



AURORA ENERGY REPORT CARD

TO OCTOBER 2018



Aurora Energy is in a major phase of a network renewal programme to provide safe and reliable power supply to Otago.

As a new organisation set up in July 2017 there has been substantial progress over the past year:



NEW TEAM, NEW APPROACH



- With **renewed emphasis on our customers and safety** we have committed significant investment in network assets, systems and people to service the network renewal programme
- The new standalone business established in July 2017 has a **new Board, chief executive and management team**
- Aurora Energy has **five foundations**: safety, asset management, delivery, customers and building a high-performance team



SAFETY + NOTHING LESS



- To embed safety as a leadership priority, we launched a **Safety Choices** programme
- New **critical risk standards** provide clarity on our safety expectations and mandatory controls for our employees and multiple service providers working on our network and we developed **safety rules** for each risk area to keep everyone safe
- All new and existing employees carry out an **online health and safety induction** to ensure baseline awareness of how to keep safe and well at work and our core safety procedures
- The new **mobile defects application** records potential public safety hazards on the network in real time, with a dedicated process to assess and take corrective action where needed
- Our **public safety awareness programme** promotes targeted safety messages to inform the community about keeping safe around the electricity network



ASSET MANAGEMENT T RENEWING THE NETWORK



- **More is being invested where it is needed**, we spent \$94 million on network renewal and maintenance in the year to 30 June 2018, almost double the level from two years ago
- Our revised **risk and criticality framework** is used to make network planning and asset replacement decisions that pick up the right priorities based on asset age, condition, type and location
- The large number of poor condition poles has reduced, in the 18 months to June 2018, we **replaced or strengthened more than 9% or 5,000 of our 54,000 poles**, and that is making a difference
- Our **inspection programme** has scaled up (on average we are inspecting 1,000 poles a month alone) and is improving the quality of information we hold on our assets by ensuring it is up-to-date and accurate
- A new \$13 million **Carisbrook zone substation** was constructed to replace the oldest substation on our network, once commissioned it will supply electricity to South Dunedin suburbs
- A new substation was constructed as part of a \$9 million **Wanaka upgrade**, to secure future electricity supply for the growing region, due to be commissioned by the end of the year
- The major \$5.6 million **Smith Street cable replacement** project got underway in Dunedin CBD to upgrade the old gas-insulated cables and improve security of supply to the central city
- To provide a common and clear understanding of the condition of our network assets and what that means for our future renewal and maintenance plans, we initiated a comprehensive, **independent engineering review of the current state network** in conjunction with the Commerce Commission



DELIVERY T GETTING THE WORK DONE EFFECTIVELY



- Two additional contracting firms, Unison Contracting based in Dunedin, and Connetics based in Central Otago, were engaged to boost resources in the field to deliver the work programme - we now have not one but **three contractors permanently on the job**
- An **advanced distribution management system** was introduced that provides greater visibility and control for the safe operation of the network
- For the first time, we now have the ability to operate as a single network from either of our **dual control centres in Dunedin and Cromwell**, giving further operating flexibility and added resilience in event of major natural disaster
- A **new control room in Cromwell** was completed, built in containerised form so it can be relocated if necessary



CUSTOMER

- Started work to **streamline our customer processes** to improve our customers' experience when they interact us for services such as new supply connections and customer-initiated works
- Held first **Customer Voice Panels** in Dunedin, Cromwell and Queenstown to better understand the needs and preferences of our customers, what they value and what is effective in terms of communication and engagement
- Established new **general manager role for customer and engagement** to lead focus on customer (currently recruiting)
- Through our partnership with ChargeNet, supported expansion of **public charging network** for electric vehicles, with six rapid chargers on Aurora Energy's network in Dunedin, Roxburgh, Alexandra, Cromwell and Wanaka, the latest at University of Otago in Dunedin



UPCOMING

Over the coming year, customers and our stakeholders can expect to see even more activities that will build on the work already undertaken:

- **2018 Asset Management Plan** published on 19 October 2018 sets out our updated ten-year network investment plans to address renewal backlogs and cater for future growth
- **Independent state-of the-network report** released on 31 October 2018 will provide an impartial view of the network and common understanding for our customers, the community and stakeholders
- Continued **high levels of asset renewal, upgrade, inspection and maintenance activity** to improve the state of the network and provide safe, reliable power
- Work starts on **capacity upgrade to Cromwell zone substation** to cater for increased residential and industrial electricity demand in the town
- Second series of **Customer Voice Panels** in November 2018 where we'll explore customers' views on our future plans
- New **customer service model** introduced to provide greater choice in how we provide customer connections and customer-initiated work
- From 2019 onwards, **customer and stakeholder engagement** on longer term plans and future pricing.



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