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EDB Targeted ID Review

Targeted Information Disclosure Review – Electricity Distribution Businesses – Process and Issues paper

1. Introduction

Wellington Electricity Lines Limited (**WELL**) welcomes the opportunity to make a submission in response to the Commerce Commissions (**Commission**) Process and Issues paper "Targeted Information Disclosure Review – Electricity Distribution Businesses" published on 23 March 2022. This submission refers to this paper as the "Process and Issues Paper".

WELL's submission covers the following key issues:

Section 2 – Executive summary

Section 3 – Potential ID changes related to quality of service

Section 4 – Potential ID changes related to decarbonisation

Section 5 – Potential ID changes related to asset management

Section 6 – Potential ID changes related to aligning with other regulatory rules

Section 7 – Closing

The Electricity Network Association (**ENA**) has also provided a submission in response to the Issues Paper. WELL supports the views of the ENA submission, except where it explicitly states it does not. This submission should be read as a supplement to the ENA submission.

2. Executive Summary

WELL welcomes the opportunity to provide a submission in response to the Commission's Process and Issues Paper. Overall, WELL is supportive of many of the new or changed Information Disclosures (**ID**) outlined in the Process and Issues Paper, especially with those relating to decarbonisation and alignment with other regulatory requirements. WELL does have some concerns that some options

included in the Process and Issues Paper go beyond the purpose of Part 4 of the Commerce Act 1986 (**the Act**) and/or do not reflect measures consumers want i.e. measures which provide limited benefit to consumers but come at a significant cost to the network operator which ultimately will become consumer funded (in addition to a more favoured spend towards sustainability objectives from climate change actions).

In assessing the suggested additional ID's or changes to the existing ID's, WELL used some leading principles to ensure the IDs reflect the services customers want, are an efficient use of their expenditure and promote the purpose of Part 4 of the Act.

1. **Do the measures reflect what customers want**? Either measuring a quality factor consumers' have said they find important or an asset management practice that is needed to provide consumers' confidence that the network is being managed in line with industry practice. This principle will help ensure that cost of providing information reflects the benefits it provides. We believe it is important to have tested this principle with customers to ensure that we aren't adding new information and the associated cost unnecessarily.
2. **Is the benefit provided by the information greater than the cost**? The cost of providing new information should be carefully considered and compared to the benefit it provides. Some new information may be very expensive to produce and may not have offsetting corresponding benefits. For example, measuring low voltage outages could require investing in expensive low voltage monitoring equipment that may be more than the value provided from improving a networks response to low voltage outages to the small number of customers impacted.
3. **Do we understand the cost of providing additional information and will regulatory allowances be first adjusted to provide the additional funding needed**? Some new measures may come at a cost that networks are not currently funded to provide. All the tranche one suggestions are proposed to be implemented before the next price path is set. While some new information may already be collected by networks, others are not, and networks will incur reasonable costs providing the additional Information.

   The new cost will come at a time when networks are having to invest in other core activities they are also not funded under the default price path (**DPP**) – like increasing cybersecurity requirements, increasing insurance premiums and developing new processes and capability needed to respond to New Zealand climate change programme (like developing network growth models, investment profiles and flexibility services in response to the electrification of transportation, the transition from gas to electricity and investing in developing a skilled workforce to deliver the climate change objectives). As part of the DPP3 consultation, the Commission identified $59m in unexplained cost increases that were not captured by the DPP2 operating cost forecast mechanisms (Figure A1 and section A16 of the Draft Decision). As part of the ENA submission to the DPP3 Draft Decision, a report from NERA was submitted supporting a positive partial productivity factor to capture genuine cost increases not captured in the allowance calculation. The report highlighted that cost growth is limited to changes in the size of the traditional network (line length and number of ICPs) and no allowances are included for other drivers that might change operating costs over time (like aging networks, changing reporting and quality monitoring requirements, regulatory

compliance etc.). The costs associated with providing new information will also not be captured.

4. **Do the measures support one of the four limbs of Section 52A(1) of Part 4 of the Act**? – New IDs must support interested parties in assessing whether at least one of the four limbs of the Act (incentive to innovate and invest, incentive to improve efficiency and quality, share benefits of efficiency gains with consumers and to limit the ability to extract excess profits) is being met in order to deliver outcomes which are consistent with those of competitive markets.
5. **Does the information collected align with price/quality regulation**? – It is important that the ID's supports and align with price/quality regulation to ensure that:
    a. The quality and performance information collected aligns with the level of quality that customers have agreed to fund and that networks are funded to deliver.
    b. The quality and performance information collected is consistent with how network performance is rewarded and penalised.

