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Sent: 12/11/2020 4:36:11 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: [REDACTED]

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.:

As you state this is a Monopolistic Company that has chosen to invest its historic profits on other ventures at the expense of properly directing their primary duty in regular lines maintenance. Now your proposal is to allow this Monopoly to resolve its near insolvency by gross increases in line charges essentially giving the Company the ability ,to access Free of Charge with absolutely no obligations or controls, Funds of the order of \$600M (Indirectly getting the energy users to pay for the likes of the stadium and other non related ventures) It is simply not right or Fair that you should allow this to happen. So! You should deny the Company the right to refinance their negligence and raise the necessary funds to repair the Network they have allowed to reach the state that it is in. If they cannot then they can either Put their run down business on the market along with the attendant debt laden maintenance required or they adopt your Scenario 1 proposal with the condition that all future line charge increases are directly recorded as share investments such the the Company becomes a Community owned company. Then the community share holders can decide if the Business should be run either - as a profit oriented enterprise with the profits offsetting their line charges - or run as a non- profit company with income directly related to running and maintenance costs - and with a common Regional line charge (rather than the cost to location as their directors desire on the grounds that as a Region “NO MAN IS AN ISLAND” philosophy because the City needs the Hinterland just as much as the Hinterland needs the City

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 would hope that you would seriously consider my earlier proposal . The mere fact you pose this question implies that even your team has reservations about the ability and integrity of this Company’s Management systems. A community Company with all the consumers involved could readily have a watch-dog component on

any Board set up which could keep the repair project on track

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 believe there are technical advisors available in our Community that could readily identify very quickly the weak 'Hot Spots' currently in the network that need immediate attention to reduce the potential outage occurrences (I even have Two Sons whose FullTime Job is to address these various issues for Energy Companies)

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 agree with your decision on Growth projects. This current Board are still in the 'Nice to have' mind set. The focus should be entirely on getting the basic weaknesses sorted. Of course while sorting out the weaknesses one does not want a Ban-Aid solution so in this context the future needs to be integrated into the programme

Operating spending

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

Once again it is interesting that by raising this concern you have reservations as to the competency of this Board. This is why you should totally deny the raising of these funds via increased line charges with no strings attached. The challenge is to make this Monopoly properly address their past negligence by making try raising the funds in the normal market environment or putting their business on the Market to find out the true worth of the company without the right to forever increase line charges on the consumer with no fear of recourse or repercussions

Further comments

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

Yes. Think outside the square. The consumers are extremely concerned with the direction this matter is going and they are heavily reliant on your organisation to fairly protect them from what is emerging as a pretty toxic situation

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