

ACTION LIST

The following are the current SRC actions for completion.

Action	Date for completion	Status
Secretariat to action member suggestions about the risk radar table layout and provide to members in advance of the next meeting for further discussion	February-25	Completed. The secretariat has included a proposed table for member feedback (appendix 2 for item #7 – risk radar)
Secretariat to arrange presentations informing on the theme of regional resilience	February-25	Completed
Secretariat to prepare a base Q1 agenda and work with the Chair to scope options for Q1-3 2025	February-25	In progress. The secretariat presents for member discussion, development and refinement, proposed options for Q2-4 2025.

1. Updates

This section provides information on matters that do not warrant a dedicated agenda item, such as articles relevant to the meeting's theme, updates on recent matters relevant to security and reliability that have previously been discussed by the SRC or published by the Authority.

For some of the articles, the secretariat has noted some key points members may wish to focus on.

1.1 From the Authority

- 1.1.1 Members have asked for information about other Authority workstreams, relevant to the SRC's functions.

Authority News and Projects

- 1.1.2 This link is to the Authority's news page, where Market Brief and other announcements are directed to, for further information:

<https://www.ea.govt.nz/news/>.

- 1.1.3 This link is to the Authority's projects page, where each project has its own sub-page, including any consultation or decision papers:

<https://www.ea.govt.nz/projects/all/>.

Update on Northland Tower Collapse

- 1.1.4 The Northland tower collapse report was released on 25 September 2024 following the review conducted by the Authority as requested by the Minister for Energy under section 18 of the Electricity Industry Act 2010 (the report).
- 1.1.5 The [full copy of the report](#) is available. For guidance in reading, the list of recommendations is set out on pages 15-18 of the report.
- 1.1.6 The report found that the transmission tower's collapse could have been prevented, had better systems and processes been in place. The aim of the report was to understand what went wrong, and to identify gaps in the system that allowed such an event to occur. Ultimately, we wanted to ensure that lessons were learnt, and

recommendations made which, when implemented, would mitigate the risk of similar events happening in the future. The review highlighted the critical role that distributed generation played in restoring power to Northland, emphasising the importance of regional resilience, not just in Northland, but throughout New Zealand. It also recognised the excellent co-operation among industry participants and other parties to ensure that power was restored as quickly as possible.

1.1.7 The report contained 25 recommendations, some of which are specific to the circumstances of the Northland event and the underlying causes and factors that contributed to the tower collapse, while other recommendations take a more system-wide approach and are intended to prevent other incidents in the future and strengthen regional resilience. The recommendations in the report are grouped into the following categories:

- recommendations to improve regional resilience (EA R1 – EA R4)
- recommendations relating to industry regulation to improve regional resilience and support the Authority's functions (EA R5 – EA R8)
- recommendations to improve processes for maintenance work for baseplate refurbishment (EA R9 – EA R15)
- recommendations relating to the service providers training and supervision policies and procedures (EA R16 – EA R18)
- recommendations to improve grid maintenance contracting arrangements and assurance processes (EA R19 – EA R24).

1.1.8 The report outlined 19 recommendations for Transpower, and the Authority is actively monitoring its progress in implementing them, following an agreed upon process. Where Transpower considers that it has addressed a recommendation, it submits supporting documentation for our review. The Authority evaluates this information and holds monthly meetings with Transpower to discuss any concerns, seek further information on any recommendation, and review progress for the remaining recommendations. Transpower is making good progress, and a significant amount of work has been undertaken.

1.1.9 After reviewing documentation provided by Transpower, the Authority has confirmed three of the 19 recommendations for Transpower as complete; EA R9, EA R12 and EA R25.

1.1.10 EA R9 required Transpower to revise its technical specifications for baseplate refurbishment to include a process for removal of hold down nuts, and ensure they adequately identify all other risks and appropriate controls for baseplate refurbishment. Transpower has updated its technical specifications, drawings and quality assurance documentation. This documentation has been reviewed by the Authority and the updates confirmed.

1.1.11 EA R12 recommended the Grid Skills training for foundation work be revised and updated to address the existing gaps in relation to the risks of, and process for, removal of hold down nuts from tower foundation baseplates, and ensure all other risks and critical elements for baseplate refurbishment are covered. The Grid Skills Foundation course material has been revised based on changes to the technical specifications and drawings, and reviewed by a number of Transpower's subject matter experts to ensure all relevant risks are addressed.

1.1.12 EA R25 recommended Transpower provide the Authority with a plan of action to implement each of the relevant recommendations in the report. This has been

provided to us and updated regularly. Transpower is also providing monthly updates on its progress against the recommendations on its website [here](#).

- 1.1.13 If members have questions or seek further information they are welcome to raise this through the secretariat: SRC.Secretariat@ea.govt.nz.

