

From: [Kristy Rusher](#)
To: [lgoima](#)
Subject: FW: Information request
Date: Wednesday, 16 August 2017 12:06:22 p.m.
Attachments:

From: lgoima
Sent: Monday, 14 August 2017 6:20 p.m.
To: Jordan@taxpayers.org.nz
Subject: Information request

Hi Jordan,

You asked "what reports has the company provided to its shareholders on pole renewal".

Please find attached reports which we have located on this topic.

Kindly note that we have spent in excess of 3 hours processing your information request to date and that charges may apply for the provision of any further information on this topic.

Regards, Kristy.

26 May 2017

Media release

Aurora Energy seeks pricing change from 2020 to fund network investment

Electricity network Aurora Energy has confirmed it will apply to the industry regulator, the Commerce Commission, to switch to a customised price-quality path (CPP) from 2020 to fund the future investment across its network required to maintain reliability of supply.

The network company, which distributes electricity to more than 87,000 homes, farms and businesses in the Otago region, is one of 16 New Zealand network companies subject to price-quality regulation. Aurora Energy's charges remain among the lowest in the country while its reliability performance over the past decade has been well ahead of the national average.

Aurora Energy Chief Executive Grady Cameron says the company is planning for the application process to take three years with any price change not coming into effect until the next regulatory pricing period starting 1 April 2020. "The Commerce Commission sets pricing for electricity networks like Aurora Energy and any change to the default pricing can only occur with the approval of the Commerce Commission and once it has completed its independent audit, verification and evaluation processes and following consultation with electricity customers on the Aurora Energy network."

Aurora Energy plans to submit its application to the Commission in early 2019, following a period of consultation with Otago electricity consumers. If accepted by the regulator, Aurora Energy would move to a customised pricing approach from April 2020. The application would also seek an increase in the reliability thresholds so that Aurora Energy can carry out the work required without being penalised for planned power outages required to protect its workers and the public.

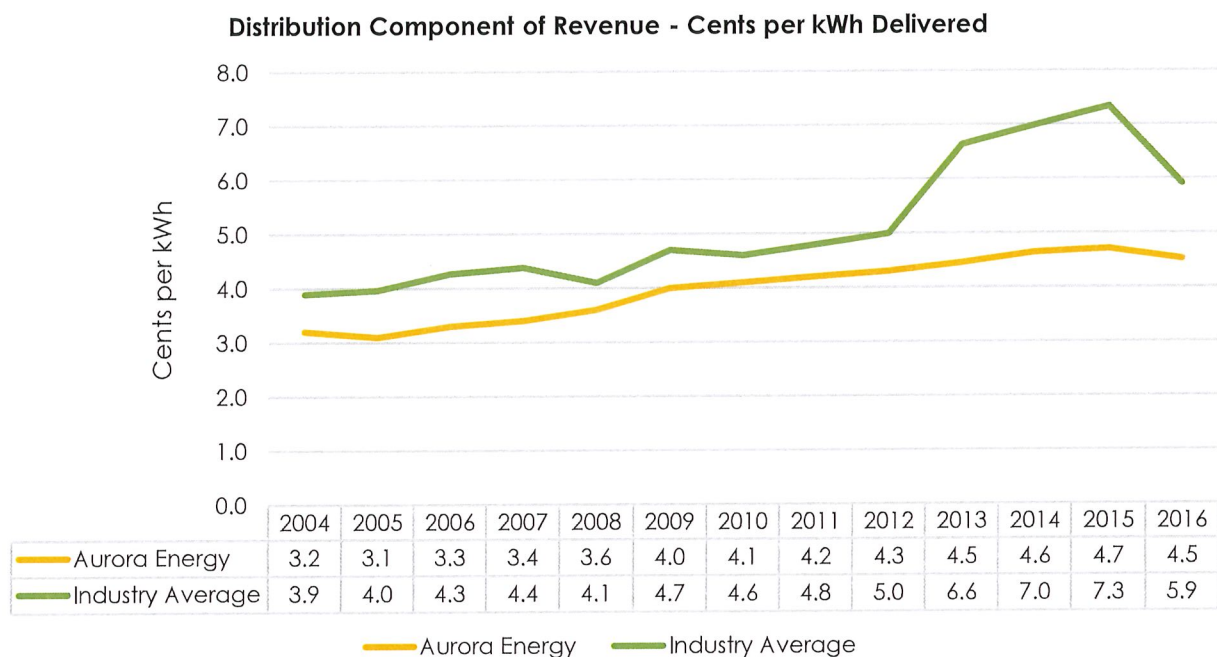
Mr Cameron says that while Aurora Energy will apply for an increase in the distribution line charge component of customers' electricity bills, it wasn't possible to quantify the likely price impacts until detailed modelling had been completed. "It's important to note that line charges make up around a quarter of the total power bill and any future price increase would affect that smaller proportion of what customers pay, assuming retailers pass on any changes to line charges."

