

18 October 2019  
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Dear Mr Gunnell

### **EDB DPP3 reset – SAIFI consultation**

Wellington Electricity Lines Limited (**WELL**) welcomes the opportunity to make a submission in response to the Commerce Commission's (**Commission**) consultation paper "Default price-quality paths for electricity distribution businesses from 1 April 2020 – Recording of successive interruptions for SAIFI" published on 25 September 2019.

The Electricity Network Association (ENA) has also provided a submission in response to the Draft Decision. WELL supports the views of the ENA submission.

WELL supports the Commission's preferred approach of setting the SAIFI quality standard for the DPP3 reset by adopting the EDBs' current practice. WELL agrees with the reasons outlined in the consultation document.

WELL is also looking forward to participating in the decision process on how SAIFI will be recorded for future periods.

WELL endorses an approach of aligning future measurement practices with consumer preference, however acknowledge different consumer segments will have a range of preferences. As outlined in its letter to the Commission on this subject dated 16 August and titled "Disclosing issues relating to SAIFI", WELL believes that 'successive interruptions' within the same event aligns with the customer preferred outcome of getting power restored quickly to reduce outage duration (SAIDI).

WELL notes that if an EDB is required to change its SAIFI recording methodology in the future to account for successive outages during fault sectionalising, then this will require a recalculation of the target so that an artificial annual breach situation is avoided where a change in practice doesn't align with historic targets. Consideration will need to be given to whether all EDBs currently have systems to record successive outages to a level of the required for audit transparency. This is a cost/benefit decision for customers when they are consulted about their preferences.

WELL appreciates the opportunity to provide a submission on the Commission's SAIFI consultation. If you have any questions or there are aspects you would like to discuss, please don't hesitate to contact Scott Scrimgeour, Commercial and Regulatory Manager, at [sscrimgeour@welectricity.co.nz](mailto:sscrimgeour@welectricity.co.nz).

Yours sincerely

A handwritten signature in dark ink, appearing to read 'G Skelton', written in a cursive style.

Greg Skelton

**Chief Executive Officer**