



THIS IS AURORA ENERGY

AUGUST 2018

This overview is a general introduction to Aurora Energy, there is lots more to share. In future editions we plan to cover network upgrades happening in your area, our reliability performance and tips for keeping safe around electricity. We're keen to hear what you would like included in future updates. Our contact details are on the next page, please drop us a line.



FROM THE AURORA ENERGY TEAM

Welcome to our community update on what's happening at your local electricity network.

Aurora Energy is responsible for delivering safe, reliable electricity supply to more than 89,000 homes, farms and businesses in Central Otago, Queenstown Lakes and Dunedin.

As the community that relies on us for everyday power supply, we want to keep you informed on recent changes and our plans for the future. We'll continue to update you on a regular basis.

Aurora Energy owns and maintains the power lines, underground cables, substations and other electrical equipment that brings power from the national grid to your door.

Aurora Energy was set up as a new organisation in July 2017, though we can trace our history back to the early days of power generation in Otago. Today, we have more than 130 staff based in Dunedin, Cromwell and Frankton dedicated to running the network supported by our team of contractors in the field. We're local, living and working right here in the community.

Like other networks in New Zealand and around the world, much of our local electricity infrastructure was built in the 1950s and 1960s and is due for renewal. Over the next ten years, Aurora Energy plans major investment to maintain and renew our distribution network.

Last year, we took urgent steps to address the immediate issue of some of our worst condition poles. That's a start, but with the age and state of the network, we still have a lot of work ahead to inspect, maintain and upgrade other equipment, including our major pole replacement programme.

We take our responsibility very seriously to you as a customer and the community as a whole to provide

a safe, reliable electricity supply. And we agree that it is unacceptable for our assets to fail in service due to their condition or a lack of maintenance.

That is why our forward planning, focus and investment is directed at improving the inspection, maintenance and renewal of our network assets to keep the public and our workers safe and to continue to provide reliable electricity supply.

Recently we commissioned an independent engineering review by experts of the state of our network. Once complete, we will have an impartial, baseline assessment of the health of our network that we can share with the community and that will be a key input to our future plans. As well as making the results public, we are working with the industry regulator, the Commerce Commission, to ensure full transparency.

In this overview, you'll find information on our network and how we deliver electricity to you. Plus, we have lots more information on our website www.auroraenergy.co.nz. This is the first time we've provided an update in this format and we're keen to hear what you think and what you would like included in future updates. Please contact us via email, our website or call us direct with your feedback. (Our contact details are below.)

From me and the team, thanks for taking the time to read Aurora Energy's community update.

