

Draft Minutes

Loss Factor Review Panel (LFRP)

Meeting 1

23 March 2009

Electricity Commission

Level 7

2 Hunter Street

Wellington

Members Present

Andrew Smalll

Lindsay McLennan

Robin Pittwood

Ron Beatty

Also Present

Callum McLean

Apologies

There were no apologies.

Meeting Commenced at 9.30am

1. Introduction

Being the first meeting of the LFRP the members introduced themselves and gave a brief description of their backgrounds.

2. Briefing from the Senior Advisor

The Commission's Senior Advisor provided an initial briefing for the Panel on the issues associated with the identification of technical and non-technical losses. The briefing and discussion primarily covered non-technical losses and the sources of data used in the calculation including the areas where data errors are most likely to occur. A brief discussion of the Part D review was also held.

Discussion was then held on a number of issues relating to the guidelines including:

- The level of losses reported by distributors;
- What accuracy can be expected from the calculation of technical losses;
- The impact and calculation of losses for embedded generation;
- The review period in the guidelines.

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It was queried whether it was possible to work through a case study using an actual example.

Action - Commission representative to report back on availability of information for a case study.

3. The process for changes to the Guidelines

The process for updating the guidelines, if required, was discussed.

4. Terms of reference

The Panel's Terms of Reference (**ToR**) was discussed. It was agreed that the Panel would recommend a change of the ToR to the Commission. Specifically, the references to the Senior Advisor retail should be changed to the more generic term, the "Commission's representative".

Action – A draft ToR to be marked up and circulated to the members, followed by a recommendation to the Commission.

5. Briefing on the Reconciliation Process

The Senior Advisor provided a briefing of the reconciliation process and the role that the loss factors play in the process.

6. General Business

The Senior Advisor sought the Panel's agreement to discuss the role of the Panel at the Commission's retail forums. This was agreed to by the members.

Action - Commission to provide members with a link to the website location for the LFRP material.

Action - Commission to report on whether the submission matrix distributed amongst members was published, either individually or combined in the matrix.

7. Next meeting

Proposed next meeting 7 April 2009, 9am to 1pm. TBC.

Meeting concluded at 1.15pm