



8 July 2024

The Commerce Commission  
Infrastructure Regulation

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## **New Connections application and associated processes**

This material has been prepared to provide further information to meet the requirement set out in clause 17.4 of the Commerce Commission's Electricity Distribution Information Disclosure Amendment Determination 2024.

This material supplements the information on customer engagement contained in Section 3.3 of Orion's 2024 Asset Management Plan ([Orion-AMP-2024.pdf \(oriongroup.co.nz\)](#)).

### **Processing timeframes**

Current Orion reporting capabilities support performance indicators that endeavour to exceed customer expectations.

*To consider and measure acceptable timeframes for processing, applications are categorised in order to measure and differentiate between complexity of connection applications and customer needs.*

Orion Connections implemented a new Customer Relationship Management (CRM) platform in October 2023, to replace an existing legacy platform. Continual development and enhancement of this platform is ongoing to improve both customer visibility of connection application status, efficiency of processing and internal reporting metrics.

The following measures have been limited to CRM metrics, to ensure relativity across reported measures.

Reporting from previous 8 months (October 2023 to May 2024) were as follows:

- Greenfields: 17% of applications approved within 5 days of application and, on average, applications are approved in 12 days.
- Brownfields: 68% of applications approved within 20 days of application and, on average, applications are approved in 28 days.
- Temporary Connections: 46% of applications approved within 10 days of application and, on average applications, are approved in 18 days.
- Large Connections in excess of 100A: 68% of applications approved within 40 days of application and, on average, applications are approved in 19 days.
- Distributed Generation (under 15kW): 100% of applications approved within 10 days of application with assumed average days the same.

Reporting measures currently do not capture reasons for delays in review and/or approval which could occur for several reasons. Consideration of delays needs to be applied as a measure with respect to approval timeframes due to this having a direct impact on approval times.

It is important to note that Orion has no control of the time taken once the quote<sup>1</sup> is sent out. It is up to the customer to decide on whether to accept or discuss the quote with Orion during the customer's decision-making process.

### 1. Average time taken to make a new ICP

"Make a new ICP" is defined as the administrative process in place following the request by a customer to connect and live an approved connection application.

Orion, and other EDBs are required to comply with the requirements of the [Electricity Industry Participation Code 2010](#), and EDBs are audited periodically through Distributor Compliance Audits. The Code allows for 3 days to make a new ICP.

ICPs are created on the registry and approvals sent to the retailer within 3 days of acceptance of the quote.

Once the retailer claims the ICP, Orion issues the request for connection and livening within 3 days after the acceptance.

Orion's new ICPs created in the past 8 months were:

ICP Market Segment and Conn create Fin Year (Oct 23 – Jun 24)	
Market Segment	ICP Count
Business	325
EV Charger	4
Irrigation	1
Major Customer	3
Metered Temporaries	1304
Residential	2664
• Brownfields	• 996
• Greenfields	• 498
• Multiunits	• 1170
Perm Unmetered	10
Unmetered Temporaries	359
<b>Total</b>	<b>4670</b>

### 2. Average time taken to give a quote for alterations to be made to an existing ICP

"Quote for alteration of an existing ICP" is defined as an alteration application that has been "reviewed" and "approved".

The alterations subcategory type is defined as OH to UG conversion, capacity upgrade/downgrade and/or temporary disconnection of an existing ICP.

The average processing time for these types of applications was 26 days. Orion had 589 applications to make alterations to existing connections in the past 8-month period.

### 3. Average time taken to make alterations to an existing ICP

"Alteration to an existing ICP" is defined as the administrative process in place following the request by a customer or retailer to alter the details of an existing ICP.

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<sup>1</sup> A "quote" is defined as a connection application that has been "reviewed" and "approved" and a quote returned to the customer.

This process is at the request of the retailer and the expectation is that changes are made within 24 hours.

Alterations to alter ICP details are email based and we do not currently have any mechanism to measure the timeframe for these alterations.

***Require EDBs to describe their customer connection practices, including:***

#### **4. Orion's approach to planning and management of new or altered connections (load and injection connections)**

Orion manages new and altered connection applications through a queued system.

On application, the type of connection, location and capacity requirements are defined by the customer. This allows for sorting the different applications and allocating each application to an appropriately experienced Connections Contract Manager.

Orion's Connection Contract Manager roles are defined in line with Orion's policy where:

- the connection of single phase up to 60 amps are considered, subject to eligibility criteria, a "Standard Connection".
- applications over and above a standard connection capacity are considered "Non-Standard"
- distributed generation connection applications are defined at the start of the application process.

These connection types are managed by a select number of Connection managers and large-scale DG connections are managed by the "Connections Futures Lead" to ensure the relevant and appropriate conversations are undertaken and measures put in place to ensure safe connection to the Orion network.

All connection applications are effectively managed through a standard streamlined process to ensure consistency. Following application approval, it is the applicant's responsibility to engage an Orion authorised connection agent for scheduling of connection and livening.

#### **5. How Orion is seeking to minimise the cost of new or altered connections for consumers**

Orion defines a connection type under its Connections and Extensions Methodology as either "standard" (subject to eligibility criteria) or "non -standard".

"Standard" connections require set capital contribution for connection of any new ICP on the Orion network. Orion will then build the required network to support the requirements of the new connection at Orion's cost. Orion also covers the costs for any connection and livening requirements, provided by a select number of Orion authorised service providers.

"Non-standard" connections fall into a design build process where the customer has the opportunity to select its contractor from a number of Orion authorised service providers. This supports the customer in being able to choose the most effective/competitively priced contractor to undertake the required work to establish the network connection point/s. Orion contributes towards establishing the connection of this work through capital expenditure upgrades (recoverable assets).

The cost of alterations to existing connections, whether it is an upgrade, replacement or conversion of the existing connection are the responsibility of the customer. Customers still have the opportunity to

select their preferred contractor from Orion's authorised service providers to ensure they receive competitive pricing.

Orion has recently published the Orion [Connections and Extensions Methodology](#) (applicable from April 1, 2024) following review of connection offers, historical fixed capital contribution values and customer contribution to better reflect economic costs and the current environment.

#### **6. Orion's approach to planning and managing communication with consumers about new or altered connections.**

Orion has an online services portal system (<https://online.oriongroup.co.nz/Default.aspx>) where customers are able to sign in using their unique Connection reference number. This gives them access to apply for services and to see the current status of their connection application. This provides visibility of current stage of processing of connection request including ICP creation and allocation stages. The status also indicates the application stakeholders (i.e.; Orion, Retailer, Contractor, or Customer) requiring action to move the application to the next stage. This aims to reduce the number of enquiries and provide applicants with a level of transparency of the status of their application.

At this stage,

- it is the responsibility of Orion's contract managers to communicate with customers in respect of the progress of their application. Contract managers also provide their contact details to customers should they have any questions or queries throughout the application process.
- Orion's Customer Support team are also available via the standard Orion call line to be able to provide any base level information that the customer may need throughout the process.

Orion is currently in the process of identifying further enhancements by providing additional and improved information and updates to customers on the status of their applications via the portal to support transparency.

We, Paul Jason Munro and Michael Earl Sang, being directors of Orion New Zealand certify that, having made all reasonable enquiry, to the best of our knowledge:

- a. the following attached information of Orion prepared for the purposes of clause 2.6.1(4) of the Electricity Distribution Information Disclosure Determination 2012 in all material respects complies with that determination.
- b. The prospective financial or non-financial information included in the attached information has been measured on a basis consistent with regulatory requirements or recognised industry standards.

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Paul Jason Munro, Director

Michael Earl Sang, Director

Date: 8 July 2024

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