

## **Summary of Cromwell stakeholder meeting on Aurora's CPP – 11 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 Cromwell 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, 11 August 2020, Cromwell and Districts Presbyterian Church

### **Attendees**

#### *Stakeholders*

- Anna Harrison (Cromwell Community Board)
- Cheryl Laws (Central Otago District Council)
- Stephen Darling (Darlings Fruit Company)
- Peter Vernon (Melrose Orchard)
- Trudi Webb (Webb's Fruit & Central Otago Fruit Growers' Association)
- Sue Woodward (Cromwell Community House)
- Nick Paulin (Central Otago Winegrowers' Association)
- James Dicey (Central Otago Winegrowers' Association)
- Allan Coull (Old Cromwell Heritage Precinct Trust Board)
- Robin Dicey (Winemaker)

#### *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 expressed concern that they don't have a relationship with Aurora's owners, and they feel they have no voice in what happens on the network.
2. Some stakeholders asked for Aurora's application be rejected and Aurora's ownership passed back to the community.
3. Some stakeholders were dissatisfied with the regulatory approach to Aurora and questioned how Aurora's owners had been able to take a dividend without investing back into the business.
4. Stakeholders generally felt Aurora should have been punished more strongly earlier and questioned what more the Commission could have done.
5. Stakeholders generally were concerned that Central Otago consumers would pay more than Dunedin consumers under Aurora's pricing methodology and felt this was unfair given that Dunedin consumers had benefited previously through Aurora's dividends to the Dunedin City Council. Stakeholders asked that the Commission petition the Government for a fairer pricing arrangement.
6. Some stakeholders asked whether the Commission could regulate voltage quality as this has caused significant issues for residents and businesses, including brown outs and power surges. This was particularly acute for frost fighting equipment and milking sheds where the voltage could mean that milking was halted mid-process or crops were damaged by frost.
7. Some stakeholders asked the Commission to go to Central Government to get additional powers to regulate Aurora as they were not satisfied with areas where the Commission had pointed out it did not have the powers to act on suggestions from stakeholders.
8. Stakeholders generally questioned the community's ability to pay for the increases where the economy had been affected badly by covid-19 with many losing their jobs in one of the coldest regions of the country with high levels of energy poverty generally.
9. Some stakeholders asked why Central Otago distribution charges were higher than Dunedin when Central Otago was closer to the source of generation. They said they

did not believe Aurora's explanation that Dunedin had a higher population density to support the network charges in that area compared to Central Otago.

10. Some stakeholders said they recognised the network needed to be fixed and would pay more to do so but only if the costs were clear and transparent, and Aurora was accountable for delivering the works efficiently. This might include key performance indicators. Other stakeholders argued they should not be paying anything and DCC should pay for the network to be fixed given it was responsible for the underinvestment.
11. Stakeholders generally were concerned that consumers would be funding Aurora's fine for breaches of its quality standards. Stakeholders asked the Commission to make Aurora demonstrate that it had not passed the costs of the court penalty on to consumers.
12. Some stakeholders queried whether Aurora was adequately staffed to operate the Central Otago network. This was because there were long delays in contractors attending outages which was worrying some of the community where the outages were the result of car crashes with live lines preventing first responders attending to the injured.
13. Some stakeholders asked for the cost of the CPP to be pushed as far into the future as possible, arguing that the current generation had paid for the network in the past, and future generations should pay for the network that will be there for them in the future.