The IDs provide customers with an important tool for testing whether they are comfortable with the level of quality being provided. Alignment between the service quality and the price being paid for that service is essential so that customers can decide whether they want to pay more for a higher level of quality, or less for a less reliable service. To do this, the IDs must be aligned to price/quality regulation.

3. Potential ID changes related to quality of service

WELL supports opportunities to improve quality of service for consumers. WELL believes the Commission's suggested outcomes are appropriate to enable a more wholistic view of quality which is not captured under current disclosure requirements. It is important however that additional information collected and disclosed provide insight into the aspects of quality which consumers value and does not extend to measures which have little value to improve the quality demanded by consumers. It is also important to ensure the value provided by the new measures is greater than the cost of providing the information.

Outcomes we are seeking				
Disclosed information reflects the consumer's experience of quality of service, enabling a more meaningful assessment of quality.				
Problems with current ID requirements in achieving the outcomes sought				
The consumer's experience of quality of service includes things beyond simply whether the power is on or off. As it stands, ID does not capture all of the aspects, meaning it gives a limited picture of quality. Changes in the use of electricity and in technology will likely make the meaning of quality of service expand further and increase consumer interest in this topic.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Expand ID requirements related to how much notice of planned outages is given to consumers, including planned outages that are booked but not carried out.	Q1	Tranche 1	Support	Providing consumers with sufficient and timely information regarding planned outages can greatly increase consumer's experience of quality. Providing this information enables consumers to plan and potentially reduce the impacts they experience as the result of a planned outage. This also applies to when planned outages are cancelled or delayed, the disruption to consumers can be just as impactful. The specific requirements should align with the DPP3 notified planned out requirements.
Add ID requirements on power quality.	Q2	Tranche 1	Do not support	There are numerous ways power quality can be measured. An issue with power quality does not necessarily cause negative impacts to consumers experience. A better measure to achieve the desired outcome would be to address this through ID requirements relating to customer complaints as outlined in amendment number Q4. Investment to improve power quality should only be incurred on the basis that it results in sufficiently improved service to consumers. WELL believes this potential option does not meet the price-quality trade-off, resulting in additional cost to consumers with minimal benefit. – This measure may not reflect what consumers want.
Add ID requirements on time taken to set up new connections.	Q3	Tranche 1	Support	WELL agrees in principle on reporting on time taken to set up new connections, however, WELL has concerns about the application. There are several aspects which can impact an EDBs ability to complete a new connection on a timely basis. Connections range in complexity which mean timelines for connections vary widely based on the connection's individual circumstances. Even the simplest of connections can be delayed due to actions of third parties which are outside of an EDBs control. In order to successfully measure the quality delivered by EDBs, clear definitions about when an EDBs responsibilities begin, and end would be required, and these responsibilities would need to ensure they cannot be impacted by third party actions.
Add ID requirements on customer service, eg customer complaints.	Q4	Tranche 1	Support	WELL supports introducing a measure on consumer experience in relation to complaints. A measure which captures and reports on the types of complaints would be useful to understand the issues which are of most importance to consumers. Or a measure such as the provision of a written response to a written compliant within a defined threshold would support understanding how well the customer complaints process is managed by EDBs.
Add ID requirements on information about customer charters and guaranteed service level (customer compensation) schemes, eg information about existing schemes, information that could be relevant to such schemes in the future.	Q5	Tranche 1	Support in part	WELL supports simple disclosures on the existence and availability of customer charters. We do not support including information about customer compensation schemes as these types of schemes are historic mechanisms created before the Consumer Grantees Act. The Consumer Grantees Act has now replaced the need for these types of schemes. A blanket description of function of The Consumer Grantees Act and the Utilities Disputes process could be provided as an alternative.
Expand ID requirements on response time to outages.	Q6	Tranche 1	Do not support	WELL does not support introducing a measure on response times to outages. WELL believes this measure would add little or no benefit to the SAIDI and SAIFI reliability measures already reported on. Response times also have limit or no ability for comparison between EDBs due to each EDBs unique geographic and network specific circumstances. The current SAIDI and SAIFI reliability measure enable consumers to assess the performance of EDBs based on the level of funding provided. These measures also report on the more critical quality of service measures consumers care about - restoration times and number of outages and whether an EDB is improving their response times.
Expand forward-looking AMP requirements on how EDBs will continue to perform for consumers, eg commitments to develop the network for future technology.	Q7	Tranche 2	Support	WELL supports expanding forward-looking AMP requirements relating to how EDBs will continue to perform for consumers. However any additions in this area will require careful definitions to make sure disclosures are meaningful and comparable for stakeholders.
Problems with current ID requirements in achieving the outcomes sought				
ID could better capture the consumer's experience of quality of service, when it comes to electricity reliability, by expanding it to include different types of measures. Without these other measures, ID gives a limited picture of how good quality actually is.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Add ID requirements on the Momentary Average Interruption Frequency Index (MAIFI) to capture momentary interruptions that can be hidden or misrepresented by existing SAIDI and SAIFI requirements.	Q8	Tranche 1	Do not support	WELL does not support the introduction of this measure as this measure provides limited benefit to consumers from a network management perspective. Additional interruptions reported under this metric would tend to be from uncontrollable causes of which a network would have limited ability to improve.
Problems with current ID requirements in achieving the outcomes sought				
The consumer's experience of quality of service varies and can include localised problems that disproportionately affect small groups of consumers. Current ID requirements relating to quality are sometimes aggregated to a level that does not pick up these localised issues.				

