

Terms of Reference

Transmission Pricing Technical Group (TPTG)

1. Background

The Electricity Commission (**Commission**) is establishing a technical working group (**Transmission Pricing Technical Group (TPTG)**) to advise and assist the Commission with its Transmission Pricing Review Project (**Project**). An overview of the project is available at:

<http://www.electricitycommission.govt.nz/opdev/transmis/tpr/index.html>

2. The Role of the Transmission Pricing Technical Group (TPTG)

The role of the TPTG is:

- to provide specialist, technical advice to the Commission on the Project; and,
- to provide comment as necessary to other Commission workstreams, whose work interrelates with transmission pricing.

This could include:

- Providing advice on the scope of work for Request for Tenders for consultants.
- Providing specialist review of reports or analysis by consultants or the Commission.
- Review of consultation documents in parallel with public consultation.
- Providing reports or comments on issues arising from the project.
- Providing reports or comments on transmission pricing issues arising from other workstreams.

3. Objectives and Principles

The TPTG will provide advice which meets or is consistent with the following, or will advise on the extent to which reports and advice meet or are consistent with the following:

- The Commission's principal objectives and specific outcomes as stated in the Electricity Act (1992).
- The Government Policy Statement.
- Specific objectives of the Project.

Deleted: 590227-2

4. Membership

The TPTG will consist of an independent chair, and up to nine members appointed by the Commission from nominees from interested parties. In addition, the Commission's senior advisor, transmission and transmission pricing review project manager will attend the group meetings. Advisors from other areas of the Commission may attend from time-to-time.

The TPTG will run for the duration of the project – approximately two years.

5. Reporting

The TPTG will report to the transmission pricing review project team. Where the views of the TPTG are significantly different from those of the project team, the senior adviser will notify the Commission Board.

Routine reporting will be via the project team's regular report. Day-to-day interaction between the TPTG and the Commission will be via the senior advisor and project manager.

6. Resourcing and support

The project manager will be responsible for:

- Resourcing, support and output of the TPTG.
- Conveying the relevant Commission policies to the TPTG.
- Providing guidance to the TPTG to ensure the outputs are appropriate and that they support the Commission's decision making. The project manager works closely with the chair to achieve this. In carrying out this role, the project manager and chair must ensure the documented output reflects a balanced representation of the TPTG views.

7. Responsibility of Members

Members have been selected for their particular expertise and accordingly:

- members are to act in the interests of all affected parties;
- members have a duty to prepare for meetings;
- members do not represent their own organisation's commercial interests (although the range of commercial and technical experience inevitably adds diversity to the TPTG's capabilities); and
- any views expressed by members are not to be taken as being those of their employer or nominating organisation.

Deleted: 590227-2

8. The work plan

The chair, with the project manager, develops the work plan, setting out the key tasks and milestones. The chair has responsibility for the implementation of the approved work plan, efficient meetings of the TPTG and reporting to the project team on achievement of agreed milestones.

9. Authority

The project manager is responsible for ensuring that the TPTG is resourced to meet the work plan. Requests for additional resources such as consultants will require the approval of the Commission.

10. Administration

The TPTG activities are to be as transparent as practical, and unless specifically agreed otherwise the project manager will take responsibility for the following administrative tasks:

- Circulating papers preferably two weeks (for complex papers) and at a minimum one week in advance of meetings.
- Publishing papers on the Commission's website as soon as practical after each meeting.
- Keeping minutes of each meeting and publishing these once confirmed at the subsequent meeting.

While consensus will be the goal, it may at times be necessary to accept multiple views. All such views will be conveyed to the Commission as an input into its consideration of the issue.

11. Notice of meeting must be given

Reasonable notice of meetings must be given to every member, including details of the time and venue. Notice may be given by electronic or other means.

12. Methods of holding meetings

The following will apply to the TPTG meetings:

- As a general rule, meetings must be held in person.
- A quorum for meetings will be six or more members (excluding the chair, senior advisor and project manager).
- No business may be transacted at a meeting while a quorum is not present.

13. Attendance of members

Any member of the TPTG who, without leave of the group, misses two consecutive group meetings will be deemed to be removed from the group, except where leave is

Deleted: 590227-2

given by the chair or a member of the Commission's transmission pricing review project team.

Members of the TPTG are not entitled to send an alternate in their place if they cannot attend a meeting.

14. Confidentiality of Reports

Unless there is a specific reason to the contrary, reports going to the TPTG will not be tagged as confidential. When a non-confidential report is sent to the group, the project manager will ensure that a copy is put on the Commission's website for public viewing.

Reports sent to the TPTG are to be sent with a cover note attached that describes the status of the report, for example, that it is a working document and does not necessarily represent the views of the Commission.