.</p> <p>Consider potential options relating to centralised forecasting, including procurement of a third-party service provider if required.</p>	<p>Consultation on preferred option for forecasting arrangements is completed and a decision is made by June 2024.</p> <p>Procurement processes completed (if required).</p>

Activity area	Annual focus	2023/24 outcomes
<p>Distribution pricing reform and scorecards*</p> <p>Improving the efficiency of distribution pricing structures across NZ.</p>	<ul style="list-style-type: none"> Scorecard assessments for pricing year 1 April 2022 – 31 March 2023 to inform an evidence base for distribution pricing reform. Identify and progress measures to drive targeted regulatory reform of distribution pricing, including reviewing connection charging approaches, such as for public EV chargers. Progress relevant Code amendments as required. 	<ul style="list-style-type: none"> Complete scorecards for pricing year ending 31 March 2023, with final scorecards published by December 2023. Consult on identified issues, with consultation on first tranche of proposed Code amendments by December 2023. Decision made for first tranche of reform measures by June 2024. Consultation on second tranche by June 2024.
<p>Distributed generation connection*</p> <p>Promoting efficient investment in distributed generation.</p>	<p>Carry out a limited review of Part 6 of the Code to ensure the relevant rules promote efficient investment in distributed generation.</p>	<p>Identify and consult on options to address identified issues within Part 6 by June 2024.</p>
<p>Price signals*</p> <p>Improving the efficiency of transmission pricing to send better signals to consumers about the cost of using the grid and promote more efficient investment.</p>	<p>TPM and SRAM implementation</p> <ul style="list-style-type: none"> Proposed Code amendments to the benchmark agreement on funding SRAM implementation. Carry out technical amendments to ensure the ongoing workability of TPM as required. Progress continued improvements to the availability of behind-the-meter data. 	<ul style="list-style-type: none"> Decision on Code amendments to the benchmark agreement on funding SRAM implementation by September 2023. Decision on TPM technical amendments, as required, by September 2023. Identify and consult on options for improving data availability by March 2024.

* For the purposes of our SPE, this activity area is considered to promote market development.

Consumer protection

The Authority regulates for the long-term benefit of consumers. Our focus is on positive consumer outcomes. With changes to the Electricity Industry Act in 2022, the Authority now has an additional statutory objective to protect the interests of domestic and small business consumers in relation of the electricity supply to those consumers and a related additional function. These changes bolster the Authority’s role to act in this important space.

In 2023/24 we will undertake more work to deliver against this objective. We will strengthen and improve protections

for consumers and small businesses through the review of the Consumer Care guidelines. This work will take into consideration recommendations from the Energy Hardship Panel, as well as feedback from industry and consumer groups and work alongside the Consumer Advocacy Council.

We will increase our collection and monitoring of retail market data, including monitoring of competitiveness and consumer protection in the retail sector. This will include monitoring the conduct of retailers towards vulnerable and medically dependent consumers.

Planned activities

ACTIVITY AREA	ANNUAL FOCUS	2023/24 OUTCOMES
<p>Consumer care reform*</p> <p>Undertaking steps to ensure consumer interests are protected in their dealings with their retailers.</p>	<p>Continue the review of the Consumer Care guidelines, addressing key issues around alignment with the guidelines (consulting and implementing changes, if any), incorporating recommendations from the Energy Hardship Panel, and considering small businesses and the impact of the guidelines on them.</p>	<p>Consultation on updating and strengthening the Consumer Care Guidelines released in September 2023.</p> <p>Decisions made regarding any changes and implementation under way in early 2024.</p>
<p>Retail competition monitoring*</p> <p>Monitoring electricity retailers for competition and conduct.</p>	<p>Broaden scope of our monitoring to include a new set of data on the retail market. The draft data set will allow us to understand prices and usage patterns in the retail market to a degree we have not been able to before. This in turn will help us set an evidence-based work programme.</p>	<p>Planning is underway to collect a new retail dataset. Subject to this work being approved, subsequent steps will follow.</p>

*For the purposes of our SPE, this activity area is considered to promote market development.

Monitoring, compliance, education and enforcement

We will promote a stable regulatory environment, building on our compliance function with education, monitoring, intervention, and enforcement; strengthening data disclosures obligations, and our own information and data governance, to support evidence-based decision making.

