

Transmission Pricing Advisory Group

20 June 2005

**M-co
Level 2
10 Brandon Street
Wellington**

Members Present

Carl Hansen (Chair)
Duncan Head
Graeme Ancell
Neil Williams
Nevill Gluyas
Ray Deacon
Simon Coates

Also in Attendance

Peter Smith (Advisor, Transmission, Electricity Commission)
Karen Smith (TPAG administrator)
Rachel Grove (TPAG administrator)
Andrew Small (Partna Consulting Group)

Introduction

The meeting opened at 9.40am.

The Chair welcomed members to the Transmission Pricing Advisory Group ("TPAG") meeting.

1. Apologies

No apologies were received.

2. Leave

No leave was requested.

Draft Minutes

3. Minutes of the Previous Meeting

Members considered the minutes of the previous TPAG meeting held on 8 June 2005 and **agreed** that the minutes be accepted as read once page numbers have been added.

Action Point **The TPAG administrator** to add page numbers to the minutes.

4. Matters Arising

The Chair noted all actions from the minutes are now complete.

5. Correspondence

There were no correspondence items to be discussed.

6. Transpower's Proposed Transmission Pricing Methodology – Feedback from the Board

The Chair provided members with feedback from the Board Meeting. The Board found the presentation useful, and agreed with the TPAG regarding its concerns about dynamic efficiency. Overall the Board is keen to get into the substantive issues.

7. Presentation on Coincident Peaks (Simon Coates)

Simon Coates gave a presentation entitled "Coincident peak versus anytime maximum demand transmission charging". Members were advised that the presentation was a variation of the presentation previously given to the Board.

8. Discussion of the Scope of TPAG

Members discussed the TPAG's role in assessing the proposed transmission pricing methodology, and in providing advice to the Commission on further information to be requested from Transpower. The TPAG agreed to identify the further information it considered to be 'must have' and that which was 'for noting'.

9. TPAG's Recommendation to the Board

The TPAG reviewed the draft paper from the TPAG to the Board on the sufficiency of information provided by Transpower. In particular, the TPAG focussed on the list of questions included as Appendix A, and amended the questions during the meeting.

The TPAG advised the Commission to engage with Transpower prior to finalising the wording of the questions, to ensure mutual understanding of exactly what is required.

Draft Minutes

10. General Business

The next meeting date was discussed, and members were advised that the next meeting would not be for another 4 to 6 weeks time.

The meeting closed at 2.05pm.

Next meeting date: to be advised

Action Points

No.	Issue	Action / Comment	Due Date
1.	Administration	The TPAG administrator to add page numbers to the minutes.	Completed