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Sent: 12/11/2020 11:55:24 a.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.:

I support the concept of smoothing the profile, and support Scenario 1 as it has a lower overall economic cost to consumers.

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?:

I support the Commissions plan to increase Aurora accountability, and believe the measures proposed are sufficient.

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.:

I support the proposed outage levels. There is no escaping the fact that the network is degraded and needs maintenance. This cannot be achieved without outages. The Commission rightly acknowledges community anger that the money already paid to maintain the network and avoid these outages was effectively stolen by the monopoly shareholder. That anger needs to be set aside and the reality of the position accepted.

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?:

I support the Commission's judgement and agree a balance has been achieved between accepting capital spend is necessary, but limiting the scale of it. Aurora need to demonstrate they can spend capital effectively.

Operating spending

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

I support the Commissions assessment.

Further comments

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

I commend the Commerce Commission on the full and effective community consultation it has completed in respect of developing this CPP for Aurora. Sadly Aurora have proved the case for the ongoing and effective regulation of

utility monopolies. Whilst in all probability the majority of these monopoly entities behave responsibly there is always the possibility that without oversight they will not. Aurora is a case in point and the community are paying a high price for their failure of governance - both in the courage and integrity of their CEO and Board members of the time - and in the greed of their Shareholder.

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