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20 February 2020

Alec Findlater General Manager, Regulatory & Commercial Aurora Energy Limited PO Box 5140 Dunedin 9058

By Email: Alec.Findlater@auroraenergy.nz

Dear Alec,

Final - Exemption response letter - Aurora

1. We refer to your letter of 20 December 2019 in which you requested that the Commerce Commission (Commission) grant an exemption to Aurora Energy Limited (Aurora) from the requirement to submit an Asset Management Plan (AMP) in 2020 under clause 2.6.1 of the Electricity Distribution Information Disclosure Determination 2012 (ID Determination) on the condition that Aurora submit a revised AMP as part of its customised price-quality path (CPP) proposal on or before 12 June 2020.

Background to the request

- 2. Aurora proposes to submit to the Commission an application under section 53Q of the Commerce Act 1986 (Act) for a CPP on or before 12 June 2020.
- 3. Annual disclosure of an AMP before 1 April is required by clause 2.6.1 of the ID Determination.
- 4. Aurora will submit a revised AMP with its CPP proposal in June 2020.

Exemption requested

5. You indicate that submitting an AMP before 1 April 2020 is redundant given Aurora will shortly thereafter, as part of its CPP proposal, submit a revised AMP.

Exemption decision

- 6. The Commission considers that the exemption requested by Aurora is reasonable given that:
 - 6.1 the current disclosure rules and the timing of Aurora's CPP proposal would increase the compliance burden on Aurora by requiring it to provide multiple asset management disclosures; and

- 6.2 consistent with the purpose of information disclosure under section 53A of the Act, Aurora's intended timeline of AMP disclosure will provide sufficient information to interested persons regarding their asset management strategy.
- 7. Under clause 2.11.1(1) of the ID Determination, the Commission grants Aurora an exemption from the requirement in clause 2.6.1 of the ID Determination to submit an AMP before 1 April 2020.
- 8. This exemption is granted on the conditions that:
 - on or before 12 June 2020, as part of its CPP proposal, Aurora submits an AMP that meets the requirements of paragraphs (a) to (e) of clause 2.6.1(1) of the ID Determination;
 - if Aurora fails to submit an AMP (with its CPP proposal) that meets the requirements of paragraphs (a) to (e) of clause 2.6.1(1) of the ID Determination by 12 June 2020, Aurora must publicly disclose an AMP that meets the requirements of paragraphs (a) to (e) of clause 2.6.1(1) of the ID Determination by no later than 30 June 2020; and
 - 8.3 in submitting its CPP proposal, Aurora notes that it has been granted this exemption.

Further information

- 9. This exemption may be revoked or amended in accordance with clause 2.11.1(2) of the ID Determination.
- 10. A copy of this exemption response letter will be published on the Commission's website.
- 11. For any further questions relating to this letter, please contact Steven Peter at steven.peter@comcom.govt.nz.

Yours sincerely

Andy Burgess

Head of Energy, Airports and Dairy - Regulation