



Agenda

Commerce Commission EDB DPP3 Workshop on Innovation and Dealing with Uncertainty

Friday 8 March, 1-4pm at Commerce Commission's Offices, 44 The Terrace, Wellington and 55 Shortland Street, Auckland with video conferencing

Purpose of the workshop

The purpose of this workshop is to enable the Commission to better understand the submissions we received in response to our EDB DPP3 Issues Paper that was published on 15 November 2018. Our focus for this workshop will be on submitters' views on innovation challenges faced by EDBs and how the DPP may be able to deal with a broad spectrum of uncertainties through the next DPP reset period. We would like to discuss further how these issues could be accommodated within a DPP framework to better promote outcomes for consumers.

We will not be providing Commission views or positions on any particular aspect of our EDB DPP3 draft decision at this workshop. Rather, we will use the discussions at this workshop to better inform our ongoing decision making to inform our draft decision and will be seeking active involvement from attendees. Any views expressed by our staff will be for the purpose of stimulating discussion and are not intended to reflect the views of the Commission. The Commission's position will be provided in the draft decision which is scheduled to be published in May 2019.

The workshop will not be recorded or transcribed. Notes will be taken at the workshop and published on our website along with all materials presented.

Agenda Items

1. Welcome and Purpose of the workshop (5 mins)
2. Recap of our EDB DPP3 consultation process (5 mins)
3. Innovation in DPP3 Context (1 hour 20 mins)
 - a. What we said in our Issues Paper and what submissions have told us.
 - b. How can DPP3 better facilitate the sharing of innovative practice amongst all industry participants for the long term benefit of consumers?
 - c. What aspects of the current DPP are preventing EDBs from innovating now and why?
 - d. How can EDBs best demonstrate the efficiencies that new innovation will deliver for consumers in the DPP3 reset, both in terms of innovative practices and the uptake of emerging technology? Are EDBs currently recording these efficiencies and, if so, what results are they indicating? For example, are attendees able to differentiate between benefits to the network service (and its consumers), and benefits more broadly (such as benefits in the generation and retail markets)?
 - e. What role do attendees consider the DPP3 reset should play in facilitating innovation, how should this interact with other regimes and in what way (such as with the work of the Electricity Authority and the Electricity Pricing Review)?

4. Dealing with Uncertainty (1 hour 20 mins)

a. What uncertainties do EDBs face in DPP3 period (such as demand growth, distributed energy sources, etc)?

b. Are attendees in favour of uncertainty mechanisms within the DPP3 reset period and, if so, what types of qualitative/volumetric mechanisms should be considered (and to address what specific issues)?

c. What behaviours will uncertainty mechanisms incentivise?

5. AOB including general questions (5 mins)

6. Next steps and close (5 mins)

The items and timings provided are for guidance purposes only.