Potential options to achieve outcomes	Amend. No.	Timing	WELL's position	
Add ID requirements regarding those customers worst served on the network in terms of reliability. We had some requirements in this area in the regime that came before Part 4, but questions were raised about the value of the disclosed information in light of technical challenges producing it. We welcome feedback from EDBs in particular on the feasibility and usefulness of such information.	Q9	Tranche 1	Do not support	WELL does not support this measure as we see minimal benefit at a great cost to prepare the information. Also, depending on how the information is used, this could result in excessive costs incurred to improve reliability for the benefit of a small subset of consumers which is funded by the majority. In WELL's largely urban network rural feeders have very volatile reliability due to the low number on consumers they supply. Despite WELLs high overall reliability, one car verse pole can have a significant impact on these feeders resulting in information which is incomparable year on year. Additionally our consumer engagement has identified these rural consumers as being most prepared to manage outages with personal generation or other non-electricity dependant appliances available for use in event of an outage.
Expand ID requirements to include disaggregated SAIDI and SAIFI by network category (eg urban, rural) and region.	Q10	Tranche 2	Do not support	WELL does not support this measure as WELL believes the benefit from better disaggregated categorial and regional reporting would not justify the effort required to achieve this measure with a sufficient degree of accuracy. The ENA's Quality of Supply Working Group's (QSWGs) attempts to develop a detailed set of network categorisations (i.e. rural, semi-urban, urban, CBD etc) for the disaggregation of network performance has proved difficult due to EDB specific circumstances which don't align to provide simple definitions. WELL believes the costs of providing these measures would be greater than the benefit provided.
Outcomes we are seeking				
Disclosed quality information is comparable between EDBs and consistent over the time series, allowing both better assessment of quality and greater ability to learn and improve ID requirements and associated summary and analysis.				
Problems with current ID requirements in achieving the outcomes sought				
Low prescription/guidance on some interruption reporting requirements creates unnecessary inconsistency between EDBs, and over time.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Refine ID requirements on interruptions by clarifying definitions to ensure successive interruptions are recorded consistently.	Q11	Tranche 1	Do not support	WELL does not support this initiative as changing how successive interruptions are recorded could incentivise behaviour which does not support what customers find important on a specific network. WELL would support networks adopting a measurement approach which best suits what customers want on a specific network. We think this is more valuable than being able to compare quality measures across different networks, where other factors like network density, asset age, and network design, drive the majority of differences in SAIDI/SAIFI measures between networks (and which the treatment of successive interruptions would have little influence). For example, WELL supports treating successive interruptions as a single outage as it incentivises us to restore power as quickly as possible. A fault on larger urban network, can impact multiple network locations. Power can be restored faster if the network can sectionalise the network to locate where a fault has occurred – i.e. each part of the network is turned on and off to identify where a fault has occurred in a specific part of the network – power is left on for healthy sections of the network while the rest of the sections are checked. However, sectionalising creates repeat tripping and successive interruptions – creating a trade-off between faster power restoration (lower SAIDI) and successive small interruptions (higher SAIFI). A second tripping (due to sectionalising) is much shorter as field operators and faultmen are already on site and making network reconfigurations to quickly restore power. If successive interruptions were captured as separate outages, then a network operator would not be incentives to restore healthy sections of feeder until the fault was repaired, lengthening SAIDI, but avoiding the risk of a second SAIFI incident. Feedback from customers on the Wellington network is "if the power goes off, get it back on quickly" – the priority is minimisation of SAIDI rather than SAIFI. Particularly as customers rarely see a second interruption and those that do will incur an interruption that is much shorter duration. If a change to an EDBs SAIFI recording methodology is required, then some networks will also have to restate their past performance to allow a sensible comparison to future performance. If the methodology is also applied to the price/quality reliability measures, the performance targets will also need to be restated. Consideration will need to be given to whether all EDBs currently have systems to record successive outages to a level of the required for audit transparency. Some network may also not have the historic data needed to restate how successive interruptions are recorded.
Refine ID requirements or add guidance on assigning interruptions to cause categories.	Q12	Tranche 1	Support	WELL welcomes additional guidance to support consistent categorisation between EDBs.
Outcomes we are seeking				
The usefulness of disclosed information is maximised by targeting the requirements where appropriate.				
Problems with current ID requirements in achieving the outcomes sought				
Some ID requirements are too high level to allow important trends or underlying factors to be identified.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Refine ID requirements on third party interference interruptions by breaking down into more specific categories, such as vehicle damage, "dig in", overhead contact, and vandalism.	Q13	Tranche 1	Support	WELL supports the recording of causes of third-party interferences on the network at more disaggregated levels. On the basis funding is provided, this will enable improved asset management practices to reduce these events or to better manage the impacts to the network.
Expand ID requirements to include some raw outage data, which is currently only provided to us by non-exempt EDBs in advance of price-quality path resets.	Q14	Tranche 2	Support	WELL believes on the basis the Commission can demonstrate that providing this information will provided a benefit in the delivery of the Section 52A(1) objectives, then this information should be provided.

