

WSP INDEPENDENT STATE-OF-THE-NETWORK REPORT



BRIEFING
31 OCTOBER 2018

Today WSP is providing an early overview of its independent review of the state of Aurora Energy's electricity networks



- ✦ The top level findings of WSP's independent engineering review will be published today, followed by the full report
- ✦ This is a comprehensive, independent review by WSP commissioned by Aurora Energy in conjunction with the Commerce Commission
- ✦ Session's purpose is for WSP to provide an overview and an opportunity for you to ask questions



WSP PRESENTATION



MICHAEL VAN DOORNIK, WSP MELBOURNE

AURORA ENERGY'S RESPONSE TO WSP REVIEW



GLENN COATES
GM ASSET MANAGEMENT AND PLANNING



Our planned investments in the 2018 AMP target four main priorities ...

Address
renewal
backlogs



Support
future
growth

Deliver a
reliable
service



Ensure our
networks
are safe



Emerging views were incorporated into our 2018 AMP...

What assets we plan to invest in:

- **Secondary system assets** including protection relays and DC supplies, replacing all electromechanical and static relays over the ten year period
- Maintaining our **accelerated pole-replacement programme** for up to three more years, before returning to steady-state levels (discussed in Chapter 5)
- Increasing **conductor and crossarm renewals** over the period, as we progressively firm up information on their condition (discussed in Chapter 5)
- Renewing **Dunedin's 33 kV cable network**, considering resilience as part of a broader review of the city's network architecture (discussed in Chapter 5)
- Reprioritising our zone substation assets such as **power transformers** and **circuit breakers** to address an emerging reliability risk
- **New or increased capacity assets** to serve growing communities in Arrowtown, Wanaka, Queenstown and Cromwell (discussed in Chapter 6)
- Implementing **new ICT systems**, and supporting processes, in the early part of the CPP period, including an integrated asset management system
- **Replacement of poor condition assets** in other fleets that present safety risks, particularly ring main units (RMU) and air break switches (ABS)



How will Aurora Energy respond to the WSP final report?

Immediate action

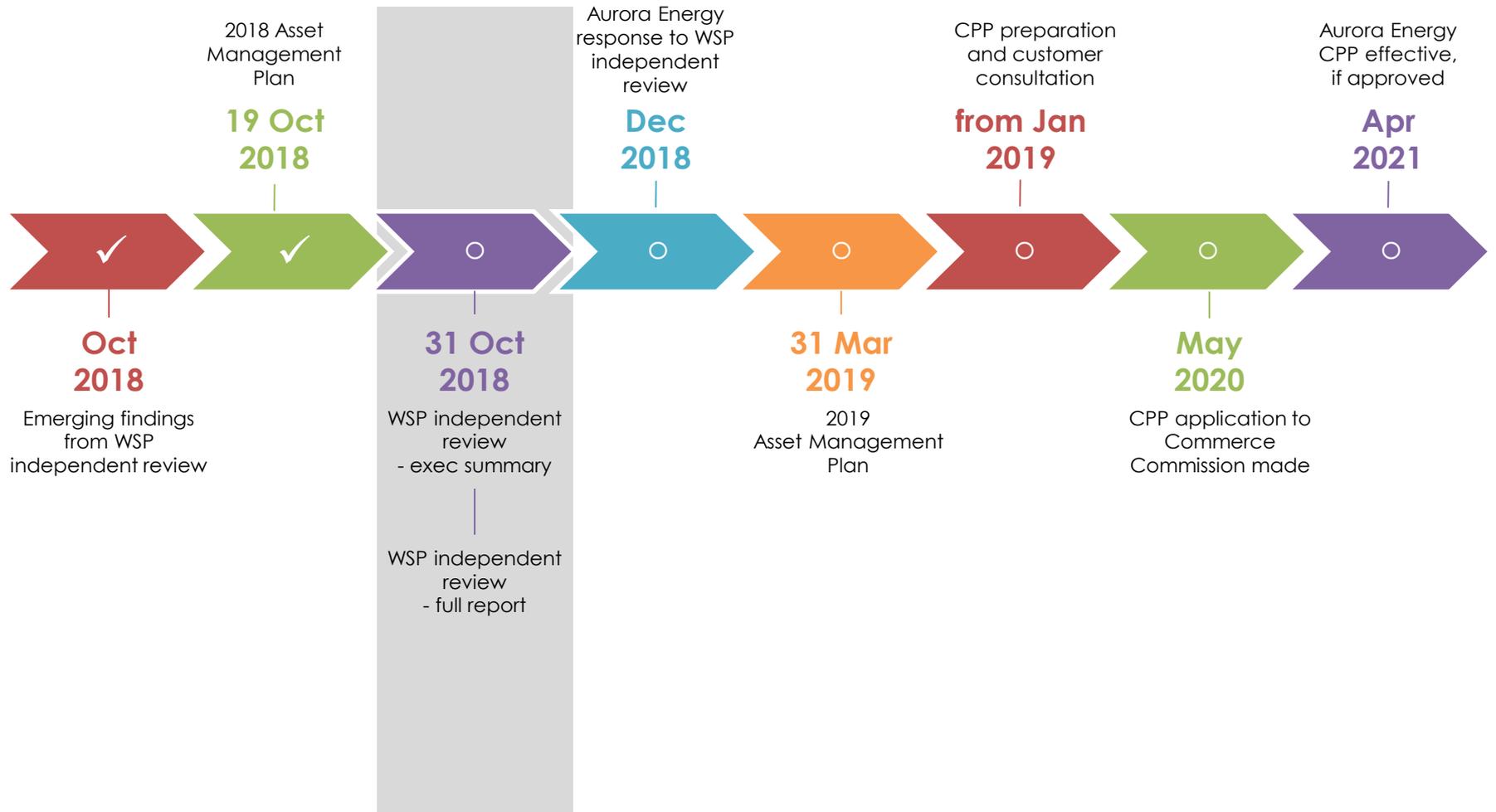
- Revise our ageing protection relay lifecycle management programme to ensure that relays are tested and maintained at sufficient frequency to achieve desired protection system performance
- Instigate further research to understand the implications of low probability, high impact events such as natural disasters, most notably earthquakes and resulting liquefaction and the options for mitigation

AMP March 2019

- Provide an accelerated replacement plan for our high risk protection relays
- Enhance the reporting of network risks by expanding the current asset health assessment to include criticality and risk
- Report on our resiliency risks and our plans to achieve greater resilience
- Adjusting our circuit breaker replacement plans to reflect the highest reliability risks
- Plus any other adjustments based on detailed consideration of final report



Key dates



Any questions ...

