

23 November 2020

Dane Gunnell  
Manager, Price-Quality Regulation  
Commerce Commission  
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By email only: [regulation.branch@comcom.govt.nz](mailto:regulation.branch@comcom.govt.nz)

Dear Dane

#### **EXTENSION REQUEST – SUBMISSIONS ON THE DRAFT DECISION ON AURORA'S CPP PROPOSAL**

- 1 We seek an extension to the due dates for submissions on the draft decision relating to Aurora's CPP proposal.
- 2 The draft decision document is supported by analysis, by Strata Energy Consulting Limited (**Strata**), of the extent to which unverified expenditure in Aurora's CPP proposal meets the expenditure objective, as well as a critique and dissenting opinion on independently verified expenditure in a significant number of instances.
- 3 The scope of the analysis undertaken by Strata appears broader than that seen in previous CPP decisions and Strata's notes appear to have been the critical expert evidence that the Commission has relied upon to make its draft decision. Strata's analysis has resulted in significant moderation of allowable expenditure in the draft decision; therefore, understanding the rationale for Strata's views is of vital importance to Aurora.
- 4 In reviewing Strata's report over the weekend, our advisors have concluded that it will be necessary for Aurora to try to replicate Strata's work to fully understand it because, in some cases, the report chapters are opaque, analysis includes options, and key variables are expressed as ranges.
- 5 Unfortunately, the Strata report was not made available to us until some eight days after the release of the draft decision and other supporting material on 12 November 2020. The delay in releasing Strata's report has materially compromised our ability to satisfactorily respond to the draft decision in the timeframes allowed.
- 6 Accordingly, we request that the Commission approve extensions to the submission deadlines, as follows:
  - 6.1 Submissions, until 23 December 2020.
  - 6.2 Cross-submissions, until 22 January 2020.
- 7 While we acknowledge that these dates are departure from the Commission's preferred timetable, the significance of the Strata report to the draft decision is material, and the delay

requested should not in our view compromise the Commission's ability to make its final decision by 31 March 2021.

Yours sincerely

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke extending to the left.

Alec Findlater  
General Manager, Regulatory & Commercial