4. Potential ID Changes related to decarbonisation

New Zealand climate change programmes, specifically the electrification of transportation and the potential transition from gas to electricity, is likely to have a significant impact on future demand and future network investment. WELL agrees the IDs should be adjusted to demonstrate how networks are preparing for decarbonisation.

Outcomes we are seeking				
Stakeholders better understand how EDBs are planning and preparing for decarbonisation.				
Problems with current ID requirements in achieving the outcomes sought				
We expect that decarbonisation may affect EDBs' networks in terms of increased power flow, potentially, resulting in localised congestion and power quality issues, caused by EV uptake and new DER connections. A significant portion of EDBs' assets consist of low voltage (LV) networks, which unlike the higher voltage networks, generally have limited network monitoring. Current ID requirements do not require EDBs to provide much information about their LV networks and stakeholders have very little visibility of EDBs' LV networks, in terms of information on capacity and power quality.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
The range of changes that could be made to ID for EDBs to provide more information on their LV networks fall along a spectrum. At the more prescriptive end of the spectrum, there could be a requirement for EDBs to provide detailed and potentially much more frequent information about metrics of their LV network, such as those on capacity and power quality. A less prescriptive approach would be for EDBs to disclose their plans to develop and improve their LV network practices. This would be similar to the approach adopted for Aurora. We welcome feedback from stakeholders on the appropriate approach to take.	D1	Tranche 2	Support	WELL supports measures to increase the visibility of LV monitoring on Networks. However until such time that additional funding mechanisms are in place to provide funds needed for Networks to investment in LV monitoring or to access metering information, additional reporting requirements will need to be limited to disclosures on the preparation and planning for future investment into LV monitoring.
Problems with current ID requirements in achieving the outcomes sought				
Some EDBs have included in their AMPs an assessment of the potential effect of decarbonisation driving significant new large load on their network. However, this is not consistent across EDBs, and in any event, is not information that is explicitly required in ID.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
There are various approaches that could be used to require EDBs to report more consistently and provide greater transparency, which would allow stakeholders to better understand the magnitude and effect of new large electricity loads on EDBs' networks. One example of this would be a requirement for an EDB to identify and report on the top 10 fossil-fuel loads in their area that could convert to electricity and the effect on their network and how they were preparing. Alternatively, a threshold (either absolute or proportional) could be introduced which required EDBs to report this information on new loads above a certain size.	D2	Tranche 1	Support	WELL support the introduction of disclosure relating to potential or expected future load as part of the country's electrification and decarbonisation plan. However much of the information relating to specific loads will be commercially sensitive and/or information which is not currently available to EDBs. This measure will need to be a best endeavours view of an EDBs expected potential load within their network. WELL believes instead of a top 10, a percentage of total load per EDB or a specific MW threshold would provide more meaningful information for stakeholders.
Problems with current ID requirements in achieving the outcomes sought				
There are existing disclosure requirements (clause 2.3.13) specific to related party transactions which require affected EDBs to provide a map of their anticipated network expenditure and network constraints. However, not all EDBs undertake related party transactions, meaning these requirements do not apply to all EDBs.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
