
From: comcom@squiz.co.nz [comcom@squiz.co.nz]
Sent: 25/11/2020 2:27:30 p.m.
To: Feedback Aurora Plan [feedbackauroraplan@comcom.govt.nz]
Subject: Feedback on Aurora investment plan

The following feedback has been received on the Aurora investment plan:

Introduction

Please provide your email address if you want to be kept up to date with our assessment:



Revenue smoothing

Please indicate whether you agree with our draft decision to apply Scenario 1 and describe what you see as the benefits to consumers of this scenario. If you instead prefer Scenario 2, please outline your reasons and describe what you see as the consumer benefits of deferring revenues, even if it means paying an interest cost later.:

The draft proposals address expenditure in the future but not the past history of the management and maintenance of the lines network. The Commission has largely ignored this, other than the fines imposed. I believe that the Commission should suggest that the previous Directors and associated organizations who appointed them should be held accountable for disregarding lines network maintenance in preference to receiving dividend payments which were used for other purposes. Perhaps the serious fraud office need to be involved. The Commission should address how the same situation will be prevented in the future. Who is responsible for ensuring lines networks are maintained to an adequate standard? For example, MBIE. In regard to the scenario I prefer No. 2. I also believe that capital expenditure on any expansion of the network should be paid by the land developers where the expansion is located. This is not a cost that existing consumers should bear in my opinion. This applies to all infrastructure in general.

Monitoring Aurora's delivery

Would our proposals provide you with enough information to know whether Aurora is delivering its plan and improving its performance? If no, why not and what further or alternative information would you require to achieve this?:

This proposal does not go far enough the electricity regulatory authority and or the electricity standards authority should audit performance and report to the customers. Perhaps the supply companies could also be involved.

Network outages

We are interested in your view of the impacts of setting outage targets at this level, and whether you consider it to be reasonable given the state of Aurora's network.:

In my experience outage targets are only as good as the condition and management of the network. Weather events are difficult to address. Customers need to be fully informed about planned outages and information about the length of unplanned outages should be frequently updated.

Capital spending

Do you think our approach to Aurora's growth projects is the right one, given the current uncertainty with electricity demand in Otago?:

Please refer to my earlier comments, I believe that capital expenditure on growth projects should not be born by existing network users.

Operating spending

Do you think our assessment of Aurora's operating spending properly accounts for its capabilities and business costs?:

I am not in a position to comment.

Further comments

Is there anything else you want to bring to the Commission's attention?:

I believe a fine is not sufficient to correct the past performance of directors and the owners of teh network. It should not have been used as cash cow.