FLEXFORUM

FlexForum meeting

When	**Thursday 30 October 2023, 0930-1200**
Where	Virtual
Who	Steve Batstone (chair), Shay Brazier (revolve), Grace Burtin (Manawa), John Campbell (Our Energy), Malcolm Cleland (Transpower), Andy Cooper (Electric Kiwi), Connie Dunbar (EEA), Murray Henderson (Transpower), Michael Johnston (Overlay), Stuart Johnston (EEA), Jeremy Levy (Mercury), Terry Paddy (Cortexo), Jen Purdie (Uni of Otago), Tim Robinson (RBP), Tom Rose (Evenx), Scott Scrimgeour (Wellington Electricity), Matt Smith (Vector), Rob Speirs (Evnex), James Tipping (Vector), Evie Trolove (Orion), Ryno Verster (Powerco), Fiona Wiseman (Manawa) Secretariat: Craig Evans Observers: Allen Davison (EA), Brian Fitzgerald (EECA), Markus Frey (Utilities Disputes), Nicole Kirkham (MBIE), Sean McCready (Commission), Paul Moreno (Utilities Disputes)

Session notes

1: Welcome

The Chair welcomed everyone to the meeting and outlined the agenda.
- updates on things done and planned
- endorse workstream statements
- discuss and agree the FlexForum workplan and focus for 2024.

The Chair reminded everyone of their obligations under the Commerce Act 1986 against anti-competitive conduct and that the agenda and a written record of the session would be generally available.

2: FlexForum updates – things done and planned

The Chair provided updates on:
- membership
- finances and funding
- Steering Group - who and what

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- who we have and will be talking with.

Membership is growing with Alpine Energy joining this week. Otago University is keen to join with the details being ironed out. Conversations continue with other interested people.

A request for funding has been made to Ara Ake to support and accelerate FF work. The decision is expected in December.

The Steering Group is doing a lot of work behind the scenes to set up FlexForum policies, rules and ways of working - this has required a lot of heavy lifting. The constitution sets out what decisions the SG makes and the Members make. The SG focus is functional decision making necessary to keep the entity operating and able to deliver its purpose while Members decide direction.

A process is underway to fill the SG vacancy left by Mark Herring moving to the Electricity Authority. SG members must be a FlexForum Member (or work for one). The constitution allows the SG to fill a vacancy if someone resigns between AGMs. The process has involved reviewing the initial nominations, considering people who would bring valuable perspective and experience, and applying the criteria set out in the constitution.

We are out talking to interested people about membership and key stakeholders. For example, this afternoon we are speaking with the Consumer Advocacy Council about what FF is and isn't and how we can support the objective of the CAC. We will look to speak with the new energy Ministers early in 2024.

3: Workstream statements

Members endorsed the workstream statements.
- they provide a reference point for what the stream does
- they can be updated if they don't accurately describe what the stream does

Members were encouraged to discuss suggestions to revise the statements with the relevant workstream convener.

4: The 2024 workplan

Members noted the workplan is a process for delivering the FlexForum objective and Flexibility Plan in 2024 and beyond.
- the workplan comes from a bottom up and Member driven exercise through the four workstreams
- the workplan is a process to achieve a pragmatic balance between impact and resource constraints - we need a consistent way to choose what to do and allocate time and effort
  - The FlexForum workplan should include all ideas and tasks which align with the Flexibility Plan.
  - We need a way to decide which ideas progress to delivery as we dont have the capacity to deliver everything in 2024. Consistent with the Treasury Better Business Case method, no CBA is required to decide to initiate a task
  - Tasks selected for initiation become the focus for 2024 and we do what we can with the resources available.

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4a: what tasks are on the table

Members agreed the proposed tasks aligned with the FlexForum objective and purpose and will help to deliver the Flexibility Plan 1.0.

- 18/18 Members agreed 'these tasks align with the FlexForum objective and purpose and will help to deliver the Flexibility Plan 1.0'..

The 4 workstream conveners provided their individual perspective of developing the list of tasks.

The digitalisation stream task development overview noted:

- digitising is making manual activities digital while digitalisation is about data frameworks and using data
- identifying the tasks involved identifying specific things to do taking account of intentions of FNF etc and things which can be done in parallel with the EA MBIE etc
- very clear from the discussions that we [the industry, regulators etc] are not comfortable that we collectively understand what the data environment/ecosystem looks like and does. Some EA work in 2017 provides a good starting point but is not the whole or final picture

The flexible resource integration and visibility stream task development overview noted:

- the focus is the technical capabilities to integrate and the practical/technical/physical things needed to manage local network challenges, eg, to manage voltage levels etc, and how to give visibility of activity on local networks.
- unsurprisingly there are lots of links with other streams and tasks. These links with market, consumer and digitalisation streams must be acknowledged and managed.

The Market frameworks stream task development overview noted:

- The stream is a large group and broke into smaller groups focusing on specific issues/tasks.
- Some tasks are well defined. Others need further clarification to be clear about what is known and not known. Ensuring tasks are focused requires conveners to coordinate closely on who is doing what.

