

Offshore Wind Working Group Terms of Reference

30 August 2021



1. Introduction

- The NZWEA is an industry association that promotes the development of wind as a reliable, sustainable, clean and commercially viable energy source.
- NZWEA members are involved in the wind energy sector and include electricity generators, wind farm developers, electricity distribution businesses, turbine manufacturers, consulting organisations and other providers of services to the wind sector.
- The Aotearoa New Zealand wind industry has principally focused on onshore wind however following the rapid international growth of offshore wind, as technology develops and the Levelised Cost of Energy (LCOE) reduces, there has been growing interest in offshore development in New Zealand.
- Recent studies have shown that Aotearoa New Zealand has an excellent wind resource¹ and that wind energy will be a key technology to enable the decarbonisation of the energy sector^{2 3}.
- While there is considerable scope for further onshore wind farm development, given prospective growth forecasts and technology development, there is growing interest in offshore wind development both from a domestic energy demand perspective and in relation to the potential for Aotearoa New Zealand to be an exporter of clean energy via hydrogen, ammonia and potentially electro-fuels production.
- Australia and Asia are increasingly looking to develop offshore wind resources which will create economies of scale for Aotearoa New Zealand. They are also progressing their legislative frameworks to provide development rights to support investment in feasibility studies.
- The proposed offshore wind working group builds on the working group established by University of Canterbury and ISC in late 2019 and the Offshore Wind Forum organised by Venture Taranaki and Ara Ake that was held in December 2020.

2. Goal

- To work collaboratively to enable the development of Aotearoa New Zealand's offshore wind resource as a reliable, sustainable and commercially viable energy source.

3. Functions

- The functions of the Offshore Wind Working Group are to:
 - Act as an information sharing forum on international offshore wind trends including deployment, technology development and trends for LCOE (Levelised Cost of Electricity) and SCOE (Society's Cost of Electricity).

¹ Ishwar, C.A.; Mason, I.G. Offshore Wind for New Zealand. Proceedings of the EEA Conference and Exhibition, 25-27 June 2019, Auckland

² Ministry of Business Innovation and Employment Wind Stack Generation Update March 2020

³ Includes Transpower's Whakamania i Te Mauri Hiko Empowering our energy future, March 2020, and He Pou a Rangi Climate Change Commission, Final June 2021

- Enable the development of offshore wind by enhancing the understanding of the offshore wind resource in Aotearoa New Zealand, and the supply chain and development logistics, including the potential employment opportunities and skills transfer from other energy sectors.
- Advance the legislative and regulatory environment including resource management implications and access to licenses to establish development rights and support commercial evaluation of the viability of offshore wind.
- Work with Iwi to establish appropriate frameworks for development in the marine environment.
- Ensure that offshore wind is appropriately considered in energy sector strategy and Government policy development including for both domestic purposes and as a resource for clean energy export products.
- Engage with regulators, statutory bodies, supply chain providers and other stakeholders and organisations to share understanding, knowledge and best practice to advance offshore wind development.
- Encourage investment in offshore wind by working with developers to understand business models and requirements so as to facilitate development of an enabling framework.
- Organise / assist offshore wind events including workshops, presentations, forums and conferences.
- Where appropriate seek funding from members/organisations to build understanding and enable the development of Aotearoa New Zealand's offshore wind resource.
- Develop a communications strategy including engagement and sharing knowledge with government, officials, Iwi, and other stakeholders / influencers with interests in offshore wind.
- Network with international associations and working groups dedicated to promoting offshore wind in other countries to explore common issues, solutions and development paths.
- Develop a section of the NZWEA website to host materials on offshore wind (news, facts and stats, literature, submissions, etc.)

4. Scope

- All matters pertaining to offshore wind development.

5. Principles

- The Offshore Wind Working Group recognises the following principles:
 - The open sharing of information benefits members and improves the understanding of offshore wind's development potential.
 - There are advantages in working together to build support for offshore wind and establishing the regulatory, legislative frameworks and logistical capability to best enable development.
 - Offshore and onshore wind are viewed as complementary sources of renewable generation

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- Offshore wind development is competitive and at times this may limit the sharing of information by members or restrict the activities of the working group.
- By working collectively, we are striving to enhance both the role of offshore wind as an energy resource and the reputation of the wind industry.
- Where there is a difference of view among working group members, best endeavours will be made to reach consensus on decisions. Failing that, decisions will be made by simple majority vote.
- The confidentiality of the information provided by members is to be respected.

6. Authority

- The Group has no formal delegated authority.
- Decisions made by the Group are not binding on members.

7. Membership and Chair Appointment

- Working Group membership shall be comprised of representatives of NZWEA member organisations and other organisations supportive of the Working Group's goal.
- The chairperson shall be appointed by simple majority of members of the Working Group and then every 18 months thereafter.

8. Meeting Arrangements

- The Group shall at a minimum meet 6 monthly. Meetings may be held in person, via video link or using a combination of these.
- Members, at their discretion, can elect to hold meetings more frequently.
- Attendance at meetings is encouraged but not mandatory.
- An apology to the Chair should be made if a member cannot attend.

9. Reporting

- Formal minutes shall be prepared and circulated after Group meetings.

10. Resources and Budget

- NZWEA may provide the budget to support external contributors to the working group (subject to budgetary constraints).
- Subject to NZWEA board approval NZWEA may cover the costs of the Offshore Working Group's projects and initiatives.
- Members can individually or collectively sponsor projects and activities consistent with the goal of the Working Group.
- Members are to cover their own meeting costs including travel and accommodation.

11. Review Period

- The Group's terms of reference shall be self-reviewed on an annual basis.