We want stakeholders to be better able to understand the current and likely future constraints on EDB networks. This includes helping those providing new technology or services to be able to plan to compete to offer a solution to the constraints and helping those planning to connect to the system to choose where to locate. There is a spectrum of options, from simply requiring EDBs to report on their plans and progress and different scenarios in this area, to more prescriptive approaches that could require EDBs to provide information on current and expected constraints in a standardised (geo-spatial) format. We want to understand how ID can help facilitate a shift to national level reporting of constraints with an approach that does not impose an unnecessary regulatory burden on EDBs. For example, would simply expanding the requirements so that they apply to all EDBs be sufficient or do the existing requirements not capture all of the information necessary to properly explain the full nature of a constraint.	D3	Tranche 1	Support	WELL supports providing expected future network constraints in a simple format to help stakeholders understand forecast network constraints. WELL believes this is information should be available for stakeholders of all networks and be disclosed with a narrative to explain the full nature of constraint. The heat maps should be disclosed in the AMP as part of the network information which is summarised in schedule 12B, rather this in the related party disclosures. Moving this requirement would provide all EDB stakeholders with the simple diagram as well as the supporting contextual understanding of where technology or service solutions could be of use as well as potential areas of constraint to enable less regret investment from stakeholders.
Outcomes we are seeking				

Stakeholders have a better understanding of how EDBs are adapting to the changing environment and technical settings in which they operate, which is especially important given the impact decarbonisation will have on EDBs.				
Problems with current ID requirements in achieving the outcomes sought				
EDBs are required to report on their innovation activities under various clauses within ID. However, it can be difficult to identify the full spectrum of such activities being undertaken by EDBs through their disclosed information.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
There are various options, but one approach might be to require EDBs to specifically report their innovations practices in a stand-alone way in terms of: (a) what measures are EDBs taking that are innovative; (b) why are they innovative; (c) what EDBs are trying to achieve by carrying out the particular innovation; and (d) how EDBs are measuring their success.	D4	Tranche 1	Support	WELL supports the standardisation of disclosure of innovation activities and outcomes to provide stakeholders with confidence that the industry is adapting to the vastly changing environment and acting now in order to be ready for the future decarbonisation journey.
Problems with current ID requirements in achieving the outcomes sought				
Currently ID requires EDBs to report on their activities related to distributed generation. However, the requirements to do not cover all flexibility resources, such as demand response. Further, there is no requirement for EDBs to make a specific declaration regarding the investigations and investment they have undertaken into exploring flexibility resources, as an option to provide innovative, cost effective and reliable electricity distribution services.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Require information on the investigations undertaken and investment into flexibility resources.	D5	Tranche 1	Support (in the future)	WELL supports the inclusion of information on the investigation of non-wire solutions. However, the current allowance calculation and IRIS mechanism do not favour investment in non-wire solutions over wire solutions. Until networks are provided with additional OPEX funding to purchase non-wire solutions, or the IRIS mechanism is changed to not penalise the purchase of flexibility services, there is little value in the disclosure of investigations and investment into flexibility services.
Outcomes we are seeking				
Stakeholders are better able to assess and compare EDBs' performance on pricing				
Problems with current ID requirements in achieving the outcomes sought				
We currently require EDBs to disclose revenue by price category and component, but the information is not standardised which we understand has made interested parties' analysis of pricing unnecessarily difficult. Understanding pricing performance is increasingly important given the increased demands on capacity during peak times due to increased electrification, and the ability of technologies to respond to price signals.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Refine current requirements by providing standardised price components and/or price categories that EDBs can record revenue against in addition to a free field for revenue that does not fit one of the standardised categories or components.	D6	Tranche 2	Support	WELL supports the streamlining of reporting to enable analysis of information by stakeholders. There may be some challenges finding sensible categories that capture a wide range of different pricing structures.