Richard Fletcher
CHIEF EXECUTIVE



FOR ANY QUESTIONS GET IN TOUCH

0800 22 00 05
info@auroraenergy.co.nz
www.auroraenergy.co.nz

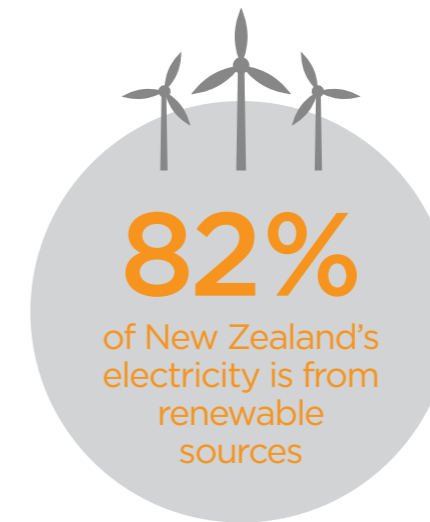


POWERING OUR COMMUNITIES

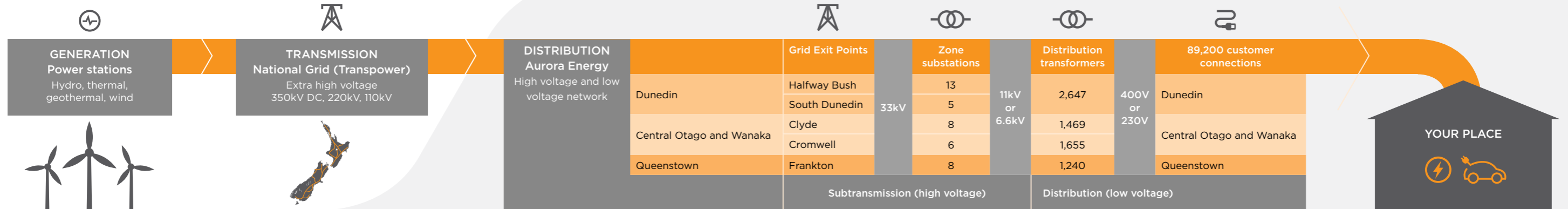
Aurora Energy is your local electricity network in Central Otago, Queenstown Lakes and Dunedin. We are responsible for delivering safe, reliable electricity supply to more than 89,000 homes, farms and businesses and own and maintain the power lines, underground cables and other equipment to make that happen.

Like other networks in New Zealand and around the world, much of our infrastructure was built in the 1950s and 1960s and is due for renewal. Over the next ten years, Aurora Energy plans major investment to maintain and renew its distribution network.

We have offices in Dunedin, Cromwell and Queenstown with 130-plus dedicated staff responsible for planning, designing and operating the network, allied with our contractors in the field building and maintaining the network and responding to faults.



YOUR ELECTRICITY SUPPLY



MAJOR NEW PROJECTS

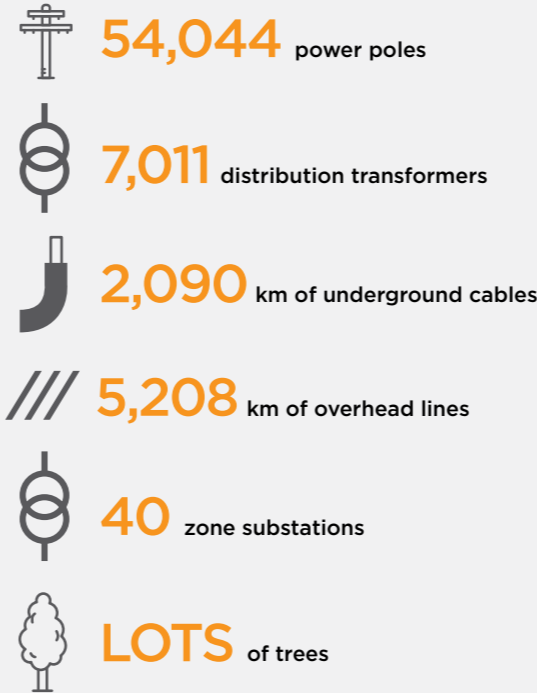
- 1 WANAKA UPGRADE**
We're building a new switching substation at Riverbank Road to cater for future growth.
- 2 CARISBROOK**
We're building a new substation to supply South Dunedin that will replace the oldest one on our network.

ONGOING PROGRAMMES

We've invested \$83 million on maintaining and upgrading the network since July 2017*, including:

- 3,797 poles replaced or reinforced
- 8,515 poles inspected
- 42 kilometres vegetation cleared from power lines
- 2,617 distribution transformers inspected.

* for 11 month period from 1 July 2017 to 30 May 2018



MAINTAINING THE NETWORK

Aurora Energy's network includes all the power lines, poles, underground cables, substations and transformers to take electricity from the national grid to your home, farm or business

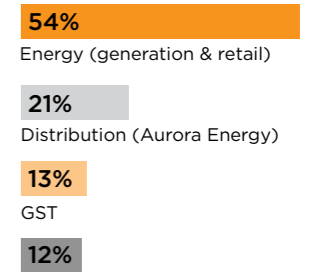
Jargon buster: Zone substations convert high voltage electricity to lower voltages for supply to customers over a wide area. Distribution transformers then lower the voltage further for local distribution to the street.

Keeping trees clear of power lines reduces unplanned outages and keeps the public safe.

YOUR POWER BILL

Composition of an average monthly bill on Aurora Energy network:

\$182.09



Source: MBIE data as of Feb 2018. Calculations are based on a weighted average 8,000kWh residential consumer connected to Aurora Energy network

YOUR ELECTRICITY SERVICE

