



2 October 2023

Commerce Commission
Infrastructure Regulation
Wellington

Via email to: infrastructure.regulation@comcom.govt.nz

Targeted Information Disclosure Review (TIDR) 2024 cross submission

Background

1. On 17 August, the Commerce Commission published the TIDR 2024, which replaces the naming convention of Tranche 2 to align with the year in which the changes will come into force. We welcome this change and trust that future reviews of the disclosures will provide stakeholders with meaningful information that can support consumers, retailers, EDBs and third parties interested in providing flexibility services and given the emerging technologies.
2. We have reviewed the submissions from other parties which closed on 14 September 2023, and note that cross submissions close on 5 October according to the Reasons Paper¹.

Feedback on Information Disclosure Submissions from EDBs

3. In principle, Orion supports the submission of the Electricity Networks Aotearoa (ENA).
4. There appears to be broad alignment across EDBs on views to support or not to support many of the proposals after reviewing the submissions.
5. We also support Auroras recommendation to hold further workshops for the proposed changes to various schedules, terminology changes and definition which may delay the implementation of the proposed changes but will be in the best long-term interest of consumers. There are several proposed changes which may not be cost effective to implement and that may not be informative information for the readers of information disclosures.

¹ https://comcom.govt.nz/_data/assets/pdf_file/0023/325544/Targeted-Information-Disclosure-Review-2024-Electricity-Distribution-Businesses-Draft-decision-Reasons-paper-17-August-2023.pdf

A thick, green diagonal bar that starts from the bottom left and extends towards the top right, partially overlapping the footer area.

6. Our feedback and observations on the submissions for the Targeted Information Disclosure Review 2024 (TIDR 2024) are detailed in Annexure A.

Concluding Remarks

Please do not hesitate to contact Orion on 03 363 9898 should you require any further information regarding this submission.

Yours sincerely

Rob Tweedie

Regulatory Manager

Annexure A

Orion's Feedback on TIDR 2024 EDB submissions

Amendment D3 – Network constraints

- Electra mentioned that *“the disclosure of zone substation information as geospatial data, is achievable but needs to be pushed out to 31 August 2025 to give EDBs time to establish the processes to support this requirement”*. We cross submit in agreement with Aurora that the Commission should take into consideration the time to implement the new reporting requirements once the final decision has been released.
- Wellington Electricity, similar to Orion, is concerned about the cost for resources to implement reporting and disclose geospatial data, stating that *“. When assessed against our principles we believe the cost of providing the data is greater than the benefits provided, and that the data will be of limited value to consumers.”* We cross submit in support of Wellington Electricity's submission on geospatial data.
- We acknowledge customer stakeholders call for greater transparency of network constraints particularly at low voltage level and in support of EV charging connections (Meridian/Drive Electric). We cross submit that Orion, along with other EDBs, is putting our attention to building the data and systems to provide better and greater transparency for you. We cross submit that systems investment also needs to be supported by the DPP reset in order to facilitate this step change. We refer customer stakeholders to our load growth map on our website as evidence of initial moves towards providing information stakeholders are seeking- [Load growth map » Orion \(oriongroup.co.nz\)](#).

Amendment D5 – Work and investment on flexibility resources (non-traditional solutions)

- The Commission proposes to replace all instances of “non-network solutions” with “non-traditional solutions” which we expressed concerned about in our earlier submission. PowerCo has also stated that *“the precise boundaries of what constitutes “non-traditional solutions” are unclear, necessitating further clarification regarding its scope”*. We cross submit that the Commission include discussion on the definition of non-traditional solutions as part of a workshop before making this change.

