



# **BRAVETRACE USER GROUP**

## **Terms of Reference**

Version 1.1

# CONTENTS

1. ABOUT BRAVETRACE AND THE NZECS.....	3
2. PURPOSE.....	3
3. SCOPE.....	3
3.1. Key focus areas.....	4
3.2. Out of scope.....	4
4. ROLES.....	5
4.1. Chairperson.....	5
4.2. Members.....	5
4.3. BraveTrace Representative.....	5
4.4. Secretariat.....	5
4.5. Non-member participation.....	5
5. TERM OF APPOINTMENT.....	6
6. FUNCTIONS AND RESPONSIBILITIES.....	6
6.1. Chairperson.....	6
6.2. Members.....	7
6.3. BraveTrace Representative.....	7
6.4. Secretariat.....	7
7. PROCEDURES.....	8
7.1. Approach to meetings.....	8
7.2. Meeting materials.....	8
7.3. User Group feedback.....	9
7.4. Changes to the Terms of Reference.....	9
Appendix A: NZECS Principles.....	10

## Version Control

Version	Date	Comments
1.0	8 July 2024	First version
1.1	25 September 2024	Updated the Chairperson function and responsibilities to include ensuring that commercial arrangements are not discussed

## 1. ABOUT BRAVETRACE AND THE NZECS

BraveTrace is the owner and operator of the New Zealand Energy Certificate System (NZECS), an online registry that enables the transaction of Energy Attribute Certificates referred to as New Zealand – Energy Certificates (NZ-ECs) for both renewable electricity and renewable gas.

## 2. PURPOSE

The purpose of the BraveTrace User Group (User Group) is to provide advice to BraveTrace on the future design and operation of the NZECS, ensuring that it meets the evolving needs of its users (both direct and indirect users of the NZECS), remains consistent with international standards, integrates well with the New Zealand energy market, and leads to impactful energy procurement.

- BraveTrace will assess and prioritise NZECS changes based on the NZECS Principles (Principles) (see [Appendix A: NZECS Principles](#)). The User Group should apply these same Principles when providing advice. The User Group may also provide advice to BraveTrace on the nature and application of the Principles.
- User Group advice may be provided in advance of, and in conjunction with, feedback received via formal consultation as required under Participant and Registrant User Agreements (User Agreements).
- The User Group will provide advice on:
  - Specific changes to the NZECS (for more detail see [Key focus areas](#))
  - On broader aspects of the future development of the NZECS, including the prioritisation of work.

## 3. SCOPE

The scope of the User Group is on electricity system development. As the market for renewable gas evolves the scope may be broadened to include renewable gas, or an additional user group may be established for that purpose.

### 3.1. Key focus areas

Key focus areas for User Group advice are:

- NZECS Principles (see [Appendix A: NZECS Principles](#))
- NZECS work programme and prioritisation
- NZECS Rules
- NZECS Registry interface and operations
- NZECS User guides
- NZECS Residual Supply Mix methodology
- NZECS operational processes and forms, including registration and upload forms
- NZECS reporting, including published reports, and personalised reports (Statement of Position and Redemption Receipt)
- Trading arrangements, including the template sale and purchase agreement and other templates that may be produced in the future
- Further development of supporting frameworks for electricity certification, such as expanded assessment, attribution or accounting standards
- Inclusion of other contractual electricity market-based instruments, such as Power Purchase Agreements, within the NZECS.

### 3.2. Out of scope

Specifically, out of scope:

- At this time, discussion on renewable gas
- Discussion on specific commercial arrangements including the price of NZ-ECs. Members should be aware of the Commerce Act as they are potential competitors in the NZ-EC marketplace. The Commerce Act prohibits anti-competitive agreements between firms such as agreements to fix prices, allocate markets or restrict output.

## 4. ROLES

### 4.1. Chairperson

User Group meetings will be chaired by the Chief Executive of BraveTrace.

### 4.2. Members

All parties registered as an NZECS Registrant, NZECS Participant, or both may nominate a person to represent their organisation as a User Group member (Member). BraveTrace will contact all Registrants and Participants to request that they nominate a representative from their organisation to be a Member of the User Group. A Registrant and/or Participant may nominate more than one person.

If a Member is unable to attend a User Group meeting, an alternative person from the same organisation may attend in their place.

### 4.3. BraveTrace Representative

BraveTrace will appoint a BraveTrace representative (Representative) to be the primary point of contact regarding the functioning of the User Group. This person will also attend User Group meetings.

### 4.4. Secretariat

BraveTrace will provide secretarial support to the User Group.

For more details on these roles see [FUNCTIONS AND RESPONSIBILITIES](#).

### 4.5. Non-member participation

The Representative and Members, after prior consultation with and agreement by the Chairperson, may invite non-members to attend all or part of a User Group meeting. In these circumstances, the invited party is encouraged to participate in the discussions, but not as a Member.

Examples of non-member attendance may include parties such as legal firms, carbon advisers, Government departments, energy user representatives and special interest groups.

