

Aurora Energy's submission

**Commerce Commission Targeted
Information Disclosure Review (2024) –
Electricity Distribution Businesses
Draft Decision – Reasons Paper**

14 September 2023

Table of Contents

1.	INTRODUCTION	3
2.	EXECUTIVE SUMMARY.....	3
3.	NETWORK CONSTRAINTS	6
4.	FLEXIBILITY RESOURCES.....	8
5.	STANDARDISING PRICING COMPONENTS	10
6.	VEGETATION MANAGEMENT	11
7.	RAW INTERRUPTION DATA AND WORST-PERFORMING FEEDERS.....	14
8.	AMEND SCHEDULE 16 DEFINITIONS.....	16
9.	MOVE CYBERSECURITY (COMMISSION ONLY) TO A STANDALONE SCHEDULE.....	17

1. INTRODUCTION

1. Aurora Energy Limited (Aurora Energy) welcomes the opportunity to submit its views on the Commerce Commission's (the Commission's) *Information Disclosure Review (2024) – Electricity Distribution Business Draft Decision – Reasons Paper* (the TIDR 2024 Draft Decision).
2. Section 2 of this submission summarises our views, with more detail on each of the Commission's proposed changes to the information disclosure requirements provided in sections 3 to 8.
3. No part of our submission is confidential.

2. EXECUTIVE SUMMARY

4. Aurora Energy supports the Commission's objective to change the *Electricity Distribution Information Disclosures Determination 2012* (the Determination) requirements to improve public information on electricity distribution businesses' (EDBs) performance. Our initial observation is that the Commission's proposed changes add further reporting requirements to the already extensive reporting requirements in the Determination, some of which we believe need further consideration as, in our view, they are unlikely to meet the Commission's objectives.
5. We appreciate that the Commission wants to ensure that '*sufficient information is readily available to interested persons (stakeholders) to assess whether the purpose of Part 4 is being met.*¹ However, we question some of the Commission's proposed changes and whether those amendments will deliver the Commission its intended outcomes.
6. The Commission's proposed changes are well intended and fully considered changes to the information requirements have the potential to inform stakeholders of the EDB decarbonisation journey in a meaningful way and lower our costs to serve in the long term. Aurora Energy is concerned that the Commission's proposed changes introduce several new reporting requirements and expand current reporting measures by adding subcategories to current measures but propose removing only two minor reporting requirements.
7. While regulatory reporting plays an important role in regulating EDBs, the benefits must be commensurate with the costs. Information for information's sake is not a good outcome and is not in the long-term best interests of consumers. Consumers have a reasonable expectation that an EDB's costs to serve are no higher than they need to be; Aurora Energy is concerned that some of the proposed changes to information disclosure will add costs with little discernible long-term benefit to consumers.

¹ TIDR 2024 Draft Decision, Paragraph 1.5.

8. Below is a summary of Aurora Energy's views on the Commission's proposed changes to information disclosure reporting. A more detailed discussion of our views is provided in sections 3 to 8.
9. Aurora Energy recommends that the Commission workshop the proposed changes to Schedules 6b, 12b, and the terminology change and definition of 'non-traditional solutions' with stakeholders before making its final decision. The workshops would assist the Commission in fully scoping the amendments and land new reporting requirements that are useful, meaningful, and appropriate. We appreciate that workshops will delay some of the proposed metrics; however, we believe that this would be time well spent and is in the long-term best interests of consumers. We acknowledge that a prior workshop was held to seek EDB's views and believe that further workshops would enable EDBs and the Commission to finalise the detail now that drafting has been proposed.

Amendment D3 — Network constraints

10. Amendment D3 proposes four key changes to support EDBs reporting of network constraints. Network constraints are of interest to stakeholders as constraints present both a potential barrier to connection (e.g., large-scale renewables) and a service opportunity (e.g., flexibility service providers). To manage those constraints, the Commission's proposed changes aim to measure EDBs' awareness of network constraints and preparedness.
11. Aurora Energy supports the Commission's proposed amendments to Schedule 9e, the disclosure of zone substation information as geospatial data, and the additional reporting requirements relating to constraints in the AMP. We do not support the Commission's proposed amendments to Schedule 12b as we believe these will fall short of fulfilling the Commission's aim. We recommend that the Commission workshop the changes with EDBs and stakeholders before finalising its proposed changes.

