

WELLINGTON Level 9, 44 The Terrace PO Box 2351, Wellington 6140 New Zealand Tel: +64 4 924 3600

AUCKLAND Level 12, 55 Shortland Street PO Box 105-222, Auckland 1143 New Zealand Tel: +64 4 924 3600

www.comcom.govt.nz

24 July 2023



By e-mail only:

Kia ora 💦 ,

Response to Northpower Limited's request for an exemption from providing complete SAIDI and SAIFI data under the Electricity Distribution Information Disclosure Determination 2012

 We refer to your letter dated 31 May 2023¹ (Letter), requesting that the Commerce Commission (Commission) grant Northpower Limited (Northpower) an exemption from providing complete SAIDI and SAIFI data for the period covering 12 to 19 February 2023 (the eight-day period), due to the impact of Cyclone Gabrielle.²

Exemption request

- 2. Northpower has requested an exemption under clause 2.11 of the ID Determination from providing complete data and instead proposes the provision of estimated data for the period 12 to 19 February 2023.
- 3. Complete data is required under Schedule 10 and clause 2.5.1 of the Electricity Distribution Information Disclosure Determination 2012 (**ID Determination**).³
- 4. Northpower's ID exemption request applies to the following schedules:
 - 4.1 Schedule 10(i): Interruptions for Class C (unplanned interruptions on the network) and Normalised SAIFI and SAIDI Classes B & C (interruptions on the network); and

¹ Information Disclosure Exemption Application, Northpower Limited, dated 31 May 2023.

² Northpower is the EDB that serves the Northland region which was impacted by Cyclone Gabrielle.

³ EDB ID Determination 2012, amended May 2023. Found <u>here</u> on our website.

- 4.2 Schedule 10(ii): Class C Interruptions and Duration by Cause for Adverse weather.
- 5. Northpower states that at the peak of Cyclone Gabrielle, approximately 30,000 of Northpower's customers, or approximately 50% of the consumers on its network did not have power.
- 6. Northpower provided the following reasons why it cannot reasonably comply with the ID requirements for the eight-day period:⁴
 - 6.1 A decision was made to prioritise managing public safety risks and restoring power to consumers (including vulnerable consumers, critical infrastructure, rest homes, dairy farms, and commercial businesses) over the manual collection and collation of SAIDI and SAIFI data.
 - 6.2 All available field and technical staff, plus additional resources were deployed to work on the response and remedial effort.
- 7. Northpower asserts that non-compliance will only cause minimal impact on consumers and other parties affected by the exempted disclosures, based on the following reasons:
 - 7.1 Northpower can estimate SAIDI and SAIFI during the eight-day period using operations from circuit breakers and reclosers captured automatically in its SCADA system.
 - 7.2 Northpower say that using their proposed data estimate equates to raw unplanned SAIDI to be around 930 minutes in relation to this event which equates to almost eight years of unplanned SAIDI under normal conditions. Northpower's view is that this probably overstates SAIDI.
 - 7.3 This figure is so large that, after normalisation, any inaccuracies will have relatively little impact on the performance data. Northpower calculates the normalised figure as around 50 minutes.
- 8. Northpower believes that the purpose of information disclosure will continue to be met as the remainder of the year (outside the eight-day period of the Cyclone response) will still be accurately disclosed and enable comparison with prior years.

Conditional exemption granted

9. Under clause 2.11.1(1) of the ID Determination, the Commission has the power to provide exemptions from any requirement of the ID Determination, for a period and on such terms and conditions as the Commission specifies.

⁴ Information Disclosure Exemption Application, Northpower Limited, dated 31 May 2023.

- 10. By this notice, the Commission grants Northpower a conditional exemption from publicly disclosing complete information in Schedule 10, required by clause 2.5.1 of the ID determination, for the eight-day period covering 12 to 19 February 2023, for:
 - 10.1 Schedule 10(i): Interruptions for Class C (unplanned interruptions on the network) and Normalised SAIFI and SAIDI Classes B & C (interruptions on the network); and
 - 10.2 Schedule 10(ii): Class C Interruptions and Duration by Cause for Adverse weather.
- 11. The exemption is provided with the condition that estimates are based on operations switching data from SCADA records, instead of the actual data for the eight-day period referred to above.

Reasons for granting the exemption

- 12. We consider this exemption for Northpower to be reasonable, given that:
 - 12.1 Northland was severely affected by Cyclone Gabrielle and a state of emergency was declared in Northland at 4.35, on the 12th of February 2023;
 - 12.2 the events that led to Northpower reprioritising its staff were outside of its control;
 - 12.3 the eight-day period in question, as a proportion of the year, is not substantial;
 - 12.4 Northpower will be estimating its SAIDI and SAIFI to the best of its abilities and normalisation will further limit the effects of any inaccuracies; and
 - 12.5 the long-term trends in relation to Northpower's network reliability information will not be impacted in a material way.
- 13. We have considered the impact of the exemption on the purpose of information disclosure under section 53A of the Commerce Act 1986 and have concluded that the purpose will still be met if this exemption is granted. However, we note that consumers are interested in understanding the resilience and recovery of networks. We encourage Northpower to consider whether its approach to SAIDI/SAIFI recording during weather and other events is applying good industry practice.

Further information

- 14. This exemption may be revoked or amended by the Commission at any time in accordance with clause 2.11.1(2) of the ID determination.
- 15. A copy of this exemption response letter will be published on the Commission's website.
- 16. If you have any questions regarding this matter, please contact Joe O'Sullivan at <u>infrastructure.regulation@comcom.govt.nz</u>

Yours sincerely



Vhari McWha Commissioner