

17 May 2021

To: All suppliers of electricity distribution services as regulated under Part 4 of the Commerce Act 1986

Tēnā koutou,

Information Disclosure exemption: Disclosure and auditing of reliability information within Schedule 10

1. We are issuing an exemption to facilitate completion and submission of the 2021 and 2022 year-end disclosures. Note that this is different from the exemption previously granted on 22 August 2019 but is similar to the exemption granted on 9 April 2020.
2. In 2019 and 2020, we issued an exemption to aspects of the disclosure contained within Schedule 10 of the Electricity Distribution Information Disclosure Determination 2012 (**ID Determination**), following the identification of an issue in late 2019 relating to how Electricity Distribution Businesses (**EDBs**) recorded successive interruptions.¹ The exemptions were granted in order to facilitate completion and submission of the year-end disclosures in each year.
3. We understand treatment of successive interruptions is inconsistent between EDBs, which can affect the recording of the System Average Interruption Frequency Index (**SAIFI**) and the System Average Interruption Duration Index (**SAIDI**), although to a lesser extent. Where an interruption to the supply of electricity distribution services is followed by restoration, and then by a “successive interruption”, some EDBs have only been calculating the relevant SAIFI and SAIDI values based on a single outage, not based on multiple outages. We expect to address this inconsistency through a targeted review of the ID Determination.

Meanings

4. Any terms used in this exemption that are defined in the ID Determination take the meaning set out in the ID Determination.

¹ The exemption dated 22 August 2019 is available on the Commission’s website here: https://comcom.govt.nz/_data/assets/pdf_file/0029/168932/ID-Exemption-All-EDBs-Disclosure-of-reliability-information-within-Schedule-10-22-August-2019.pdf, and the exemption dated 9 April 2020 here: https://comcom.govt.nz/_data/assets/pdf_file/0019/214507/ID-Exemption-All-EDBs-Auditing-of-successive-interruptions-9-April-2020.pdf

5. **Successive interruption** means an interruption that follows an initial interruption that either:
- 5.1 relates directly to that initial interruption; or
 - 5.2 occurs as part of the process of restoring supply of electricity lines services following that initial interruption.²

Exemption granted

6. Under clause 2.11.1 of the ID Determination, the Commission grants all EDBs an exemption for the 2021 and 2022 disclosure years, subject to the condition at paragraph 7 of this letter, from:
- 6.1 the requirement that the assurance report required to be procured by clause 2.8.1(1) of the ID determination in respect of the information in Schedule 10 of the ID determination must take into account any issues arising out of the EDB's recording of SAIDI, SAIFI and number of interruptions due to successive interruptions.
7. This exemption is granted on the condition that:
- 7.1 For both the 2021 and 2022 disclosure years, EDBs must complete and disclose under Schedule 15, as part of their disclosures under the ID Determination, the following information:
 - 7.1.1 whether successive interruptions have been treated in the same way for the current disclosure year as they were for the previous disclosure year;
 - 7.1.2 if successive interruptions were treated differently for the current disclosure year than they were for the previous disclosure year, provide an explanation of the nature of and reasons for the change; and
 - 7.1.3 the process applied in recognising, or not recognising, successive interruptions following an initial outage.

Further information

8. This exemption may be revoked or amended by the Commission at any time in accordance with clause 2.11.1(2) of the ID Determination.
9. A copy of this exemption letter will be published on the Commission's website.

² This definition is the same as that in the Electricity Distribution Services Default Price-quality Path Determination 2020 (DPP3).

10. If you have any questions regarding this matter, please contact Stephen Bass on (04) 924 3749 or Stephen.Bass@comcom.govt.nz.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sue Begg', written in a cursive style.

Sue Begg
Deputy Chair