

WHAT'S CHANGED SINCE CONSULTATION?

**YOUR NETWORK
YOUR SAY**

[YOURSAY.AURORAENERGY.CO.NZ](https://yoursay.auroraenergy.co.nz)

INTRODUCTION

In June 2020, Aurora Energy made its application for a customised price-quality path (CPP) to the Commerce Commission for the three years 2022-2024. Here is a summary of what's changed from our draft proposal for consultation to reflect feedback from customers and the community, independent verification and to respond to the expected impacts of Covid-19.

IN SUMMARY

Our updated three-year CPP investment will still:

- Deliver a safe network and address renewal backlogs
- Keep pace with emerging risks of an ageing network
- Improve the health / condition of critical network assets
- Stabilise reliability at current levels
- Continue to support the level of expected growth in demand
- Prepare the network in readiness for future technology uptake.

But our plan has been revised in several areas to reflect customer feedback...

- Removed any spending not urgently required for safety, capacity and to connect new customers
- Reduced total three-year spend by **\$20.4 million** from \$404 million to \$383 million
- Lowered overall customer price increase from **18% to 13%**
- Smoothed the introduction of new prices over three years to reduce the overall impact
- Removed or deferred selected growth-related projects and network reinforcement in line with expected lower forecast demand resulting from Covid-19 impacts.

FUTURE INVESTMENT AND REVENUE

	Draft proposal for consultation	Final revised proposal
Revenue required	\$338 million (3-year)	\$322 million (3-year)
Total spend (opex and capex)	\$404 million	\$383 million

INCREASE IN ESTIMATED TOTAL ELECTRICITY BILL 2021 TO 2024 AS A RESULT OF OUR PROPOSAL

	Draft proposal for consultation	Final revised proposal	Change
Dunedin	15.7%	11.9%	-3.8%
Central Otago & Wanaka	23.3%	16.7%	-6.6%
Queenstown	15.5%	10.6%	-4.9%

WHAT'S NEXT?

The Commerce Commission will now review our application. You will have a further opportunity for feedback as the Commerce Commission holds its own consultation during July - December 2020. In March 2021, the Commerce Commission will make its final decisions on how much we will be allowed to invest in the network, the overall amount we can charge customers and what the reliability limits we'll need to operate within. Any customer price increases would take effect from 1 April 2021. Please keep visiting our website to have your say. We will be listening.

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