

FlexForum: introductory and establishment session 17-12-21 notes

When	1000 – 1130, Friday 17 December 2021
Where	Virtual
Who	<p>John Campbell (Our Energy), Terry Paddy (Cortexo), Mark Toner (Vector) – hosts</p> <p>Glenn Coates (Aurora), Jason Christini-Crawford, Al Yates (Ecotricity), Ed Harvey, Rob Spiers, Tom Rose (EVnex), Jenny Van der Merwe, Alex Baker (Kāinga Ora), Buddhika Rajapakse (Mercury), Sam Elder (Orion), Shay Brazier (ReVolve Energy), Gareth Williams (solarZero), Fiona Wiseman (Trustpower), Ray Hardy (Wellington Electricity)</p> <p>Cristiano Marantes, Pam Walklin, Jonathan Young – Ara Ake</p> <p>Geoff Sharples, Aparna Narang - potential facilitators</p> <p>Craig Evans, Matt Smith – potential secretariat</p>

Session notes

Seven topics were discussed:

1. Purpose of this group
2. Reason for the group
3. Goal of the group and what success looks like
4. Process and approach
5. Your commitment
6. How to describe the group
7. Workshop topics and outputs

Purpose of this group

The hosts outlined their reasons for wanting an industry-led, collaborative, learning-by-doing approach to identifying the practical requirements for including distributed resources into the electricity system and market.

- DER can and should deliver significant value. We need to determine how to practically realise that value
- We want to fast track understanding of flexibility market by combining the theory and aspiration with tangible products and services which reflect real world needs of the supply chain and preferences of households and businesses
- We want to take a collaborative approach by bringing together a broad group which doesn't represent only the loudest voices or deepest pockets, without being too large or too small
- Regulator involvement and regulatory consultation will be needed. However, the electricity sector can take the initiative by identifying practical options. This should accelerate any regulatory process.
- There will be talking, but the focus must be on walking. The result must be tangible outcomes and purposeful actions by the people involved and the electricity sector.

There was general support and agreement the proposed process and purpose are worthwhile. People suggested clarifications to improve the description of the purpose.

- Clarify the purpose should explicitly recognise the focus should be to maximise the value of DER and flexibility services for network users (ie, the customer and behind the meter, not just 'external' value), distributors, the wider electricity supply chain and the environment and economy (ie, supporting decarbonisation and potential flow-on benefits of electrification)
- Clarify the sources of value to make sure the practical steps are fit-for-purpose and enable/do not prevent whatever activity which is delivering value. Use a broad definition which reflects both monetary and non-monetary value; households and businesses will make decisions for reasons beyond narrow financial reasons.

Reason for the group

There was general agreement that a collaborative approach is critical and the key point of difference for the process. Discussion focused on how to ensure the process is collaborative.

- Ensure the people directly involved in the process do not and are not perceived as biasing the conclusions and outcomes. For example, there is a risk the involvement of technology firms creates a perception the outcomes reflect a particular technology preference. The process must demonstrate the outcomes are technology agnostic and do not pick winners (ie, is contestable)
- Whether or not to directly involve people able to give voice to other perspectives: household and small business consumers, energy communities, Māori, industrial businesses (very large, typically grid-connected network users), commercial

businesses (small-medium enterprises, typically distribution-connected network users)

- Have an engagement plan which describes the different ways people will be involved (directly in the process), included (included during the process) and informed (about the process)
 - communication should occur from the outset. Use stakeholder mapping to identify and determine how to involve/include/inform participants
 - the engagement approach should attempt to achieve participation of as many people and interests as possible from the outset, without making the process unwieldy and drawn-out.

Goal of the process

Discussion of the goal and outcome of the process indicated people want the process to deliver something which is practical, can be readily tested in the real world, and has broad support.

Yet people didn't want to pre-determine a specific outcome, noting that is the purpose of the process.

- The goal should be to deliver an outcome which aligns with the purpose of the process (ie, practical steps to integrate DER/maximise value...). We may not have a common view on what the end state involves. The first step is to identify the end state and use this to frame the outcome
- The goal should be an outcome which results in useful further actions to start taking the practical steps to integrate DER and flexibility. We don't want the outcome to go in the bottom drawer. This means the outcome should include how the plan will be implemented
- Using practical and real-world examples to inform the outcome is preferred to ground thinking and ideas
- The goal should include achieving broad support if we want an outcome which gets a lot of buy-in from across the electricity sector. The process should be visible to everyone, with open and accessible collaboration and sharing of conclusions.

Process and approach

Discussion of the logistics of the process indicated people broadly support the proposed approach.

- People suggested people/organisations to include in the core group who are directly involved.

- People emphasised the importance of including real people and customers (ie, households) in the process to avoid looking inward and instead explicitly considering what the customer wants, rather than what is convenient for the electricity supply chain
- An engagement plan which describes the various people/organisations with an interest in the process and expertise/insights is needed to identify who, when and how to engage people in the process, and who is directly involved in the core group.

Your commitment

Discussion of the commitment identified that the process must be adequately resourced to sustain momentum. The effort should not be underestimated. Facilitation and secretariat resources are necessary.

- People expressed a willingness to contribute, either financially or in-kind through participating, according to the capability of their organisation (recognising that for some people, the time commitment represent a significant contribution). No specific contribution model was settled on.
- People encouraged a flexible approach to holding the sessions given the ongoing challenges of the pandemic. If in-person sessions are possible, the locations would be arranged to maximise convenience. A virtual option should be available for all sessions.
- People asked permission to send a delegate if they are unable to attend. This was recognised as pragmatic.

How to describe the group

A poll of possible names for the group received 16 responses from 23 people. The poll results were:

- 25% (4): FlexForum
- 25% (4): FIG – Flexibility Industry Group
- 0% (0): DERFG – Distributed Energy Resources & Flexibility Group
- 0% (0): DER PACT – DER Partnership accelerating customer uptake
- 18% (3): DER Alliance
- 18% (3): TeamFlex.

Workshop topics and outputs

The proposed workshop topics are considered broadly reasonable. People agreed the initial scene setting session should determine the topics and order of discussion.

- Suggestions included to start the process by discussing the purpose and capability of DER (the opportunity) and then consider current and potential network conditions with the uptake of DER (the problem).
- Use the scene setting session to define the end state and use that to inform what needs to be considered by getting all the barriers and opportunities on the table and then work through how to resolve/take advantage of each.
- A stocktake of what is known and not known should be collated to support the scene setting session. Key resources will include Transpower publications and a discussion paper for the Market Development Advisory Group [100% renewables project](#).

People were very keen that pilots which implement the conclusions should be an explicit outcome of the process.

- We should be ambitious. The process should deliver something tangible commensurate with the investment people will make in the process.
- The emphasis should be on testing the practical application of scalable concepts that are underpinned by a plausible commercial proposition. The technology has been demonstrated; the focus now must be on providing a pathway to delivering products and services, including by putting a price/value on those products/services.
- The outputs should be usable, provide the practical steps which need to be taken, and include a commitment to deliver something.

Session ended 1133.