- Vector also stated that *“First of all, we agree with the ENA that the definition of ‘non-traditional solutions’ requires clarity. In Vector’s view the term ‘non-traditional’ is time bound in its nature. We suggest using the term ‘non-wired’ alternative or solution which delineates a clear boundary around what can be considered and what cannot.”* Orion cross submits in agreement with Vector’s submission on non-traditional solutions that the meaning is not clear enough. To support regulatory certainty, we need clear guidelines on what can be considered a non-traditional solution, and what cannot.
- Wellington Electricity also raised concerns around the definition and interpretation of “non-traditional solutions”, stating *“..., we believe that the definition of non-traditional needs to be improved to capture non-wire solutions that have been offered for years but still offer an alternative to building physical capacity”*. We cross submit in support of Wellington Electricity’s submission on non-traditional solutions that it is not clear that all non-network solutions are non-traditional solutions.
- MEUG submitted in respect of D5 that *“Given this is still a relatively emerging area, we question whether Commission guidance notes may be useful for EDBs as they adopt this requirement.”*. We cross submit in agreement that guidance notes would be useful public information for both EDBs and other stakeholders.

Amendment D6 – Standardised pricing components including transmission costs.

- Unison stated that *“Our pricing methods do not currently disaggregate components in the manner that reporting is proposed for, i.e., transmission and distribution. While these requirements are achievable for FY25 onwards, reporting as proposed for FY24 would result in estimation and would be necessarily less accurate”*. Orion cross submits that the Commission change the price reporting date to FY25 in order to get accurate and meaningful information.

Amendment AM6 – Vegetation management reporting

- Electra has submitted that they do not support expanding Schedule 6b. We cross submit in support and agree that the Commission should wait for MBIE to complete its review of the Tree Regulations. Electra stated that *“The MBIE review will drive extensive changes to the Tree Regulations and, therefore, EDB vegetation management practices, negating all expenditure disaggregation reported before the MBIE review is completed. Moving on the Commission’s proposed amendment now (i.e., for the 31 August 2025 disclosure year) will only introduce cost, as EDBs will need to make extensive system changes to capture the disaggregated expenditure, with little benefit to consumers, as the measures will not provide a time-series against which to base EDB performance.”*

- Unison has also recommended waiting for the amendments to the Electricity (Hazards from Trees) Regulations.
- We cross submit that the Commission wait for the review of the Tree Regulations before making changes to vegetation management reporting under information disclosure.
- We note that PowerCo supports the proposed vegetation management reporting. Our concern is that PowerCo's CPP has positioned them well with the systems and processes in place to be able to report the proposed metrics. Other EDBs are not in the same position. If the Commission was to include this in the final decision, then we would like to know that the Commission also approves funding and provides an appropriate timeframe for EDBs to implement such complex technology.
- We cross submit in support of Vector's submission that, *"For the AM6 proposal alone, the additional resource and cost will be huge. One could argue that these additional costs would be better allocated towards managing vegetation rather than reporting on it"*.

Amendment Q14 – expand ID requirements to include raw interruption data and information on worst-performing feeders.

- We note Aurora's submission that they publicly disclose the raw interruption data on their website but believe that publicly disclosing this information provides no benefit to stakeholders.
- Furthermore, Electra also supports *"providing the Commission with raw interruption data, but we do not support publicly disclosing raw data or the Schedule 10a format"*.
- We cross submit in agreement that public disclosure of raw interruption data is not informative to stakeholders and submit that it would be better that EDBs send this information to the Commission to support the annual information disclosures.

Other changes

- Aurora has submitted a recommendation that the Commission have a separate disclosure for Cybersecurity and said *"Aurora Energy recommends the Commission take the opportunity to move the reporting of Cybersecurity (Commission only) in Schedules 6a, 6b, and 7 to a standalone Schedule 5h. The Schedule could be included with s5f and s5g, provided to the Commission only and not disclosed on EDBs' websites."* Orion cross submits in support of this practical recommendation to report cybersecurity to the Commission on the basis of undisclosed schedules.

- Vector submitted *“In our view, an appropriately qualified re-opener for government policy changes would be appropriate. Executive action (e.g., Ministers exercising statutory powers of decision) can have a significant impact on the cost of delivering regulated services and therefore in principle a re-opener should be available (or the scope of the change event re-opener expanded).”* Orion cross submits in support of either a re-opener for government policy changes or an expansion of scope for the existing change event re-opener to capture costs imposed by government policy changes. Increasing government consultations and policy changes relating to the energy sector have the potential to introduce new costs over the next regulatory period.