Planned activities

ACTIVITY AREA	ANNUAL FOCUS	2023/24 OUTCOMES
<p>Hedge market disclosure obligations*</p> <p>Ensuring data disclosure supports evidence-based policy decisions.</p>	<p>Review and enhance the risk management disclosure obligations to meet current and future needs and best practice data management. Improving the hedge disclosure data will mean we are better able to monitor the over-the-counter part of the contract market. This is consistent with the increased importance of this market and the Authority's ongoing work developing a code of conduct with the industry for this market.</p>	<p>Consultation on options to improve hedge disclosure obligations underway by July 2023.</p> <p>Further consultation on a package of preferred options in underway in early 2024.</p>
<p>Increasing regulatory compliance*</p> <p>Ensuring confidence in the Authority's role as regulator, through education, monitoring, intervention, and enforcement.</p>	<ul style="list-style-type: none"> • Drive more timely and robust decision-making on enforcement cases through process improvements and raising capability. • Publish recent case studies and reports to industry on trends and outcomes from compliance processes. • Establish a compliance education programme. 	<p>The Authority's compliance education programme is established to implement the VADE compliance operating model.</p>

ACTIVITY AREA	ANNUAL FOCUS	2023/24 OUTCOMES
<p>Data transparency, insights and automation</p> <p>Continuously improving the availability of data and information to deliver sophisticated and transparent insights in a timely manner.</p>	<p>Strengthening information and data governance</p> <ul style="list-style-type: none"> Formalise an information governance group to support management and staff activities and updating information management and security policies and procedures. Enhance the Authority's ICT security risk management framework to provide assurance that ICT security practices are within the bounds of acceptable risks. 	<ul style="list-style-type: none"> A formal governance group is in place and internal policies are reviewed and updated by September 2023. The ICT security risk management framework is updated and implemented by the end of 2023.
	<p>Continued cost optimisation and process improvements</p> <ul style="list-style-type: none"> Introduce Databricks Unity Catalogue to improve Authority staff access to data and insights that supports evidence-based policy analysis, compliance and monitoring activities. Continue enhancing the suite of cloud-based business applications in line with recent updates. 	<ul style="list-style-type: none"> A Unity Catalogue within our Azure Databricks environment is adopted by end of 2023. A cloud-based audit portal will be built to replace the Retail Audit Database by 30 June 2024.

*For the purposes of our SPE, this activity area is considered to promote market development.

Building trust and confidence through improved capability, transparency and engagement

We will focus on building the Authority’s capability and capacity to support delivery of our critical programme of work. This also responds to requests from stakeholders for increased transparency, certainty, engagement and practical

approaches and solutions to regulatory issues. We have committed to continuous improvement to ensure we can meet increased expectations from industry, from Government and from all consumers.

Planned activities

Activity area	Annual focus	2023/24 outcomes
<p>Talent management</p> <p>Ensuring we have the right capabilities to deliver against expectations.</p>	<p>Recruitment, retention, and professional development of our people, including:</p> <ul style="list-style-type: none"> complete recruitment of the senior leadership team update professional development plans (PDP) to align with key activities and strategic ambitions continue to implement leadership development and wellbeing programmes, including our behaviours and values. 	<ul style="list-style-type: none"> The full senior leadership team is onboarded. PDP templates document organisational priorities. Staff development programmes for leadership and organisational behaviours are underway and embedded in all practices.
<p>Robust decision making</p> <p>Continuing to improve our processes and practices to support robust, well-informed decision making.</p>	<p>Increase transparency and predictability of policy development including:</p> <ul style="list-style-type: none"> better use of industry expertise early and often more engagement with diverse voices including residential and small business consumers. 	<ul style="list-style-type: none"> Consistency in our external documents is improved. Develop and trial different approaches to engagement, including quarterly consultation calendars. New advisory group established by the end of 2023.
<p>Education</p> <p>Continuing to raise the awareness and understanding of the industry, the regulator and the role of the market.</p>	<p>Support an increased awareness and understanding of the electricity industry including education for all consumers, and Authority staff.</p>	<ul style="list-style-type: none"> Industry education training for all staff in place by end of 2023. Internal education programme supporting understanding of legislative environment and regulatory best practice in place by early 2024. Increased insights, educational content and facts published and communicated through the Authority digital channels.

Activity area	Annual focus	2023/24 outcomes
<p>Partnerships</p> <p>Continuously improving how we work with other organisations towards mutual goals.</p>	<p>Working more closely with other relevant agencies and regulators to share information, provide advice, avoid duplication, and share practice.</p> <ul style="list-style-type: none"> • Support increased collaboration across the Council of Energy Regulators. • Work closely with MBIE officials and provide input and advice on the development of the energy strategy. • Work together with the Commerce Commission to support improved regulation of electricity distribution business. 	<ul style="list-style-type: none"> • Regular attendance at Council of Energy Regulators, increased collaboration and reduced duplication. • Authority works closely with MBIE officials and provides input and advice on the development of the energy strategy. • The Authority and the Commerce Commission work together to support improved regulation of electricity distribution businesses.
<p>Commercial contract management*</p> <p>Ongoing focus on our major contracts, including management of our market operation service providers.</p>	<p>Ongoing focus on management of key contracts including with the system operator, NZX, Jade, and Consumer NZ.</p>	<ul style="list-style-type: none"> • Improved contract management: <ul style="list-style-type: none"> • Supplier risk register in place by end of October 2023 • Standardisation of templates and supplier reporting to the Authority by end of April 2024 • Enhanced reporting to the Authority's Board by end of April 2024. • Procurement of a commercial market maker and FTR manager with contracts in place for the period commencing 1 July 2024.

*For the purposes of our SPE, this activity area is considered to promote market development.