Amendment D5 — Work and investment on flexibility resources (non-traditional solutions)

12. Amendment D5 proposes six key changes to support EDBs reporting the uptake of flexibility services. Flexibility services is an emerging service operating in a competitive market that has the potential to assist EDBs on their decarbonisation journey. The Commission's proposed changes aim to measure EDB performance by considering and using flexibility services.
13. Aurora Energy supports the Commission's proposed changes in principle; however, we believe the definition of 'non-traditional solutions' needs further work. The definition incorrectly implies that asset management practices used by EDBs for decades are somewhat new to EDBs and fall outside of proven and commonly used practices. We recommend that the Commission workshop a proposed change to the definition of 'Non-network solutions' further with EDBs and stakeholders before finalising its proposed changes.

Amendment D6 — Standardised pricing components, including transmission costs

14. Amendment D6 proposes one key change to support EDBs reporting prices into standard price categories. The standardisation of prices for distribution lines services has been a topic of

several consultations over recent years. There have been calls for the regulators (the Commission and the Electricity Authority) to prescribe the prices and pricing approaches to bring about more standardisation across the 27 EDBs. Pricing is complex, and prescribed prices and approaches are unlikely to result in the Electricity Authority's desired level of cost-reflectivity for all EDBs. The Commission's proposed change aims to improve the comparability and enable analysis of EDB's prices, focusing on measuring cost-reflectivity.

15. Aurora Energy supports the proposed amendments to Schedule 8 as we believe the proposed changes are achievable and recommends only a minor change to the standardised categories that EDBs can select from.
16. We recommend that the Commission include an 'All Inclusive' category in the drop-down list of categories.

Amendment AM6 — Vegetation management reporting

17. Amendment AM6 proposes three key changes to support EDBs reporting their vegetation management practices. In early 2023, two cyclones hit the North Island: Cyclone Hale in January and Cyclone Gabrielle in February. The damage from the cyclonic winds was extensive and widespread, significantly damaging lifeline infrastructure, including roads, telecommunications, and transmission and distribution assets. The cyclones sparked a review by MBIE of the Tree Regulations following extensive damage caused by trees falling through distribution lines. The Commission's proposed changes aim to understand better the risks vegetation poses to an EDB network and measure the effectiveness of the EDB's vegetation management strategies to manage that risk.
18. Aurora Energy supports the Commission's proposed amendments to schedule 10 as we believe the changes are achievable and will meet the Commission's objective. We do not, however, support the proposed changes to Schedules 6b and 9c as we believe these changes are unlikely to meet the Commission's objective and need further consideration.

Amendment Q14 — Expand ID requirements to include raw interruption data and information on worst-performing feeders

19. Amendment Q14 proposes two key changes to support EDBs reporting their quality of service. Worst-performing feeder reporting is common in other jurisdictions and is a proxy for worst-served customers. The Commission also proposes that EDBs publicly disclose raw interruption data to support this metric. The Commission's proposed change aims to measure the consumer's service quality experience and enable a more meaningful quality assessment.
20. Worst-performing feeder metrics form part of the reporting under our Annual Delivery Report (ADR), an information disclosure requirement that applies to Aurora Energy only following our customised price-quality path (CPP) application. We also publicly disclose our raw interruptions data on our website.
21. Aurora Energy believes that worst-performing feeder metrics go some way to meet the Commission's objective. However, including planned interruptions in the worst-performing

feeder metric skews the results. It makes the metric less meaningful than might be the case if worst-performing feeder measures were on unplanned interruptions only.

22. Aurora Energy believes that publicly disclosing the raw interruption data provides no benefit to stakeholders, and we question whether there is any real interest in the raw data. Providing the raw data each year instead to the Commission only in Excel format is a sensible and pragmatic alternative to the proposed requirement. Such a requirement will reduce costs provided the Commission uses that data when it resets the default price-quality path (DPP) and does not ask for the data sets to be submitted in a s52ZD or s98 Notice.

Amendment A3 — Amend the definition of ‘gains / (losses) on asset disposals

23. Amendment A3 proposes a key change to the Schedule 16 definition of ‘gains / (losses) on asset disposals’. The Commission’s proposed change aims to reduce the risk of misinterpreting the accounting rules around asset sales to related parties.
24. Aurora Energy supports this proposed change and welcomes any guidance or clarification of the related party transaction rules the Commission might provide.