## 5. TERM OF APPOINTMENT

The term and continued operation of the User Group is at BraveTrace's sole discretion.

The term of a Member is at the discretion of the organisation the Member represents. The term of a Member will end if the User Group is discontinued by BraveTrace or if the organisation the Member represents ceases its registration on the NZECS.

An organisation may at any time specify an alternative person to become a Member. If a Member is unable to attend a User Group meeting, an alternative person from the same organisation may attend in their place. In such cases, it is requested that the Member notifies the Representative prior to the meeting.

## 6. FUNCTIONS AND RESPONSIBILITIES

### 6.1. Chairperson

The key functions of the Chairperson include:

- facilitating discussions between Members in a manner that will stimulate robust debate on issues and proposals, and encourage effective contribution from all Members
- guiding relevant and effective discussions while also ensuring genuine disagreements and conflicts are aired and, if possible, resolved
- ensuring the minutes of each meeting are correct
- ensuring the views of the User Group are well represented to BraveTrace
- ensuring that specific commercial arrangements including the price of NZ-ECs are not discussed.

## 6.2. Members

Responsibility of Members:

- A key role of the Members is to use their collective knowledge and experience to advise on improvements to the NZECS.
- Members may also lead work on particular topics and make associated recommendations.
- Members should:
  - comply with this terms of reference
  - prepare for meetings by reading any papers distributed in advance of the meeting
  - openly share information within User Group meetings
  - consider the Principles when addressing issues, evaluating proposals or making recommendations
  - inform the Chairperson and the Representative of any actual or potential conflicts of interest that may affect their ability to act as a Member.

## 6.3. BraveTrace Representative

The Representative will:

- liaise with the Chairperson on the agenda for each meeting, and on outcomes from each meeting
- address any concerns raised by the Chairperson or Members.

## 6.4. Secretariat

BraveTrace, in its capacity as the Secretariat, will:

- make appropriate arrangements for meetings of the User Group
- give reasonable notice of meetings to each Member, including details on how to join the online meeting
- arrange for any relevant materials to be circulated to Members at least five business days prior to the meeting, to enable Members time to properly consider them



- ensure that minutes of the meetings including a list of actions are shared with Members within ten business days after the meeting
- publish meeting materials, except meeting recordings, on the BraveTrace [website](#).

## 7. PROCEDURES

### 7.1. Approach to meetings

The User Group will meet remotely (via an online meeting platform) on a quarterly basis or more frequently as required. On occasion, the User Group may meet in person with the option for Members to join remotely.

There is no quorum of its Members, however, the Chairperson and Representative must be present at a meeting for it to be considered an official meeting of the User Group. If either the Chairperson or Representative is unable to attend a User Group meeting then BraveTrace may appoint an alternative person.

It is anticipated that the duration of meetings will be between one and two hours. Given that some Members will be joining from a time zone other than NZT, BraveTrace will endeavour to schedule meetings at a time that is as convenient as possible to the broadest range of Members.

Each User Group meeting will be recorded and Members will be reminded of this at the beginning of each meeting.

### 7.2. Meeting materials

Meeting materials such as pre-meeting materials, meeting minutes, meeting recordings, and any written outcomes from User Group meetings will be shared by the Secretariat with the Chairperson, Members (including those that were unable to attend a User Group meeting) and Representative via email. Meeting materials, except meeting recordings, will also be published on the BraveTrace website.

Members may share all meeting materials within their organisation. Members may share the meeting materials, except the meeting recordings, outside their organisation. The reason for limiting the distribution of meeting recordings is to ensure that Members feel comfortable in expressing their opinions during User Group meetings.

### 7.3. User Group feedback

User Group feedback:

- A Member may raise any suggestions regarding the operation of the User Group with the Chairperson or Representative.
- From time to time, feedback will be sought from Members on the operation of the User Group at a meeting of the group.
- Any concerns regarding the operation of the User Group, including the behaviour of its Chairperson or its Members, should be raised with the Representative.
- Any concerns regarding the behaviour of the Representative should be raised with the BraveTrace Chief Executive.
- BraveTrace will endeavour to consider and address any concerns in a timely fashion and has sole discretion on any such resolution.

### 7.4. Changes to the Terms of Reference

BraveTrace may amend this Terms of Reference based on feedback from the User Group or at its own discretion. Any changes to the Term of Reference will first be discussed with the User Group.

## Appendix A: NZECS Principles

### NZECS Principles

Proposed changes to the NZECS should be assessed using the NZECS Principles (Principles) described below:

1. **Impact:** Does the change increase the level of support Energy Users can provide to Registrants (renewable energy producers registered on the NZECS) and does the change increase the level of Energy User confidence that greenhouse gas (GHG) emissions will reduce because of that support.
2. **Robustness:** Does the change improve the robustness and credibility of the NZECS, including consistency with relevant standards, such as the GHG protocol.
3. **Participation:** Does the change promote participation by lowering transaction costs, making the NZECS easier to use, or providing a more useful product.

When assessing a change to the NZECS each of the Principles should be assigned an equal weighting.