5. Potential ID changes related to asset management

WELL supports providing stakeholders with the appropriate level of information to assess investment and operational efficiency as well as provide confidence in forecasting and operational practices. It is important however that additional information collected and disclosed provide appropriate insight without being too prescriptive or onerous on networks.

Outcomes we are seeking				
EDBs' investment and operational efficiency are better understood by stakeholders.				
Problems with current ID requirements in achieving the outcomes sought				
Asset age data currently captured by ID is not sufficient to support Replacement Expenditure (Repex) modelling because it lacks specificity. Repex modelling can be used to help inform stakeholders as to whether a particular EDB is making optimal asset replacement decisions.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Possible improvements to improve the specificity of asset age data disclosed under ID include: • Finding an appropriate way to report what is currently designated as 'unknown' in the asset age category; and • Splitting out asset age data at a level that is more granular than by decade for assets installed before 2000	AM1	Tranche 1	Do not support	WELL does not support the inclusion of more disaggregated asset lives information. This would take significant effort and in some cases be a best estimate of age in order to produce the information required which ultimately would result in little benefit to consumers. Optimal asset replacement decisions should not be guided by age, but instead by the asset condition. A more effective solution to optimal investment would be to assess asset replacement based on condition. The EEA guidance on asset condition could be used as the assessment EDBs perform.
Problems with current ID requirements in achieving the outcomes sought				
The expenditure categories that EDBs are required to report are not sufficiently granular to enable stakeholders to understand the nature and efficiency of EDBs' expenditure.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Identifying cost categories with known or observable relationships to other data that can enable better understanding of the efficiency of EDBs' expenditure plans. Unit costs are one basic approach we might explore, including: • Capex unit costs e.g., asset replacement cost per unit (poles, conductors, transformers etc.); and • Opex unit costs e.g., vegetation management expenditure/per km cut.	AM2	Tranche 2	Do not support	WELL does not support the use of basic unit cost comparisons. There are no simple measures which could be used to assess the efficiency of one EBD to another. There are infinite drivers (geographic locations, soil types etc.) which can change costs within an EDBs network let alone across different networks. We believe the cost of providing these measures would be greater than the limited benefits it could provide.
Outcomes we are seeking				
Key asset management information is more accurate and/or accessible to stakeholders, and better accounts for the challenges facing EDBs around maintaining resilience and managing increased weather-related impacts on their networks.				
Problems with current ID requirements in achieving the outcomes sought				
Key information relating to asset management practices is located in various places within the AMPs, and the structure of AMPs varies between EDBs. This makes it difficult for stakeholders to identify and access such information.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
There is a wide spectrum of information that may be useful to stakeholders as well as various options for presentation in terms of format and location within the AMP. We are seeking feedback from stakeholders on the key information that stakeholders would like to be most accessible and the most useful manner it can be presented within an AMP. One approach to receiving this feedback may be through a user group forum to inform areas of interest.	AM3	Tranche 2	Support	WELL support the use of a user group to inform of areas of interest to stakeholders. However, it is important that AMPs are not so prescriptive that they are no longer meaningful to the individual EDBs story of their asset stewardship and network asset management practices to deliver the quality and reliable service to their communities.
Problems with current ID requirements in achieving the outcomes sought				
EDB reporting is currently not comprehensive enough to fully capture the range of resilience related risks EDBs face, including those posed by the effects of climate change on weather and sea levels (and possibly other factors such as vegetation growth rates).				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Improved reporting on the resilience and contingency planning of an EDB's network could be enabled through ID changes, which we note would consequently support the work of the EA and other stakeholders. We are seeking feedback on how disclosure requirements could capture more comprehensive information on resilience and contingency planning.	AM4	Tranche 2	Support	WELL supports the inclusion of resilience information within the AMP as we see this as an interest of stakeholders and a key aspect of good asset management. The EEAs resilience guide could be used for EDBs to provide a self-assessment and report to shows trends in network resilience performance over time.
Problems with current ID requirements in achieving the outcomes sought				
It is not always clear whether an outage that occurs during a storm is (a) primarily due to the storm itself; or (b) due to the impact of the storm on network assets that are in a poor state of repair or with insufficient design tolerance for their conditions.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	