3. NETWORK CONSTRAINTS

25. Aurora Energy, in principle, supports the Commission’s proposed amendments to the Determination at Amendment D3 to introduce new reporting requirements around network constraints.

3.1. DISCLOSE NETWORK CONSTRAINTS FOR EXISTING ZONE SUBSTATIONS

26. Aurora Energy supports expanding information reported in Schedule 12b(i) to include detailed network constraints at the existing zone substation level in principle. However, we question the usefulness of amendments to interested persons and recommend that the Commission extensively workshop the information requirements with stakeholders before making its final decision.
27. The proposed changes to Schedule 12b(i) go some way to providing interested persons with information about network constraints. While the proposed changes are achievable, and we foresee no difficulty in reporting this information as proposed by the Commission, we question whether objective *‘stakeholders can better comprehend whether EDBs understand their network constraints, have a plan for addressing those constraints, and how they communicate their constraints with potential new connection parties and flexibility service providers’*² will be realised to the fullest extent.
28. For example, suppose this information is intended to be used by suppliers of non-network alternatives. In that case, we understand that the information those suppliers seek would be

² TIDR 2024 Draft Decision, Table 2.1, on page 24.

significantly more complex and sophisticated than the Commission proposes through its amendments to Schedule 12b(i).

29. Capturing what information is useful to which interested persons requires the Commission to ask the questions differently from the approach it is taking in the TIDR 2024 Draft Decision paper of proposing measuring and asking interested persons to comment. A workshop (or series of workshops, as the case may be) would offer the Commission an effective and appropriate platform to ask the questions differently and scope the problem and solution more fully.

3.2. MINOR AMENDMENTS TO REPORT EDB-OWNED AND NON-EDB-OWNED TRANSFORMERS

30. Aurora Energy supports the minor amendments to Schedule 9e(iii) of the Determination to add reporting related to transformer capacity and the effective date of 31 August 2024. The Commission's proposed amendments are achievable and meet the Commission's objectives in making the amendment.

3.3. PUBLICATION OF GEOSPATIAL DATA

31. Aurora Energy supports the Commission's proposed amendment to require EDBs to disclose geospatial data about their networks in a generic geospatial file format for each zone substation. While Aurora Energy will have no issue with meeting this new requirement for the 31 August 2024 disclosure year, we recommend the Commission push the effective date for this requirement out to 31 August 2025 to give all EDBs, including those with less sophisticated geospatial systems than ours, adequate time to meet this requirement.
32. The TIDR 2024 Draft Decision indicates that the geospatial data will be used to *'support a national constraint map in the future.'*³ The provision of annual data will make this national map a static one, updated five months after year-end. Aurora Energy questions how useful a static network constraints map is to interested persons and whether there is a better approach that the Commission might take around mapping network constraints.
33. On this basis, we request the Commission to consider what it intends to do with the geospatial data and reconsider the value that introducing this requirement will add. The Commission may find the ENA an appropriate conduit for further discussions with EDBs, ERANZ, MEUG, and other stakeholders.

3.4. REPORTING OF LOW VOLTAGE NETWORK CONSTRAINTS IN THE AMP

34. Aurora Energy supports the Commission's proposed amendment to Attachment A of the Determination requiring EDBs to provide information about network constraints on their low voltage (LV) networks in the AMP in principle. However, it is unclear what the Commission's

³ TIDR 2024 Draft Decision, page 41.

overall aim is in providing this information, so we are uncertain whether the proposed amendments will result in the Commission’s objective for Amendment D3 being realised.

35. Is the discussion intended to be a high-level general discussion indicating the visibility of the EDB to its LV network and the known network constraints (i.e., current state) of targeted projects? Or does the Commission want us to outline the long-term shaping of demand profiles based on assumptions such as 4kW of after-diversity maximum demand (ADMD), which could grow to 9kW without controls or be maintained at 4kW?
36. The proposed amendments are unclear if the discussion to be included in the AMPs is long-term intervention or short-term solution-based. There is a distinction between these strategies; each will frame the discussion to be included in the AMP in very different ways.
37. Workshopping the reporting requirement further with EDBs would be helpful but necessitate the Commission pushing the effective date of this proposed new requirement to 31 March 2026, the next date that EDBs must publicly disclose a ‘full AMP’.