"The Commerce Commission is also likely to specify a starting price adjustment, which accounts for allowable revenue for the first year as well as a rate of change to prices that may occur year-on-year, to avoid the potential for rate shocks."

The application follows the release of Aurora Energy's 10-year Asset Management Plan (AMP), signalling investment of more than \$720 million in the Dunedin, Central Otago and Queenstown Lakes districts over the next decade. Almost half of the expenditure is allocated to asset renewal and major projects in both Dunedin and Central Otago.

"A lot of the Aurora Energy network was built in the 1960s and 70s. This programme will see ageing assets upgraded and replaced with modern equipment designed to keep pace with demand and ensure the resilience of the network.

"Substantial investment is also needed to cater for accelerating residential and commercial development, particularly in the Queenstown Lakes District, moving Aurora Energy outside the provisions made in the current default price-quality path," says Aurora Energy Chief Executive Mr Cameron.



(Source: PricewaterhouseCoopers line charge compendium 2004-2016)

For further information

Gary Johnson, Marketing & Communications, 021 224 2333

Aurora Energy is New Zealand's seventh largest electricity network, supplying electricity to more than 87,000 homes, farms and businesses in Dunedin and Central Otago.

www.auroraenergy.co.nz

24 May 2017

Media release

Aurora Energy outlines large-scale asset renewal programme

Aurora Energy is planning to spend more than \$720 million in the Dunedin, Central Otago and Queenstown Lakes districts over the next decade.

The economic impact to the region will be extensive, with the creation of local and regional jobs and spill-over benefits to businesses. Accommodation providers will also be a major recipient as more staff and contractors are employed on infrastructure upgrades, maintenance and implementation of the Fast Track pole programme through the network.

Aurora Energy, which distributes electricity to more than 87,000 homes, farms and businesses in the Otago region, outlined its ten-year projections in its recently released 2017 Asset Management Plan (AMP).

The overall capital outlay incorporates the company's recently announced Fast Track pole programme, which combined with normal renewal and maintenance, has already seen more than 1,000 poles replaced, repaired or reassessed to date. Longer term, the bulk of ten-year expenditure, \$347 million, is allocated to asset renewal extending to a total of 14,000 poles, replacement of ageing subtransmission cables and an upgrade of overhead lines. Other major projects on the cards include a new substation at Carisbrook, which will replace the 60-year-old Neville Street substation by 2019 and a new Wanaka substation on Riverbank Road, Wanaka.

Aurora Energy Chairman Steve Thompson said an additional \$81 million would be spent on growth and security of supply projects to support the region over the next ten years.

"Many of Aurora Energy's network assets date back more than fifty years so this programme will see ageing assets upgraded and replaced with modern equipment designed to keep pace with demand and ensure the resilience of the network."

Mr Thompson said the plan was focused on ensuring network safety and reliability as well as adequate funding to cater for long-term growth.

"Overall, the planning period will be characterised by the delivery of the largest work programme in Aurora Energy's history," he said.

The \$720 million total planned expenditure over ten years is allocated to asset renewal (\$347 million capital expenditure), maintenance (\$192 million operating expenditure), growth and security of supply projects (\$81 million capital expenditure) plus \$101 million capital expenditure primarily on new consumer connections and safety and reliability.

Mr Thompson expressed his gratitude to electricity customers. "This increased work programme will come with increased outages to ensure worker safety. This will make it likely that Aurora Energy will continue to be above existing regulated reliability thresholds for a time, but we know the end result will be worth it."

The company is also working to implement the recommendations of its shareholder in transitioning Aurora Energy into a stand-alone company. "This will provide dedicated resources and a clear focus on our major work streams in relation to the network renewal programme, supporting the achievement of long-term reliability targets."

Key discussion points of the 2017 AMP include:

- Increased transparency in relation to network risks and controls to mitigate risk to employees and the public
- increased level of renewal expenditure to upgrade and replace ageing assets with modern, more resilient equipment
- Expenditure estimates to address high risk customer-owned service lines
- Increased shareholder engagement.

For further information

Gary Johnson, Marketing & Communications, 021 224 2333

Aurora Energy is New Zealand's seventh largest electricity network by customer connections, supplying electricity to more than 87,000 homes, farms and businesses in Dunedin and Central Otago.

www.auroraenergy.co.nz



20 April 2017

Media release

Fast Track Pole Programme on track and on time

Aurora Energy's pole programme is on track to remove the risk around 2,910 priority poles by the end of the year.

The rate of pole replacement and remediation has accelerated since last year and rapid progress has been made since the Fast Track Pole Programme began last November, says Aurora Energy Chairman Steve Thompson.

"In the first three months, we completed detailed safety and operational planning, and progressively brought on external crews to complement the Delta team.