Require a summary report of each significant storm event. This could be informed by internal reporting and recording that could include the following: • wind speed and wind direction data; and • whether the wind speed actually exceeded the design tolerances of the network. We are seeking further feedback on this from stakeholders to achieve a cost-effective solution that is useful to stakeholders.	AM5	Tranche 2	Do not support	WELL does not support the additional summary reporting of each significant storm event. WELL believes there would be substantial definition issues with what would be considered to meet the definition of a "significant storm event" which could create onerous reporting burden on certain EDBs. For example a 100km/h windstorm event in another part of the country could be deemed significant to that EDB, however that would be unlikely to be considered significant for the WELL network. Additional reporting should be limited, as it is now, to major event days, where a network has been significantly impacted by an event, be that weather or otherwise.
Problems with current ID requirements in achieving the outcomes sought				
There appears to be a minor clarification required around what is classified as "Overhead circuit requiring vegetation management" with values ranging from 0% to 100%. More accurate data on the proportion of an EDB's network that requires vegetation management can help stakeholders better understand the efficiency of EDBs' vegetation management expenditure.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Potential changes to the definition of 'overhead circuit requiring vegetation management' so that it is based upon a maximum distance between vegetation and an overhead circuit. We welcome feedback on what this distance should be or how else it can be consistently defined in the ID determination.	AM6	Tranche 1	Support	WELL supports the clarification of the definition of 'overhead circuit requiring vegetation management'. A range of interpretations have been adopted by EDBs which prevents the use of the information for comparative analysis. WELL also notes that landscapes change and although overhead circuits at a point in time do not require maintenance, a level of assessment and patrolling is required on all overhead circuit to ensure vegetation circumstances have not changed.
Outcomes we are seeking				
Improved confidence in forecasts disclosures: • Give stakeholders greater confidence in the robustness of EDB spend forecasts; and • Support price-quality path resets, as changes in EDBs' operating environment may mean historic spend requirements are no longer a good indicator of future spend requirements.				
Problems with current ID requirements in achieving the outcomes sought				
Current reporting requirements on lifecycle asset management planning: (a) do not cover vegetation management related maintenance; and (b) lack sufficient detail to properly justify the expenditure projections of each asset category.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Potential changes to the lifecycle asset management planning provisions to: (a) include vegetation management-related maintenance; and (b) include sufficient detail on the assumptions, modelling and economic justifications underpinning the relevant policies, programmes, actions and expenditure projections of each asset category.	AM7	Tranche 1	Support	WELL supports the inclusion of life-cycle management practices relating to vegetation management being included in the AMP. This provides stakeholders with the supporting information which underpins the practices an EDB employs to manage their network
Problems with current ID requirements in achieving the outcomes sought				
Current reporting requirements on lifecycle asset management planning: (a) do not include sufficient information related to the data used to forecast asset replacement and renewal projects and programmes; and (b) lack sufficient detail to explain the methodology used by the EDB to determine the forecast expenditure within the AMP planning period.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Potential changes to the lifecycle asset management planning provisions to: (a) include the processes and systems used to gather and verify the data used to forecast asset replacement and renewal projects and programmes; and (b) provide sufficient detail on the assumptions, modelling, and consideration of non-network alternatives underpinning the methodology used by the EDB to determine the forecast expenditure within the AMP planning period.	AM8	Tranche 1	Support	WELL supports the inclusion of life-cycle management practices relating to the processes and systems used to support forecasts being included in the AMP. This provides stakeholders with the supporting information which underpins the practices an EDB employs to manage their network. However, at this stage the inclusion of non-network alternatives seems premature considering network funding arrangements do not promote this as a variable option to wire solutions.
Problems with current ID requirements in achieving the outcomes sought				
EDBs must disclose 'single point' values in their forecasting schedules. However, in certain situations it may be beneficial for stakeholders if EDBs were to provide an explanation and exploration of scenarios, in addition to providing a single point forecast.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
We welcome further stakeholder feedback on whether it may be beneficial if EDBs were to disclose an explanation and exploration of scenarios, in addition to providing a single point forecast in their forecasting schedules, and if so, in which areas and format would this be most useful.	AM9	Tranche 1	Do not support	WELL does not support the inclusion of future investment scenarios under different growth or forecast scenarios as this would be far too complex and time consuming. A high-level description of the potential investment under different growth scenarios could be a more useful and achievable disclosure for EDBs.
Problems with current ID requirements in achieving the outcomes sought				
Schedule 12 forecasts number of new connections (gross increase) but doesn't account for disconnection so that stakeholders can understand the forecast disconnections.				