3.5. AMENDING DEFINITIONS IN SCHEDULE 16 OF THE DETERMINATION

38. Aurora Energy supports the Commission’s proposal to add, amend, and remove definitions in Schedule 16 of the Determination to give effect to the new disclosure requirements proposed in Amendment D3. The Commission’s proposed changes meet the Commission’s objectives in making the amendment.

4. FLEXIBILITY RESOURCES

39. Aurora Energy supports the Commission’s proposed amendment to require EDBs to report on the uptake of flexibility services in their AMP. We do not, however, support the change in terminology from ‘non-network solutions’ to ‘non-traditional solutions’ at Amendment D5, work and investment on flexibility resources (non-traditional solutions), and we do support the Commission’s proposed definition of ‘non-traditional solutions.’

4.1. THE DEFINITION OF NON-TRADITIONAL SOLUTIONS NEEDS FURTHER CONSIDERATION

40. The Commission proposes replacing all incidences of ‘non-network solutions’ in the Determination with ‘non-traditional solutions’. While Aurora Energy supports a change in terminology to a more relatable description of solutions outside of ‘poles’ and ‘wires’, we do not support the Commission’s proposed terminology change to ‘non-traditional solutions’ or the proposed definition.
41. The Commission proposes to define ‘non-traditional solutions’ to mean—

‘a non-traditional solution to a network constraint or risk, and includes distributed generation, electricity storage, demand response and resilience measures.’

42. The issue taken with the proposed definition is that EDBs have been using distributed generation, demand response, and resilience measures to manage network constraints and risks for decades. Accordingly, the Commission's proposed definition of a non-traditional solution captures widely used asset life cycle management practices ingrained in our operations.
43. It is common practice for EDBs to use distributed generation to manage their networks to reduce the impact of planned and unplanned interruptions and peak lopping. Ripple control has been used since the 1950s for demand response. Resilience is, and always has been, a cornerstone of network planning and asset lifecycle management. Even 'electricity storage', if reframed as 'energy storage', in the form of night store heaters and hot water load control could be considered 'traditional' solutions.
44. Decarbonisation is a disruptor, and EDBs are an enabler of New Zealand's decarbonised economy. We appreciate the need for the distinction between adopting innovative asset management solutions and more commonplace proven solutions. We, however, question if the Commission's proposed terminology term and definition is too broad and whether it will capture solutions that are commonly used but not 'poles and wires' and, therefore, fail to identify innovative solutions adequately.
45. Aurora Energy recommends the Commission workshop with stakeholders to refine its proposed term for non-traditional solutions, including the definition, before making its final decision.

4.2. ADDITIONAL AMP REPORTING REQUIREMENTS

46. Aurora Energy supports the Commission's proposal that EDBs provide more detail about non-traditional solutions (currently referred to as non-network solutions) in their AMPs. We believe including a detailed description of innovative solutions considered by the EDB outside of the usual poles and wires solutions, including any cost-benefit trade-offs against traditional solutions, would add value.
47. The expected uplift in expenditure to deliver New Zealand its decarbonised future necessitates carefully considering innovation. The Commission's proposed new requirement supports EDBs putting resources into innovation and exploring solutions, even where those solutions are discounted and not adapted.

4.3. NEW OPEX EXPENDITURE CATEGORY

48. Aurora Energy, in principle, supports the Commission's proposal to introduce a new opex category of 'non-traditional solutions provided by a third-party service provider' to Schedules 5b, 6b, 7 and 11b (10-year forecast). Reporting our expenditure on innovative solutions has the potential to indicate to interested persons the volume of work won by solution providers other than the EDB, enabling a competitive market. A comparison of the opex reported in Schedule 5b, 6 and 7 against s11b may indicate to an interested person the volume of work that was available to solution providers against what work was completed by solution providers and what work was completed by the EDB.

