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Dane Gunnell  
Manager, Price- Quality regulation  
Commerce Commission  
Wellington

By email: [feedbackauroraplan@comcom.govt.nz](mailto:feedbackauroraplan@comcom.govt.nz)

### **Powerco submission on Aurora ID Draft Decision**

Powerco appreciates the opportunity to comment on the Commerce Commission's (Commission) draft decision that requires Aurora to disclose additional information over its Customised Price-Path (CPP) period and beyond.

We support the Commission's objective to improve the transparency of Aurora's performance and its accountability to stakeholders across its network. Because the driver of Aurora's CPP is atypical (repairing its network following an extended period of underinvestment) and the scale of change is large for consumers, additional information is required to assess its performance. Our comments are made in this context:

- Extra disclosure will have an operating cost and in some cases a capital cost. So, the Commission needs to ensure the costs to deliver more information are consistent with Aurora's approved opex and capex allowances.
- An example of inconsistency between the proposed requirements and Aurora's expenditure allowances is low voltage (LV) monitoring. The draft decision sets an expectation that Aurora will improve its practices for monitoring voltage quality on its LV network. But this appears to be impractical since LV network monitoring requires significant capital investment, and this type and level of expenditure wasn't included in Aurora's CPP application. Also, we think it would be unwise to set regulation that directs Aurora to deploy LV network monitoring before establishing a business case for it.
- Instead of disclosing a version of its cost-of-supply model, a preferable solution would be to outline the type of information or questions to be addressed. This would leave some flexibility for Aurora to answer these in an efficient and customer-focussed manner that can adapt through time and is right-sized for the nature of the issue.
- It appears that the Commission intends for the additional disclosure requirements to apply beyond the end of Aurora's CPP period.<sup>1</sup> Our experience is that stakeholder's interests can change over short time periods. So, a better approach would be to limit the disclosure requirements to the CPP period and re-examine them before Aurora transitions to the DPP or

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<sup>1</sup> The amended Information Disclosure Determination includes open-ended requirements, and the draft reasons paper states that "*This paper sets out our draft decisions and supporting reasons for requiring Aurora to disclose additional information over its CPP period and **beyond** [emphasis added]*"

another CPP. This will ensure that the information disclosed remains targeted, meaningful, and cost-effective.

Please contact Nathan Hill ([REDACTED]) if you have any questions about this submission.

Yours sincerely

A handwritten signature in black ink, appearing to be the initials 'AK' followed by a stylized flourish.

Andrew Kerr  
Head of Policy, Regulation, and Markets