

Sue Begg
Deputy Chair
Commerce Commission
44 The Terrace
Wellington 6011

By email: Matthew.Lewer@comcom.govt.nz.

2 October 2018

Dear Ms Begg

Vector's request that DPP be re-opened

Northpower Limited (Northpower) is one of Vector's two main contractors working on the Vector electricity network in the greater Auckland region. Northpower plans, manages and delivers across a diverse works profile including fault and restoration management, major capital works, maintenance and developer-initiated network extensions and upgrades. In addition, Northpower is an electricity network owner in its own right owning the Northpower network in the Whangarei and Kaipara districts of Northland.

We understand that Vector's application for a re-opening of its DPP is based on regulatory changes triggered by the introduction of the Health and Safety at Work Act 2015 and the subsequent changes in working practices adopted by Vector as a result. We are not able to comment on whether or not these changes meet the relevant legal thresholds. However, we do make the following observations.

- Vector's change in working practices requiring less live line work has influenced the whole electricity distribution industry.
- We have seen a noticeable reduction in live line procedures due to the increased risk involved in doing live line work.
- The impact of the increase in de-energized work is that more shutdowns occur which results in increased SAIDI/SAIFI.
- The increase in shutdowns results in a significant rise in operational costs for example, extra planning, labour, traffic management and customer liaison costs.

We are happy to provide more information if required.

Yours sincerely



Lloyd Richards
General Manager - Contracting
Northpower Limited