

# Steering Group

## Agenda and content

Meeting date: 9 August 2023

Shared: 7 August 2023

**FLEXFORUM** | 

# Agenda – meeting 9 August 2023

1. Welcomes and catchups
2. Procedural matters following incorporation
  - a) Commerce Act requirements
  - b) Policies and Procedures
  - c) Banking
  - d) Annual subscriptions
  - e) Monthly meeting schedule
3. Steering Group – what is our job and how do we do it
4. Budget and resources
5. Workplan Workshop – approach and structure
6. Engagement update
7. Workplan update

# 1. Welcomes and catchups

- introductions
- apologies
- confirm agenda

## 2. Procedural matters following incorporation [Policies and procedures] (1)

### Five things that need to be decided or done

1. Commerce Act requirements regarding anti-competitive conduct
2. Policies and Procedures
3. Banking
4. Annual subscriptions and requests to reduce/waive the amount
5. Monthly meeting schedule

### 1. Managing Commerce Act requirements

- The Steering Group and FlexForum can operate within the requirements of the Commerce Act by taking the following steps:
  - **Know your obligations** - you should all be familiar with the requirements of the Commerce Act 1986 prohibiting anti-competitive conduct. You should not discuss commercially sensitive areas of competitive activity, including (but not limited to) relating to agreements to fix, control or maintain prices, restrict output or capacity, or allocate markets or customers
  - **Be transparent** – have an agenda and keep a written record of meetings/discussions
- this approach aligns with practice of other groups, eg, ERANZ working groups and has been discussed with the Commerce Commission (noting it does not give advice)

## 2. Procedural matters following incorporation [Policies and procedures] (2)

### 2. Decision: approve the Policies and Procedures

Policies and Procedures means the policies and procedures developed by the Steering Group from time to time. The Steering Group may make, amend or rescind Policies and Procedures

The Policies and Procedures document sets out two policies that must be approved asap

- **Annual subscription** – this policy specifies the amount of the annual subscription to be paid by Members and criteria the SG will use to reduce or waive the subscription for a Member/prospective Member. This policy must be approved before requesting Members pay the annual Membership subscription
  - SG members reviewed the draft policy in late June
  - the amounts and categories in the draft Policy have been communicated to Members leading up to incorporation
- **Process for identifying and managing conflicts of interest of Steering Group members** – this policy describes the process for....[*what it says in the title*]. This policy must be approved because the constitution [s6.15(e)] says the SG must have a process stating how conflicts of interest are identified and mitigated
  - SG members reviewed the draft policy in late June
  - Each SG member must disclose their interests to the SG Chair. A draft Steering Group member interests register to be completed by each member was shared with the meeting materials

2. Procedural matters following incorporation [Banking] (3)

3. Decision: Approve banking arrangements

## 2. Procedural matters following incorporation [Subscriptions] (4)

### 3. Decision: Approve waiving the annual subscription for University of Auckland Energy Centre, EEA and ANU BSGIP

Every Member will pay to the FlexForum an annual subscription fixed by the Steering Group. On payment of this subscription the Member will be entitled to the rights and privileges of a Member. The annual subscription will fund the functions and activities as described in the FlexForum Workplan and budget.

The amount of the annual subscription is set out in the Policies and Procedures

- \$0 for individuals who are consumers
- \$1500 for organisations with an annual turnover of \$5 million or less
- \$10,000 for organisations not in the other three categories and industry associations
- \$20,000 for the following:
  - large electricity suppliers (ie, gentailers), for example, Contact Energy, Genesis Energy, Manawa Energy, Mercury Energy, Meridian Energy and Nova Energy
  - electricity distributors with 100,000 or more individual connection points and Transpower
  - large electricity users direct connected to the transmission grid.

The subscription amount to be paid by each Member for 2023-24 is listed in the table

- requests to pay subscriptions will be sent once the bank account is open
- note: Orion Energy and Manawa Energy have pre-paid the annual subscription
- Note: subscription amounts are GST exclusive.

(requests to waive the annual subscription are discussed on the next page)

## 2. Procedural matters following incorporation [Subscriptions] (5)

### Four parties have requested the annual subscription be waived/reduced

- University of Auckland Energy Centre, EEA, ANU BSGIP and Octopus Energy
- The SG may reduce or waive the annual subscription if doing so ... is beneficial to achieving the objectives and purpose of the FlexForum AND the decision would not create an unhelpful precedent AND the party offers material in-kind support
- Membership of the SG does not qualify as an in-kind contribution

### Recommendation: approve waiving the annual subscription for UoA Energy Centre, EEA and ANU BSGIP

- UoA Energy Centre, EEA and ANU BSGIP each has committed to providing material in-kind support to assist with delivering the Flexibility Plan
- UoA and ANU BSGIP are academic institutions with significant technical expertise and research capability. Improving collaboration between industry and universities is beneficial to the FF objective and purpose
- the EEA has offered to assist a workstream (Stuart Johnston) and offered the option to use its online knowledge hub
- the scale of subscription amounts appears to have been broadly accepted by Members. Waiving/reducing subscriptions for commercial entities would create a precedent that adversely affects the ability of the FlexForum to fund itself and cause other Members to perceive unfair and unequal treatment.



