

Submission

Default price-quality paths for electricity distribution businesses from 1 April 2020 – Proposed process

17 July 2018

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1 Introduction

Aurora Energy welcomes this opportunity to comment on the Commerce Commission's (Commission) consultation paper "Default price-quality paths for electricity distribution businesses from 1 April 2020 – Proposed process" (the Consultation Paper).

No part of our submission is confidential and we are happy for it to be publically released.

If the Commission has any queries regarding this submission, please do not hesitate to contact:

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2 Suitability of timing of events and publications

We are pleased that the Commission has accepted feedback from the industry in terms of earlier timings during this reset compared with the 2015-2020 reset, and the opportunities that this affords the Commission to take more time to consider submissions throughout the process.

However, we are concerned that the consultation period for the issues paper spans the 2018/2019 holiday period. While we acknowledge that the Commission has extended the usual cross-submission period to account for this, we are not convinced that the proposed timings are adequate. We would prefer to see the cross-submission period extended until the end of January 2019. Doing so would not appear to impact on any of the later dates detailed in the Consultation Paper and would, in our view, enable us to prepare a more considered cross-submission on what is a critical stage in the reset process.

In terms of an information gathering request on quality of service data, we consider that it would be more beneficial if this request was made after 1 April 2019. This would mean that we would have a full set of data for the 2018/2019 regulatory period to make available to the Commission, which would in turn give the Commission a more complete view of quality of service on which to base its decisions.

While we do not have any issues with the financial models being published at a later period during this reset, we would like to see the Commission provide a comprehensive explanatory narrative at the time they are published, detailing any variations to the financial models from those used in the 2015-2020 reset.

3 Workshops

We welcome the opportunity to be involved in workshops during the reset process. We participated in the workshops during the 2015-2020 reset and found them to be beneficial in terms of providing an opportunity for open dialogue with the Commission.

We consider that the proposed timings for the workshops are appropriate. However, we would prefer that the first workshop, which is currently proposed to be held before the release of the initial issues paper, was held after that release. This would mean that we would be better prepared to participate in the workshop, as we would be armed with more definitive knowledge of the issues that will arise during the reset.