

18 October 2019

Tim Hewitt (Chief Advisor)
Commerce Commission
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By email to regulation.branch@comcom.govt.nz

Dear Tim

Comments on SAIFI successive interruptions consultation

The ENA appreciates the opportunity to comment on the Commission's proposal on how to treat the measurement of SAIFI when consumers have successive outages following partial restoration of an interruption.

A pragmatic Commission approach.

We are pleased to see the Commission's approach this complex issue in a pragmatic manner so that the DPP3 process can be completed without further complication and costs to consumers.

Our own discussions with members about the possibility of historical data being restated, should the SAIFI measurement definition be revised, resulted in a similar conclusion to that which can be drawn from paragraph 24 in the consultation paper. For some members, back-casting will be a time consuming and costly exercise.

We note the proposal for the DPP to require EDBs to document and by 31 March 2020 to certify their operational practices for recording successive interruptions as at 1 April 2019 as set out in paras 34 and 35 of the consultation paper. In paras 44 to 49 we also note the Commissions' understanding of the practical challenges for both themselves and for EDBs if the alternative 'multi-count' approach is mandated for all EDBs.

Recognising that some members already measure SAIFI using the multi-count approach, we agree that this approach could also provide a consistent measurement basis for SAIFI but again, our own discussions with members has revealed that in some cases restating historical data to get a

consistent reference data-set is impossible and in other cases the cost and time to do so will be material. Because of this the Commission will have difficulty setting meaningful DPP3 quality standards that would have to be based on inconsistent reference datasets and/or proxy measures to smooth out the inconsistencies.

ENA understands that Aurora, as the first company to strike this issue, has undertaken an extensive process to recalculate its SAIFI information and is able to robustly move to a multi-count methodology. We understand that Aurora, having committed significant time and resource to achieve this position would prefer to move to the multi-count methodology and we support an exception to accommodate this change for Aurora, as it appears that no further work is required to establish the requisite dataset.

Long term approach

The Commission has identified that it is not clear what the long-term preferred methodology should be and has noted ENA's comments on the limited understanding of how consumers regard successive interruptions during an outage event. We do not have anything further to add to the comments that ENA has previously made, but agree that, in settling on an unambiguous definition of "interruption" and potentially introducing a definition of "supply", it would be appropriate to determine this based on an understanding of consumer impacts of outage events with multiple interruptions. Consistent with the Government's aspirations for consumers to have a greater say in the electricity sector (EPR: "Strengthen the consumer voice"), we think a research/consultation effort should be made to better understand consumer interests and preferences before settling on an approach.

Closing comment

We support the Commission with this proposal, and we hope that you find these additional comments useful in expanding on or clarifying ENA's position. Please feel free to contact me if you have any further questions.

Kind regards,



David de Boer
Principal Advisor