## 2. Procedural matters following incorporation [Meeting schedule] (6)

### 3. Decision: Agree a monthly SG meeting schedule

- the SG is required to meet monthly – pick a time/date

### 3. Steering Group – what is our job and how do we do it

- extracts from the constitution of the specific duties of the SG are shown

#### 6. **Steering Group**

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- 6.1 The management of the affairs of the FlexForum will be in the hands of the Steering Group, which may exercise all the powers of an incorporated society that are not required, either by this Constitution or the Act, to be exercised by the Members. The Steering Group:
- (a) may make, amend or rescind regulations, Policies and Procedures not inconsistent with this Constitution governing its meetings and the business of the FlexForum;
  - (b) may do anything necessary to carry out the objectives and purpose of the FlexForum;]

#### 8. **Finances and records**

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- 8.1 The Steering Group must:
- (a) keep proper records of all Steering Group meetings and General Meetings;
  - (b) keep proper books of account and financial records of the FlexForum;
  - (c) keep all other documents and records, connected with the FlexForum;
  - (d) have control of all funds of the FlexForum and operate all bank accounts in the manner determined by the Steering Group;
  - (e) have control of the Common Seal, which may only be affixed to a document by a resolution of the Steering Group.
- 8.2 As soon as practicable following the end of each financial year the Steering Group will arrange for the preparation of a statement containing particulars of:
- (a) the income and expenditure for that financial year; and
  - (b) the assets and liabilities of the FlexForum as at the end of that financial year.
- 8.3 The Steering Group will cause the statements referred to in clause 8.2 to be examined by a suitably qualified accountant, who is not associated with a Member]. The accountant may request the production of any documents relating to the affairs of the FlexForum and will, if requested by the Steering Group, present a report to the Steering Group prior to the Annual General Meeting following the relevant financial year.

## 4. Budget and resources

### Discussion

- MBIE situation and next steps
- what is possible with what we have got

## 5. Workplan Workshop – approach and structure (1)

A 3-hour virtual workshop is scheduled for 24 August to work out the workplan

- priorities for the FlexForum
- workstreams – purpose, operation and focus
- actually getting it done.

**Discussion:** how will the session work?

- suggested structure set out on next page

**Discussion:** how will the workplan and workstreams be decided?

- what happens after the workshop?

## 5. Workplan Workshop – approach and structure (2)

### Workplan Workshop: proposed structure and approach

Item	Purpose
Welcome and Context	<ul style="list-style-type: none"><li>• Intro</li><li>• [MBIE] covering MBIE expectations and support</li><li>• Boundaries – resourcing, funding and what Members can do to support success</li></ul>
Workstreams – purpose	<ul style="list-style-type: none"><li>• Confirm the purpose of a workstream, ie, what is it meant to do</li></ul>
Big picture	<ul style="list-style-type: none"><li>• Confirm the broad themes and focus areas of activity required to deliver the Flexibility Plan</li></ul>
What is already underway	<ul style="list-style-type: none"><li>• Discuss who is doing / will start doing something in the next 6 months relevant to the Flexibility Plan, eg, FlexTalk, ResiFlex, ENA Future Networks Forum</li></ul>
Resourcing	<ul style="list-style-type: none"><li>• who will do stuff for a workstream</li></ul>
What next	<ul style="list-style-type: none"><li>• What actions/decisions are needed to kick off a workstream(s)</li></ul>

The critical path assessment exercise undertaken in March 2023 has been documented (see document)

- consensus on the priority of tasks with whole-of-system implications, but diverging views on tasks which benefit a specific silo
- exercise indicates five categories of task and four areas which need whole-of-system focus
  1. low voltage management capability
  2. consumer decision-making and participation
  3. frameworks for transacting flexibility
  4. digitalisation

## 6. Engagement update

### Update on engagement

- Rewiring Aotearoa launch on 04/08.
- Megan Woods – on 22/08/23
- James Shaw – checking dates.
- Anna Kominik (EA Chair) – checking dates

## 7. Workplan update

**Decision:** approve publication of FF Insights: Agile regulatory change is needed to enable flexibility and accelerate electrification

- revised following discussion at 13 July SG meeting