49. There is some risk that interested persons could misunderstand a simple comparison of actual opex and forecast opex. Requiring EDBs to provide the context in Schedule 14 or their AMPs to support any analysis by the Commission and interested persons in this regard. Aurora Energy does not take issue with providing context to our year-end or year-beginning disclosures.
50. Aurora Energy does not support using the term ‘non-traditional’ in the proposed new opex category. We believe the term ‘non-traditional’ is overly subjective, open to interpretation, and easily misunderstood. We recommend the Commission workshop an alternative term with stakeholders that better encapsulates the disaggregated expenditure the Commission wants EDBs to report before making its final decision.
51. We note that the Commission has not defined ‘third-party’ in the context of non-traditional solutions.’ A third party could be a related third party (i.e., the EDB shares common ownership with that party) or an unrelated third party (i.e., the entity is vertically and horizontally separate from the EDB). A comparison of opex could be skewed if it is unclear whether the expenditure reported is exclusively related to a third party (as would be the case with opex reported in s5b) or includes expenditure to all third parties (i.e., related and unrelated third parties).
52. We request that in making its final decision, the Commission clarify ‘third-party’ as it is unclear if the Commission intends EDBs to report related third-party expenditure for all Schedules or related third-party expenditure in Schedule 5b and combine all third-party expenditure (i.e., related and any other third-party include unrelated third parties) at Schedules 6b, 7 and 11b).

5. STANDARDISING PRICING COMPONENTS

53. Aurora Energy supports the Commission’s proposed amendments to Schedule 8 of the Determination at Amendment D6, standardising pricing components in principle.

5.1. STANDARDISATION OF PRICING COMPONENTS

54. Aurora Energy supports adding standardised connection types in principle but does not support the categorisation based on metering size. Connections are assigned to price categories based on usage patterns and consumer profiles; metering size is an operational reality rather than the basis for pricing categorisation. The Commission’s proposed approach is unlikely to provide stakeholders with meaningful information to conduct a ‘like-for-like’ comparison of connection types between EDBs.
55. Aurora Energy supports adding standardised price components as we believe the amendment is achievable and will support the Commission’s objective in making this amendment. We ask that the Commission include an additional price component, ‘All inclusive’, so that we can categorise our Dunedin consumers in some way and not need to use “other”, which we see as a last resort, only to be used as the exception and not the rule.

56. Our issue is that all Dunedin consumers are on an all-inclusive tariff that does not meter control separately. The Commission’s proposed standardised price components require EDBs to identify connections as ‘controlled’ or ‘uncontrolled’ but not where the connection is inclusive. As we understand it, Aurora Energy is not alone in this issue, and all-inclusive options will be needed and used by other EDBs.
57. Standardisation is difficult to achieve meaningfully, and Aurora Energy does not begrudge the Commission’s intention in proposing this amendment. Our support is partial as we believe that arbitrary categorisation of EDB prices can potentially render any comparisons and analysis meaningless. No standardisation makes comparisons and analysis impossible. The Commission’s proposed changes to Schedule 8 are commendable and a great first step to get stakeholders engaged in the discussion.
58. It is recommended that the Commission use the momentum from this consultation to workshop a solution to set standardised connection types with stakeholders and change the effective date for Amendment D6 to the 31 August 2025 disclosure year.

5.2. DISAGGREGATION OF DISTRIBUTION AND TRANSMISSION

59. Aurora Energy supports the disaggregation of the distribution and transmission components of the billed quantities and line charge revenue fields as we believe the amendment is achievable and will support the Commission’s objective in making this amendment.

5.3. NOTIONAL REVENUE FOREGONE FROM DISCOUNTS (IF APPLICABLE)

60. We do not have a view on the Commission’s proposal to remove the field “Notional revenue foregone from discounts (if applicable)” as this change has no direct impact on Aurora Energy.

6. VEGETATION MANAGEMENT

61. Aurora Energy supports the Commission’s proposed amendments to 10(iii) of the Determination at Amendment AM6, vegetation management reporting. We believe this proposed amendment is achievable and supports the Commission’s objective in making this amendment.
62. We do not, however, support the proposed changes to Schedule 6b(i) or 9c as these amendments require further consideration by the Commission.
63. We recommend that the Commission:
 - i. considers breaking down vegetation-related opex into inspection costs and maintenance costs; and
 - ii. for the purpose of vegetation management, adopt the measure ‘percentage of the network the EDB has inspected and felled, trimmed, removed or sprayed’, which currently applies to Aurora Energy under clause 1.6.4 of the Determination.

6.1. DISCLOSE OPEX RELATING TO VEGETATION AT A FURTHER DISAGGREGATED LEVEL

64. Aurora Energy does not support the disaggregated reporting of opex relating to vegetation as proposed in Schedule 6b(i); we question the usefulness of doing so and whether the disaggregated expenditure as proposed can be audited. We recommend instead that the vegetation-related opex be disaggregated to inspection costs and maintenance costs.

