

## **Summary of Alexandra stakeholder meeting on Aurora's CPP – 10 August 2020**

### **Purpose**

This document provides a summary of the key high-level points raised at the Commission's meeting with community representatives and business owners in Alexandra in response to the release of the Commission's Aurora CPP Issues Paper consultation package. Please note:

- It is intended to provide a summary of who attended and topics of discussion and does not provide a record of the discussion verbatim.
- Not all views summarised below were universally held by all present at the meeting.

### **Time, Venue and Date**

12pm – 2pm, 10 August 2020, Alexandra District Memorial Hall

### **Attendees**

#### *Stakeholders*

- Phil Tosswill (Alexandra Clyde Business Group)
- Barry Hambleton (Alexandra Clyde Business Group)
- Russell Garbutt (Deputy Chair, Vincent Community Board)
- Steve Tilleyshort (Representing self)
- David Ritchie (Representing self)
- Richard Healey (Representing self)
- Melanie Eade (Representing self)
- Jeremy Hiscock (Earnscliffe Fruitgrowers)
- Pete Bennie (Leaning-Rock Cherries)
- Raewyn van Gool (Lake Terrace Cherries Ltd)
- Anne Robertson (Robertson Orchard)
- Rob Douglas (Energy Edge Ltd)
- Tim Cadogan (Mayor, Central Otago District Council)
- Roger O'Brien (Maternity Hospital)

### *The Commission*

- John Crawford (Associate Commissioner)
- Nick Russ (General Manager, Regulation)
- Andy Burgess (Head of Energy, Airports, and Dairy)
- Rachael Coyle (Manager, Strategy and Information)
- Dane Gunnell (Manager, Price-Quality Regulation)
- Gordon Harcourt (Senior Communications and Engagement Adviser)

### *The Electricity Authority*

- Rob Bernau (General Manager, Market Design)

### **Key points raised by stakeholders**

1. Stakeholders generally stated at the outset they were disappointed about recent meetings with Aurora over issues with power supply to fruit growers and they were looking to the Commission to assist them.
2. The Commission explained its role, and what it could and couldn't do as part of the CPP process. Stakeholders generally expressed significant concern that the scope of the Commission's role was not large enough to cover all the issues they saw with Aurora. Some stakeholders implored the Commission to act as they saw the Commission as the only protection consumers had.
3. Stakeholders generally expressed a lack of trust in Aurora and considered further action needed to be taken to hold Aurora to account for its past performance. Stakeholders generally expressed the view that they felt they were being asked to pick up the bill for previous poor investment decisions.
4. Stakeholders generally were not satisfied that the court penalty imposed on Aurora for breaching its quality standards was sufficient, and expressed a lack of trust in the process that had led to the penalty. There was significant concern with a recent power outage at Clyde and stakeholders wanted the Commission to take action so that it did not happen again.
5. Stakeholders generally asked the Commission to explain what it had done to regulate Aurora in the time that the underinvestment was occurring, and why they should be able to apply for a CPP rather than the shareholder paying for the necessary investment. The Commission outlined how the regime works and the steps it had taken since 2016 to improve how it identifies under-investment going forward.
6. Stakeholders generally did not trust that Aurora's estimate of the bill impact reflected the true costs that would be imposed on consumers. Stakeholders were also generally concerned about the higher costs to supply Central Otago compared to Dunedin.

7. Some stakeholders expressed a lack of confidence in Aurora's planning and questioned whether Aurora's investments would actually be able to support growth in cherry orchard expansion which required large irrigation schemes.
8. Stakeholders generally queried whether Aurora's current programme of spending reflected just quantity rather than quantity and quality. Stakeholders generally felt you could measure the amount of money that was being spent but not whether the problems were actually being fixed.
9. Some stakeholders felt that without the ex-Aurora and Delta employees helping the community they would be struggling to understand what was happening on the network as Aurora had not been helpful in explaining issues.
10. Some stakeholders felt they could not understand their risk profile and how this was being managed by Aurora. They felt if they had better information from Aurora they may make different decisions about how they could de-risk issues in reliability of supply and power quality affecting operations like frost fighting and milking cows. For example, was it worth investing in their own back-up generation.