The Consumer participation and information stream task development overview noted:

- The stream focus is to ensure the human is at the heart of things and both is able and allowed to get involved in the co-design process.
- we are very much in the understanding phase of the double diamond framework. We need to build our understanding of what people value about ecosystem, what they want the system to deliver etc. Understanding what people care about will help us think about how people might interact with the system given where information is coming from, what signals are being provided etc
- 2024 is a learning and understanding year and as we pull covers back we will find many arrows connecting to various outcomes/actions across the 39 steps of the Flexibility Plan
- figuring out how to involve people in the journey is key for all workstreams for the next couple of decades.

Members agreed the four themes were relevant and the conveners did a good job creating a set of tasks that will establish the common foundation and vernacular that regulators, policy makers and

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industry need to have more productive conversations in the future and start getting stuff done (and spend less time talking in circles).

- all steams identified a baseline study or will start by building understanding first
- workstreams are not siloes; they are connection points.

Members discussed:

- how the audience for the various tasks will be identified and relevant people involved, agreeing the key thing is to be inclusive and keep in touch with others working in this space
- how the tasks mapped against the criticality assessment completed in March and used as the basis of the work planning process. Members noted the workplan tasks were not cross checked against the criticality assessment due to insufficient resources, but the tasks align with the overarching themes and will provide a solid foundation for delivering the Flexibility Plan steps.

4b: what gets done and when

Members reviewed the workplan development and delivery process process and the criteria used to identify what tasks get done and when.

- scoping - a workstream has an idea and defines the task. The Conveners run a ruler over the idea/task before Members are asked to agree it goes on the Workplan. Being on the Workplan allows the task to move to the initiation stage
- initiation - tasks put on the Workplan and in the 'we would like to do it now' category (based on criteria outlined below) get the task initiation treatment, ie, milestones, timelines, resource estimates etc. Tasks not meeting the 'do it now' criteria wait for resources
- delivery - tasks with an initiation plan agreed by the workstream are delivered subject to resourcing (managed by the Conveners and the Steering Group).

The workplan process is designed to give workstreams autonomy and the ability to work on what is important and adapt activities without excessive overhead and bureaucracy.

- Workstreams - have the ideas, scope and deliver tasks
- Conveners - make sure ideas are good enough and coordinate workstream activities
- Steering Group - make sure tasks align with objective/purpose/Flexibility Plan, obtain resources and monitor progress
- FlexForum (ie, Members) - decide what goes on the Flexibility Plan and endorse choices about what gets done.

Members endorsed the workplan process.

- 17/18 Members agreed to endorse the proposed workplan process.

Members considered the criteria (questions) developed to guide decisions to initiate a task.

- Is someone else already doing something that will achieve the output/outcome?
- Where is the task in the double diamond process?
- How directly does the task make it easier for households, business or communities to maxmise the value of their distributed flexibility?

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- Does a workstream(s) think work on the task is needed now? (for reasons including dependencies, doability etc)
- Does a regulator want to regulate?
- Is the task needed to meet the FlexForum objective/purpose?

Members agreed to adopt the criteria for initiating a task:

- explicitly asking how directly a task makes things easier for households etc helps keep an eye on the human
- the relative urgency of a task is captured by asking if the workstream (collectively) wants to do the task (because they are the best judge of how they spend their time). Relative urgency is also determined by asking if a regulator wants to regulate
- all Members should have visibility of ideas and the opportunity to provide a view on whether to initiate a task
- the criteria are designed to be flexible and adaptable to circumstances.

Members endorsed the criteria to identify which tasks to move to the initiation stage.

- 18/18 Members agreed the criteria were a reasonable starting point.

4c: the proposed Workplan for 2024 and Beyond

Members discussed the tasks proposed by the workstream conveners and the workstreams for the FlexForum to focus on in 2024.

- 2 foundational tasks
- 3 common tasks needed to deliver the FlexForum objective/purpose
- 6 tasks to understand things well enough to consider options

Members recognised the importance of starting with a robust understanding of the facts because jumping to solutions increases the risk of defining the problem incorrectly. Using the double diamond framework provides a way to avoid missing key steps to realising a durable solution.

The tasks highlight the interdependence of things and the criticality of coordination across workstreams. However Members agreed looking at the same topic through different workstream lenses was necessary.

FlexForum and workstreams will need to be agile and ready to respond to circumstances, eg, contribute to the proposed EEA connection guideline project and feed into regulatory consultations.

The workstreams should think about 'doing' things and 'what can we achieve now', but without losing sight that a big reason FlexForum exists is that shared understanding and foundational work was happening in silos or wasn't happening at all.

FlexForum does not need to do everything. We can champion and recognise good work by others that delivers the Flexibility Plan.

Members endorsed initiating the proposed 11 tasks and delivering these in 2024 subject to resourcing and workstreams agreeing the detailed task plan.

- 17/18 Members endorsed the 11 tasks to focus on in 2024.

5: Next **steps**

Members noted the next steps

- the four workstreams will develop detailed task plans setting out specific time, resources and outputs necessary to deliver a task
- the task plans will be shared with Members in February 2024 for consideration
- workstreams will consider feedback, finalise the task plans and start work based on resourcing.

Finish 1133.