6.1.1. Expenditure categories need to be workshopped with stakeholders

65. The disaggregation of 'service interruptions and emergencies, which is vegetation-related' is logical, easily identifiable, and reportable using existing records. However, the proposed expenditure categories 'routine and corrective maintenance and inspection, which relates originally to a vegetation-caused fault' and 'vegetation management in new subcategories) assessment and notification costs, felling or trimming vegetation – in-zone, felling or trimming vegetation out-of-zone, and other)' are not easily identifiable or reportable using existing records. These opex categories appear reactive, possibly driven by the extensive interruptions caused by weather events in 2023 (i.e., Cyclone Hale and Cyclone Gabrielle) and MBIE's review of the Tree Regulations.

66. We question the logic of matching expenditure on routine and corrective maintenance directly to vegetation and the categorisation of vegetation management costs proposed by the Commission in this amendment. Aurora Energy appreciates the need for reporting more disseminated vegetation management expenditure but questions whether the Commission has selected the correct expenditure categories to capture this information in a useful or meaningful way.

67. We therefore suggest that the expenditure is reported instead by inspection costs and maintenance costs.

6.1.2. Disclosure date of 31 August 2025 is not appropriate

68. If, despite our comments above, the Commission proceeds with its proposed amendments, it is signalled in the TIDR 2024 Draft Decision that the Commission intends to decide on the amendments in the first quarter of 2024 (indicated to be mid-February). At best, we will have six weeks before the start of the disclosure year to make any necessary system change to report the disaggregation of opex into the three categories proposed by the Commission. Our systems are not currently configured to match work instructions and jobs to incidents on our network. Given the appropriate time, we can change our systems through good system change practices to make the matching transparent and auditable.

69. The Commission's timeframe is insufficient for the necessary system change requiring us to manually match work instructions and jobs to incident numbers to attribute expenditure based on 'best endeavours' for at least the first six months of the 2024 disclosure year. Manually matching records is not ideal and could prove difficult to get across to the auditors come year-end.

70. Aurora Energy recommends that the Commission push this requirement to the 31 March 2026 disclosure year to give EDBs appropriate timeframes to make the necessary system change to the supporting disclosure.

6.2. OVERHEAD CIRCUIT AT RISK FROM VEGETATION DAMAGE

71. Aurora Energy supports replacing the existing metric in Schedule 9c, ‘overhead circuit requiring vegetation management (km/%)’; however, we do not support replacing the metric with ‘overhead circuit sites at high risk from vegetation damage.’ The proposed new metric is vague and, therefore, unlikely to result in consistent or useful reporting of EDB vegetation management practices.
72. For example, under the proposed metric, is the Commission proposing that EDBs identify single trees that are a risk in the disclosure year only or do all trees pose a risk at some time? How should we report vegetation with a trim notice issued in one disclosure year and the vegetation trimmed or felled in another?
73. The practicalities of vegetation management require the Commission to adopt a pragmatic metric. We believe that the Commission set such a metric when at clause 1.6.4 of the Determination—
- ‘for the purpose of vegetation management, the percentage of the network that Aurora has—*
- (a) *Inspected; and*
- (b) *Felled, trimmed, removed, or sprayed’*
74. The metric measures the proportion of a feeder maintained during the disclosure year based on the outstanding maintenance tasks on that feeder at year-end. If the feeder was inspected during the disclosure year and no maintenance tasks were identified, the feeder is considered to be ‘maintained.’
75. Using this approach, we inspect our network on a three-year cycle with 12-month inspections for critical areas such as fire-prone zones and those with significant vegetation-related issues. Across three years (1 April 2022 to 31 March 2025), 100% of our network is inspected and maintained.
76. The 2022 disclosure year was the first year we reported the percentage of our network requiring vegetation management under Attachment C of the Determination. An extract of performance is shown in Table 1.

Table 1: Extract of Vegetation Management for the year ended 31 March 2022⁴

Table 4: Vegetation management	
Percentage of network inspected	51%
Percentage of network felled, trimmed, removed or sprayed	26%

77. Based on experience, Aurora Energy believes that reporting vegetation management as a percentage of the network is achievable and would support the Commission’s objective of making its Amendment AM6 better than its proposed metric, ‘overhead circuit sites at high risk from vegetation damage.’ Accordingly, we recommend that the Commission reconsider its proposed amendment and adopt clause 1.6.4 of the Determination for all EDBs

6.3. REPORT THE CAUSES OF INTERRUPTIONS BY VEGETATION AT A FURTHER DISAGGREGATED LEVEL

78. Aurora Energy supports further disseminating interruptions caused by vegetation into the subcategories of ‘in-zone’, ‘out-of-zone’, and ‘wind-borne debris’. We request the Commission provide more context for the subcategory ‘related to inclement weather.’

