

ARENA invested significant resources this year into improving management tools to allow greater visibility of overall performance and effectiveness of its investments.

## ENHANCING OUR BUSINESS PROCESSES



During 2017-18 ARENA committed to a program of organisation improvement aimed at enhancing and streamlining our business processes and ensuring that individual grant management is proportional to the risk and benefit of a project.

The Agency developed new simplified funding agreements, which were used in our funding rounds. In the next reporting period ARENA will have the data to determine whether this has resulted in reduced contract negotiation periods. ARENA's new program funding guidelines have led to new programs being designed and delivered more quickly. This year, the Agency substantially completed implementation of a new risk-based contract management system that has shortened assessment and payment turnaround times and made it simpler for recipients to meet their obligations.

A new internal Project Portfolio Management Committee (PPMC) was created to review the performance of ARENA-funded projects; ensure that projects are governed in a

manner that is consistent with Australian Government expectations in relation to governance, compliance and risk management; monitor project performance; and maximise knowledge sharing outcomes.

The PPMC met quarterly throughout the year. Portfolio areas reviewed by the Committee to date include ARENA's solar research and development projects, utility-scale battery projects, demand response, distributed energy and grid security. Regular portfolio review is proving invaluable in surfacing key lessons from the portfolio such as challenges in grid connection, demand response baselines and customer behaviour. It also highlights lessons learned from our contract management approach, used to inform future funding rounds and negotiations.

The next phase of grants management efficiency improvements will involve technological enhancements delivered through an IT transformation program.