Industry exercise 2025

- 1.1.14 The Authority and system operator are continuing to work collaboratively towards delivery of the industry exercise. This year's exercise will be held on 9 April (preceded by two webinars in March to help build capability ahead of the industry exercise).
- 1.1.15 Rolling outages is the scenario being tested this year, with the objective that distributors, direct connects and retailers build capability and understanding of responsibilities and communication roles. The aim is to provide a safe space to practice communications, make mistakes and refine a process never used in practice.
- 1.1.16 The Authority and system operator staff are hosting a one-day workshop on 27 February dedicated to communications planning for Official Conservation Campaigns (OCC) and rolling outages. This is not strictly part of the industry exercise but is part of the industry education about the link between an OCC and rolling outages.
- 1.1.17 Additional information about this year's exercise is available [here](#).

Power Innovation Pathway

- 1.1.18 As noted at the SRC's last meeting, on 17 September 2024 the Authority opened its power innovation pathway - an *'open front door' for innovators wanting easy access to regulatory information and support to bring fresh ideas to market faster*.
- 1.1.19 To support the regional resilience theme the secretariat has included time in the agenda for this meeting to hear updates about the Authority's Power Innovation Pathway (Item#10). Authority staff leading this work will present and be available for questions.
- 1.1.20 Further information about the pathway is available [here](#).

SRC member thoughts on this section

- 1.1.21 The above section and links give an indication of Authority work underway or proposed. The secretariat would like member views on how best to include general information for SRC members that supports greater understanding of the Authority's workstreams and areas of focus in a digestible format. Members should already receive Market Brief notices and have access to Energy News articles, where this information is often included.

1.2 Demand response

- 1.2.1 As members will be aware, there is significant focus on demand response across the sector to address capacity constraints and support the transition to a low emissions future.
- 1.2.2 Many of you will have seen the recent paper, entitled *Gaps, barriers and solutions to demand response participation in wholesale markets* from the Energy Systems Integration Group (ESIG) established in the USA.

- 1.2.3 While not essential for the February meeting, we include a link below to the paper on this important area: [Demand Response in Wholesale Markets - ESIG](#)
- 1.2.4 The SRC has asked the secretariat to include demand-side management in the agenda for its Q2 meeting, for which the above paper provides an international perspective and an early opportunity for members to consider the issues and how they may apply in the New Zealand context.
- 1.2.5 As noted in the paper for item #11 at this meeting, members are asked to consider further topics, points of inquiry and specific questions to help inform on this topic.

1.3 Winter developments

- 1.3.1 The SRC has asked the secretariat to include *winter developments* as a standing item at each meeting. We will include updates and articles from the sector here, giving members an opportunity to raise issues and give further guidance about content.
- 1.3.2 At the February meeting, the Authority's monitoring team will present up-to-date material on areas of risk and proposed actions to address capacity and energy issues, as we near the end of summer.
- 1.3.3 Please click this link for further information and links:
<https://www.ea.govt.nz/projects/all/managing-peak-electricity-demand/>

1.4 Outage coordination

- 1.4.1 The secretariat included a paper on outage coordination in the SRC's October 2024 meeting pack to support the SRC's understanding of current state, ahead of changes the Authority proposes to the outage coordination rules.
- 1.4.2 The proposed amendments aim to strengthen coordination of asset outages to better support security of supply. The amendment will also strengthen industry and consumer confidence that resources are being effectively managed and coordinated to ensure security of supply to consumers.
- 1.4.3 On 3 December 2024, following consultation, the Authority published its decision paper on strengthening coordination of asset outages, through the following measures:
- **Expanding existing rules:** Clarifying that existing outage coordination rules for planned outages also apply for capacity reductions and unplanned outages (where appropriate).
 - **Transmission grid owner responsibilities:** Requiring the transmission grid owner to disclose all their asset outages.
 - **Minimum notification requirements for other asset owners:**
 - **Distribution network owners** must disclose outages of assets that connect directly to the transmission grid.
 - **Intermittent generators** that offer into the wholesale market must disclose all outages resulting in a loss of generation capacity of 10 MW or more.

- **All other generators that offer into the market and grid connected loads** must disclose all outages resulting in a capacity reduction meeting the thresholds for updating bids and offers in the market.
- **Impact assessment on system security:** Requiring these asset owners to notify any further outages if they consider the outage may impact system security or security of supply. If uncertain, the asset owner must consult the system operator.
- **Standardised disclosure:**
 - Requiring that outages are disclosed in a manner and form reasonably specified by the system operator.
 - Clarifying the timing requirements for providing notice, including to make it clear that asset owners can give more than 12 months' notice of an outage.

1.4.4 A copy of the Authority's decision paper is available via the following link: [Authority acts fast to improve the rules on outage coordination | Electricity Authority](#). These amendments came into effect on 1 January 2025.

1.4.5 The secretariat recommends members review the decision paper for further information about how the Authority addressed feedback in its final decision.

1.5 System operator annual review of performance

1.5.1 The SRC gave its views of system operator performance (2023/24 period) as part of its October letter of advice to the Authority. Authority staff incorporated views from both the SRC and the Authority's Market Operations Committee (MOC) in the report for the Authority Board's December 2024 meeting.

1.5.2 The Authority has now published its final review and assessment, which is available [here](#).

1.5.3 For convenience, included below are recommendations for the system operator from the Authority's report. SRC members are invited to note any final comments they may wish to raise in the correspondence item (Agenda #5) at this meeting.