79. The Commission proposed to define ‘related to inclement weather’ to mean —

‘within the vegetation cause category, interruptions caused by vegetation contact with the network during inclement weather.’

The proposed definition provides no context and is unclear as to what the Commission views as ‘inclement’ weather (i.e., unpleasant, especially with cold wind and rain) and how an interruption caused by vegetation might be identified as having been caused by inclement weather as opposed to another vegetation subcategory (e.g., an out-of-zone tree falling through a line due to high winds).

80. Aurora Energy recommends that the Commission reconsider its definition of inclement weather in Schedule 16 and provide a definition that provides more clarity to EDBs.

7. RAW INTERRUPTION DATA AND WORST-PERFORMING FEEDERS

81. Aurora Energy supports the Commission’s proposed amendments to Schedule 10 of the Determination at Amendment Q14, expanding ID requirements to include raw interruption data and information on worst-performing feeders in principle. We believe that the Commission’s proposed amendment is achievable and will support the Commission’s objective in making this amendment with two minor amendments to that being proposed.

⁴ Aurora Energy, [Annual Delivery Report](#), for the disclosure year ending 31 March 2022, Table 4, page 28.

7.1. RAW INTERRUPTION DATA ONLY BENEFITS THE COMMISSION AND IS DISCLOSED IN EXCEL WORKBOOK FORMAT

82. Aurora Energy supports providing raw interruption data, consistent with the data sets we have provided as part of the DPP resets in 2012 and 2018 at year-end (i.e., 31 August each year) to the Commission. However, the Commission's proposed amendment is for EDBs to publicly disclose the raw data set, making it available to interested persons for their consumption. We appreciate the intent of this amendment but question the benefit to and interest of interested persons in accessing this data.
83. We have publicly disclosed raw interruption data since 2022 pursuant to the Aurora Energy Limited Electricity Distribution Customised Price-Quality Path Determination 2021. The 31 August 2023 regulatory year is the second year we publicly disclosed our data set. While Aurora Energy has found the process simple enough and not burdensome, we question the benefit of publicly disclosing raw data, particularly for exempt EDBs.
84. Aurora Energy sees the benefit in the Commission receiving this data annually and before the DPP reset. Non-exempt EDBs could equally benefit from this amendment if the Commission used the annually provided datasets in place of an s53ZD or s98 Notice to attain the data. Accordingly, we support the amendment to provide raw interruption data to the Commission in an Excel Workbook format.
85. We question, however, the benefit of publicly disclosing raw data to interested persons and in the format proposed in s10a. Our raw interruption data is approximately 5,000 rows, making the Schedule 10a format unwieldy and useless to interested persons.
86. If the Commission chooses to retain this requirement as it has proposed (i.e., to disclose the raw interruption data publicly), we recommended that the requirement be to publicly disclose raw interruption data in an Excel Workbook format only and that the Commission not proceed with its intended s10a format.

7.2. WORST-PERFORMING FEEDER SHOULD BE FOR UNPLANNED INTERRUPTIONS ONLY

87. We disclosed the worst-performing feeder performance for the first time in our 31 August 2023 Annual Delivery Report⁵. In compiling the information for our feeder performance, it became apparent that worst-performing feeder metrics are useful at a high level but have limitations:
- The SAIDI and SAIFI associated with planned interruptions are combined with the SAIDI and SAIFI associated with unplanned outages, which can mask underlying network performance issues.
 - There is no consideration given to the network topology/geography where urban networks are expected to outperform remote rural networks.

⁵ Supra n4, Chapter 7.

