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Monday, 11 March 2024

Jaun Park
Chief Executive
Unison Networks Limited

Tena koe

UNISON NETWORKS LIMITED NETWORK CAPEX PROGRAMME 2026 - 2030

Unison Contracting Services Limited (**UCSL**) understands that Electricity Distribution Business (**EDB**) forecasts between 1 April 2025 (FY26) and 31 March 2030 (FY30) include some material uplifts in capex work programmes compared to the Default Price-Path regulatory period (3).

In the context of the DPP4 reset, UCSL understands the Commerce Commission recently said:

We consider that the sector is aware of and actively responding to deliverability risks. However, we have concerns that it may be difficult for the sector to scale up to deliver the larger work programme forecasted, given other sectors in New Zealand and global markets are also seeking the same materials, equipment and skilled personnel. In general, representations contained within AMPs and in response to the Issues paper are high-level. Whilst we understand EDBs may have considered the deliverability of its programme of work individually it is unclear how this aligns with expected industry or wider constraints.

UCSL has reviewed the forecast work programme of Unison Networks Limited. UCSL has reviewed the labour, plant and material requirements each year for the period FY26-FY30. UCSL has committed to delivering the forecast work each year.

UCSL acknowledges current challenges with attraction and retention of a skilled labour force. Following a number of targeted actions to improve staff retention in 2023/24, UCSL's turnover reduced during the year. This included initiatives to address experienced line mechanics leaving for Australia, whilst recognising UCSL cannot match the pay rates being offered there. UCSL will continue with its workforce planning initiative, including the recruitment of both skilled international and domestic resources, as well as continuing to grow capability through Unison's Centre of Excellence training facility. Leadership development is also a key focus for UCSL to aid in the delivery of the Annual Works Programme and models to support future capabilities are being refined to reflect the forecast growth in the works programme in coming years.

Nga mihi,

Quentin Varcoe
CHIEF EXECUTIVE