1.5.3.1 (a) *The system operator clearly demonstrates and communicates line of sight between its strategic plan and other planning and delivery artefacts such as the ICT roadmap, capex roadmap, capex plan, and business plan. The system operator should explicitly show how investment and prioritisation decisions are driven by the system operator focus areas (and any other parameters).*

1.5.3.2 (b) *The system operator tests its strategy, and particularly its strategic risks, opportunities, and focus areas with market participants. Feedback from engagement with smaller, less traditional participants and recent entrants to the market would be of particular value.*

1.5.3.3 (c) *The system operator and Authority continue to work together to refine communications issues and responsibilities for security of supply and power system Review of system operator performance 2023/24 3 events to maintain public confidence in the electricity system. This relates to communications to the industry and communications between the system operator and Authority.*

- 1.5.3.4 (d) *The system operator communicates lessons learned and improvements implemented after power system events, as well as improvements to tools (eg, dispatch from back up tools, failure to publish schedules).*
- 1.5.3.5 (e) *The system operator formally reports all issues in its tools and cybersecurity through the correct channels and includes (where appropriate and not confidential) those issues in the published monthly reports. The system operator could provide confidential issues to the Authority, as needed, through a separate appendix which would not be published.*
- 1.5.3.6 (f) *The system operator continues to improve information used in the Security of Supply Assessment where this is available (noting the system operator has the flexibility under clause 7.3(2C) of the Code to deviate from the assumptions in the Security Standards Assumptions Document).*
- 1.5.3.7 (g) *The system operator shares the results and actions of its regular critical control risk reviews with the Authority going forwards. The system operator regularly conducts reviews, but the Authority currently has no visibility of the completed reviews or resulting actions.*
- 1.5.3.8 (h) *The system operator proactively analyses, identifies, and alerts the Authority to information it needs, and from which participants, to effectively manage the electricity system.*

1.6 System operator security of supply updates

- 1.6.1 Please use this link to access the system operator's quarterly [Security of Supply Outlook](#). They note "*this document brings together a range of information that we provide on a regular basis to industry into one document to help more clearly articulate security of supply risks into 2025 for industry and other stakeholders.*"
- 1.6.2 The outlook draws from the Electricity Risk Curves (ERCs), New Zealand Generation Balance (NZGB) and the annual Security of Supply Assessment (SOSA), which members are familiar with. This brief quarterly report is recommended reading for members, covering both energy and capacity over a 12-month horizon.
- 1.6.3 Please use this link to access the latest security of supply information from the system operator: <https://www.transpower.co.nz/system-operator/about-system-operator/security-supply-and-capacity>
- 1.6.4 If members have concerns, or require further information, about the system operator security of supply updates, they can raise these with the secretariat.
- 1.6.5 This link is to the NIWA's seasonal climate outlook and associated commentary. A new edition is issued each month for the three months ahead. Scroll down and click on the latest issue: <https://niwa.co.nz/climate/seasonal-climate-outlook>

1.7 System operator weekly market movements

- 1.7.1 Link to Transpower's [Market Operations Weekly Report | Transpower](#).
- 1.7.2 In this report the system operator provides an overview and update on security of supply (energy and capacity), generation breakdown and risk curves, amongst other information.

- 1.7.3 The weekly insight included in the latest edition of the system operator's report summarises the system operator's security of supply outlook to 2025 and is recommended reading.
- 1.7.4 The secretariat recommends members sign up to receive these regularly via email and note any security or reliability risk patterns or trends, for further discussion.

1.8 New Zealand Generation Balance - NZGB

- 1.8.1 At members' request, the secretariat provides a link to the latest review in this section in the papers for each SRC meeting. The information presented here is to provide members with the latest published version and related information.
- 1.8.2 To review the latest NZGB, please use the following link: [Customer Portal - NZGB \(transpower.co.nz\)](https://transpower.co.nz/customer-portal/nzgb).
- 1.8.3 Reminder: change in NZGB monitoring that came into effect on 1 August, including improved load forecasting and better modelling of peak demand periods to aid in outage coordination. For further information, please use this link to access [Transpower's NZGB information session video](#) (click on the 2024 down-arrow link for the dropdown to access the video and slide pack).
- 1.8.4 If members have questions or need further information, they are welcome to raise this with the secretariat. If members have security and reliability concerns, it would be appropriate to raise these during item #7 (the risk radar).

1.9 Scheduled generation outages

- 1.9.1 As part of its work monitoring scheduled outages, the Authority publishes a report via its Electricity Management Information (EMI) portal – [Scheduled Generation Outages](#).

1.10 Load Duration Curves

- 1.10.1 At the SRC's request these are available via the Authority's Electricity Market Information (EMI) portal:
https://www.emi.ea.govt.nz/Wholesale/Reports/KPGKJ1?_si=v|3,s|mdo
- 1.10.2 If members have further feedback or suggestions about the data and how it is presented, they can raise these through the secretariat.

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 in the updates section?**
- Q2. Does the SRC have a preference for how information in this paper is presented?**
- Q3. What advice, if any, does the SRC wish to provide to the Authority?**