- Consumer experience (number and duration of interruptions experienced) is not accurately reflected.
88. For the 2023 disclosure year, several feeders were identified as ‘worst-performing’ due to the high numbers of consumers⁶ and planned maintenance on those feeders. The combination of circumstances resulted in high SAIDI and SAIFI on these feeders (relative to the SAIDI and SAIFI on other feeders during the disclosure year), pushing these feeders into the 90th percentile network SAIDI and SAIFI contribution and the classification of the worst-performing feeder.
 89. We believe that the flaw with the Commission’s worst-performing feeder metric is that it uses network SAIDI and SAIFI (i.e., all interruptions on the network, planned and unplanned) to gauge feeder performance resulting in feeders with lower ICP counts do not feature.
 90. The issue with including planned interruptions in the worst-performing feeder metric is its statistical bias towards feeders with high consumer numbers (i.e., urban feeders) undergoing planned maintenance. Inferring that urban consumers are ‘worst served’ compared to rural consumers on feeders and that planned maintenance is not in the interests of consumers. Such an outcome is counterfactual and illogical.
 91. This statistical bias arises because rural feeders are longer, stringier, and serve fewer consumers than urban feeders. The feeders with higher consumer numbers are overrepresented in the metric, and those with lower consumer numbers may not be represented. Resulting in a metric that does not accurately reflect the experience of rural consumers.
 92. A solution to this unintended consequence is to base the worst-performing feeders metric on unplanned interruptions only (i.e., exclude planned interruptions from the metric). Using this approach, the Commission would largely retain its proposed approach to worst-performing feeders with a simple change to the proposed metric, removing planned interruptions from the measure.

8. AMEND SCHEDULE 16 DEFINITIONS

93. Aurora Energy supports Amendment A3, the Commission’s proposal to amend the Schedule 16 definition of ‘gains / (losses) on asset disposals’. The amendment will clarify the rules around asset disposal to a related party and reduce the risk of EDBs misinterpreting the accounting rules around asset sales to related parties.
94. Aurora Energy also supports the Commission’s proposal to remove the Schedule 16 definition of ‘Asset disposals (other than below)’. The definition is superfluous and is no longer required.
95. The amendments are to be applied to the year ending 31 March 2024 (i.e., the disclosures due 31 August 2024, the current disclosure year) and come into force on 1 April 2024. We have no

⁶ Approximately 30% of our consumers are connected to the 35 worst performing feeders identified in the 2023 disclosure year.

objections to retrospective regulation being applied to this minor amendment as it serves to clarify the disclosure requirements and does not have a material impact on EDBs.

96. Aurora Energy's support of this amendment does not negate the general premise that retrospective regulation is poor regulation made in the sections above to several other retrospective changes the Commission has proposed in its TIDR 2024 Draft Decision.

9. MOVE CYBERSECURITY (COMMISSION ONLY) TO A STANDALONE SCHEDULE

97. Aurora Energy recommends the Commission take the opportunity to move the reporting of Cybersecurity (Commission only) in Schedules 6a, 6b, and 7 to a standalone Schedule 5h. The Schedule could be included with s5f and s5g, provided to the Commission only and not disclosed on EDBs' websites.
98. Cybersecurity (Commission only) was consulted during the Tranche 1 consultation⁷ at Amendment 13, requiring EDBs to disclose confidential operational expenditures on cybersecurity. We supported the amendment and the Commission's final decision.
99. In May 2023, the Commission released its Schedule 1-10 Templates. It was then that the decision's practicalities and unintended consequences became obvious.
100. The Commission's current approach to report cybersecurity will require EDBs each August to 'publicly disclose' two sets of Schedule 1-10 and potentially two Schedule 15 voluntary notes. One set would be published on the EDB website with opex and capex itemised and Cybersecurity (Commission only) left blank. A second set of Schedules 1-10 would need to be provided to the Commission, including all opex and capex, including Cybersecurity (Commission only).
101. Further, if the EDB had a note to add around cybersecurity, they would presumably include that note in Schedule 15 and to the Commission only. Thereby requiring the EDB to disclose two versions of Schedule 15.
102. Aurora Energy views this double-up as unnecessary and easily avoidable. Schedules 5f and 5g are provided to the Commission only. The expenditure information that the Commission wants EDBs to report for cybersecurity, i.e., actual opex and capex, a comparison of forecast to actual comparison, and a text box to include any voluntary explanatory notes should notes be needed, could be added to Schedules 5f and 5g Workbook as Schedule 5h. Cybersecurity would then be reported only to the Commission as was intended by its final decision, and EDBs would not be required to produce two versions of Schedules 1-10 or Schedule 15.

⁷ Commerce Commission, Targeted Information Disclosure Review – Electricity Distribution Businesses, Draft decisions paper – Tranche 1, 3 August 2022.