



Relationship charter – Electricity Authority and Transpower

Me mahi tahi tātou mō te oranga te katoa We should work together for the wellbeing of everyone

Purpose

This charter describes our commitment to a productive and collegial relationship while acknowledging the distinct roles of each organisation. It specifies the guiding principles for kaimahi interactions across the organisation at all levels and reinforces the positive impact we can have collectively for the sector, for consumers and for the country.

The parties acknowledge that nothing in this charter affects the parties' obligations under law.

Context

The Electricity Authority's roles and objectives, and Transpower's role as the System Operator service provider, are set out in the Electricity Industry Act 2010. Transpower as the system operator also has obligations under the Electricity Industry Participation Code 2010 and the System Operator Service Agreement.

Transpower as Grid Owner also has legislative obligations.

While we have other roles and responsibilities, our relationship includes 3 main interactions: through contract management; market policy and operations; and compliance.

While an important part of The Electricity Authority and Transpower relationship is the contracted system operator service, we also share a key goal of promoting a competitive, reliable and efficient electricity industry. Our common interests extend beyond system operation to the future of the national grid and the critical role both organisations have in the transition to a low emissions future as we support the decarbonisation of the industry to enable the country to meet its net zero carbon 2050 target.

Central to this focus is ensuring a secure and reliable system now and into the future.

Navigating the different engagement modes for the different interactions

There will be some variety in our engagement modes depending on the relevant interaction. Our teams need to understand and be comfortable navigating these different ways of engaging.

- Collaborative: co-working with industry in response to new or unforeseen issues
- Partnership: working together, and with participants and consumers, on a shared interest
- Authoritative: a neutral approach in which the Electricity Authority discharges its responsibility as the regulator and takes an authoritative and objective position

Guiding principles

Our relationship is underpinned by principles that reflect our commitment to a constructive and productive working relationship that supports increased trust and confidence in the electricity sector.

- The foundation of our relationship is mutual trust.
- We will be professional and respectful allowing different positions on issues, not people.
- We will be honest and open-minded in our interactions.
- We will be transparent and operate a no surprises approach to the extent possible given parties' other legal obligations.
- We will seek to resolve issues between ourselves, using escalation as appropriate and communicating clearly between us to reach resolution.
- We will support all kaimahi with information about our roles and the importance of our relationship including clear expectations of the different interactions across the three key relationship areas.
- We will use our collective expertise to work together to achieve sound and positive outcomes.

Implementing the relationship charter

The success of this charter relies on its communication and implementation across both organisations, at all levels. We commit to the following activities to ensure its success:

- We will use our induction processes and internal channels to educate kaimahi about our relationship; our key interactions; our distinct roles and our commitment to working together on behalf of the system and New Zealanders.
- We will publish this charter on internal and external channels to support wide understanding of our commitment as well as the opportunity for kaimahi, sector and the public to hold us to account.
- The relationship will be actively maintained through regular meetings with key personnel across contract management, market policy and operations, and compliance.
- We will seek opportunities to collaborate and communicate externally on current and emerging issues.
- We will develop and implement agreed working protocols where appropriate, for example, crisis communications.
- Our leadership teams will meet at least once a year to:
 - o measure our performance against the commitments set out in the charter and
 - o discuss opportunities in the years ahead to work together to support a reliable and efficient electricity industry in the future.

Alison Andrew Chief Executive Transpower

Sarah Gillies Chief Executive Electricity Authority

Date: 09 October 2023