Potential options to achieve outcomes	Amend. No.	Timing	WELL's position	
Change the relevant provisions so that stakeholders can understand the number of forecast disconnections on an EDB's network.	AM10	Tranche 1	Support	WELL supports the inclusion of the forecast disconnections so that stakeholders can understand the full picture of an EDBs growth. Currently only disclosing the gross increase creates an inflated future ICP number.
Problems with current ID requirements in achieving the outcomes sought				
Additional information is required to enable stakeholders to better understand, test, and assess EDBs' expenditure. In particular, additional or different data would have better enabled related ID metrics to support our capex forecasting for our last reset.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Potential changes to enable ID data to better inform stakeholders understanding of EDBs' expenditure proposals. Capex forecasts (particularly in the context of decarbonisation and technological change).	AM11	Tranche 1	More detail required	WELL supports the provision of information to help understand the capex and opex proposals relating to decarbonisation and technology change. However WELL would require further information on the potential option in order to provide a robust response.

6. Potential ID changes related to aligning ID with other regulatory rules

It is important that the ID's support and align with price/quality regulation to ensure that:

a. The quality and performance information collected aligns with the level of quality that customers have agreed to fund and that networks are funded to deliver.
b. The quality and performance information collected is consistent with how network performance is rewarded and penalised.

It is also important that when straight-forward changes or clarifications are identified they are actioned on a timely basis. A number of issues of inconsistency or out of date ID requirements (Incremental Rolling Incentive Scheme IDs in Schedule 3) still remain. The Commission has noted in the Process and Issues Paper that they "intend to make less strategic "tidy-up" ID changes on a regular basis", however WELL encourages these "tidy-ups", where simple and non-intrusive, are actioned as and when they are identified or raised.

Outcomes we are seeking				
ID is aligned with our other regulatory rules.				
Problems with current ID requirements in achieving the outcomes sought				
The definitions of "recoverable costs" and "pass through costs" are inconsistent between the ID determination, the IMs and the current price-quality path.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
Changes proposed to the relevant clauses to ensure consistency of definitions of "recoverable costs" and "pass through costs".	A1	Tranche 2	Support	WELL supports changes to the definitions to achieve consistency of definitions across the regulatory determinations. There are other changes of this nature which should be made as part of Tranche 1, including the alignment of the ID requirements relating to unplanned normalisation and boundary values with that of the DPP Determination.
Problems with current ID requirements in achieving the outcomes sought				
Currently there is no mechanism in ID to allow EDBs to disclose their accelerated depreciation data. In our 2016 IM Review we decided to allow applications for adjustment factors in order to allow non-exempt EDBs, successful in an adjustment factor application, to disclose their accelerated depreciation data.				
Potential options to achieve outcomes	**Amend. No.**	**Timing**	**WELL's position**	
As part of this change, we will consider whether to amend the definition of 'asset or assets with changes to depreciation'.	A2	Tranche 2	Support	WELL supports providing the ability to disclose accelerated depreciation information.

7. Closing

WELL appreciates the opportunity to provide a submission on the Commerce Commissions Process and Issues paper "Targeted Information Disclosure Review – Electricity Distribution Businesses". The Process and Issues paper provides a good opportunity to provide feedback on potential the information disclosure amendments prior to finalisation and implementation.

If you have any questions or there are aspects you would like to discuss, please don't hesitate to contact Scott Scrimgeour, Commercial and Regulatory Manager, at [redacted]

Yours sincerely

Greg Skelton

Chief Executive Officer