

Fork Farm^v

22/8/2020

Re: Aurora Energy Infrastructure Investment Submission

Thank you for the opportunity to share my views with you and I am sorry that due to Covid 19 a face to face meeting was not possible in the Queenstown Lakes District. Thank you for allowing an extra week to complete this submission also.

There is no doubt that extra investment is needed to bring the Aurora network up to a modern, secure and reliable utility service. Recent outages throughout the Central Otago region over the past winter which leave human welfare and businesses vulnerable lead me to the opinion that the investment does need to happen over the fastest timeframe possible. Constraining factors will include the ability to get qualified labour and for the ability of the community to pay.

The lack of maintenance on the network which has led to the situation that we find ourselves in is in part due to the high level of payments that has been made to the shareholder. Dunedin City Holdings over the past 20 years have received dividends and subvention payments in excess of \$238 million. This is approximately 79% of the surplus generated by Aurora over that time.

I know of no other network company that has a differential pricing model that penalises one sector of its customers to the advantage of another and would like to know the justification for this one. I ask that this is to cease with the network charges being the same no matter where one draws electricity throughout the network. Differential pricing is especially wrong when the area with the lowest differential is also receiving all the dividends and subvention payments.

	DCC	Wanaka
Daily Charge c/day	84.5	105
Variable Charge c/Kwh	17.2	33.24

Table of differential pricing in action with network charges making up almost 50% of my energy bill as shown in the attached Pioneer invoice.

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In conclusion,

- We do need reinvestment and sooner than later
- Differential pricing must stop and the network must be treated as one with all customers being equal.

Many thanks for your time and if possible I would be happy to speak to my submission.

Yours sincerely,

Phill Hunt

Wanaka

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