

I am making this submission on behalf of the recently formed Cromwell Electrical Trust Action Group.

Trust. The overriding message coming from the community is lack of trust, not only of Aurora but by default, the Commerce Commission also.

We understand the Commerce Commission has no means of addressing past wrongs but they can't be ignored as we need confidence that these things will not be repeated.

There is a concern that once consumers pay this huge capital investment it will enable Aurora to not only restore the network to full capacity but own a very saleable asset. In other words, they could sell the asset and walk away with our money.

The Price Structure. Our basic maths show us there is no way 90,000 consumers paying between \$20 and \$30 per month for 36 months will raise \$380 million, they would be lucky to raise 25% of that sum.

It may be that there is a different pricing strategy that we are unaware of, if that is the case then the community needs to be informed of that.

The commission's literature states "It is up to Aurora to decide how much different groups of consumers pay". That statement is deeply concerning.

We have in our community many "at risk" people, the elderly, people on one income with young children and those struggling with the effects of Covid-19 on employment and business. These people need reassurance that there won't be a massive increase in their power bills "approximately \$30 for the average consumer" does not provide that assurance.

We question the proposal to pay for capital items in full prior to installation and consider that Aurora borrowing the funds required with the consumer servicing principle and interest of that loan over the expected life of the purchase to be more in line with normal business practice. This will lessen the financial strain on existing consumers and pass some of the cost on to consumers of the future.

Safety, Quality and Value Assurance. Over the next 3 to 5 years we consider it is imperative to have independent verification of these 3 sectors.

For example, we need to know our funds are being spent correctly and that best practice is being followed.

We need to know that funds are not being paid between Dunedin City Council departments and a profit being skimmed off the top and that the cost of capital items is not being inflated.

We need to know that the work carried out is safe and fit for purpose with residual risk reduced to a minimum.

We cannot accept outages that endanger the community or structural failures that endanger the lives of workers or the lives and property of the community in general.

Finally, along with many of the community we feel the most positive way forward is for Aurora to divest itself of the Central Otago component of the network.

While we realise that this is outside the scope of the Commerce Commission brief, if Aurora's Investment Proposal is not acceptable the Commerce Commission must make that recommendation to the Central Government so a full inquiry can be held to find a better way forward.