"To date, we've removed the risk of 813 poles identified as high priority as part of the Fast Track Pole Programme and through normal renewal and maintenance. We now have 21 crews working on the programme, as well as some civil contractors. All in, we currently have more than 120 people dedicated to the pole programme across the network in Dunedin, Central Otago and Queenstown Lakes."

Thompson said the initial focus has been on the poles in high priority areas near schools, kindergartens and high pedestrian areas. "We have already removed the risk of condition 0 poles from the central business districts of Queenstown, Wanaka and Arrowtown in the Lakes area and are well advanced in removing the risk of highest priority condition 0 poles in the central business districts of Roxburgh, Alexandra, Clyde and Cromwell in Central Otago. In Dunedin, we continue to remove the risk of condition 0 poles in the central business district and other populous areas.

"Safety remains our top priority and we've been using the detailed process and methodology agreed with WorkSafe NZ. For the safety of our workers and the public, power is turned off when external contractors are working on equipment as standard procedure.

“A programme of this scale involves an unavoidable increase in the number of planned power outages. We appreciate this can be inconvenient and we thank people for their patience as we carry out this important maintenance and asset renewal work.”

Thompson said Aurora Energy had increased customer service support and communication in anticipation of the disruptions. “Electricity retailers notify customers well in advance if a power outage is required. In addition, we publish planned outages in regional newspapers and on the Aurora Energy website www.auroraenergy.co.nz/outages and write directly to those affected where the planned outage affects large groups of customers.

“On occasion, we may be unable to proceed with work on the day the planned power outage is scheduled due to events beyond our control. For this reason, we encourage all customers to check the Aurora Energy website www.auroraenergy.co.nz/outages on the day of the planned power outage in case of a late cancellation.

“Removing the risk of highest priority poles will take significant ongoing resources to get the job done by year-end as well as continuing the scheduled cycle of maintenance and renewal,” Thompson added.

Note to editors:

The Fast Track Pole Programme uses the best available option to fix the problem and remove risk, these include:

- Replacing the old pole with a new one
- Repairing the pole or using a reinforcement method, or
- Reassessing the pole using an independently verified testing method and replacing or repairing the pole or updating the condition assessment as appropriate.

For further information

Gary Johnson, Marketing & Communications, 021 224 2333

Aurora Energy is New Zealand’s seventh largest electricity network by connections supplying electricity to 86,400 homes, farms and businesses in Dunedin, Central Otago and Queenstown Lakes districts.

www.auroraenergy.co.nz



1 March 2017

Mayor Dave Cull and CEO Dr Sue Bidrose
Dunedin City Council
PO Box 5045
DUNEDIN 9058

Dear Dave and Sue

We are writing to update on the actions we are taking to maintain the safety of our network and our customers since we wrote to you in December last year.

Fast track pole programme

The Fast Track pole programme is underway. Last October, we initiated an accelerated programme to remove the risk of condition 0 and 1 poles by December 2017. Since then, we have carried out detailed planning, prepared the safety plan and engaged additional resource.

We are pleased to report that the first external line crews started in February, in addition to Delta crews, with more crews arriving during March and April as we ramp up the programme for the rest of the year.

In Dunedin, we are trialling these external teams starting in the Green Island and Halfway Bush areas. In Central Otago, we are trialling these external teams starting in the Omakau area. As crews become available, the focus will be on urban areas in Central Otago and then progressing to rural areas.

At the start of the programme, we identified 2,910 poles needing attention. To date, we have completed 132 power poles on that list (95 condition 0 and 37 condition 1). Progress so far has been with existing Delta crews, and the pace will accelerate with the arrival of external crews as planned. Our stretch target is for the completion of condition 0 poles by the end of April 2017.

Over the December / January period, Delta resources have been tasked on emergency response, making repairs following fires, severe winds and tornadoes. We have attached a summary updating progress against target.

As discussed, we plan to remove the risk of the 2,910 poles assessed for priority attention using the best available option, either:

- Replace the old pole with a new one
- Remediate the pole by repair or using an independently verified reinforcement method, or
- Reassess the pole using an independently verified testing method and, where assessed as sound, update its condition assessment.

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In some instances, for example, where a permanent fix is not immediately possible, we'll support the pole temporarily until a long term solution is implemented. As one example, we may need to convert the overhead line to underground cable where retaining an existing overhead line is not practical, and that would require additional engineering design.

Independent verification

We want to focus efforts on risk reduction and avoid replacing poles that are sound and serviceable. We acknowledge that concern exists about reassessment as a valid risk reduction method and want to reassure you on this point.

In the past, Aurora Energy has assessed pole condition on a more conservative basis than the regulations stipulate. In practice that means some poles with remaining useful life that are sound and do not need replacement have been assessed as condition 1 and given a red tag. We estimate that of the total of 2,910 poles, around 1,316 are of a condition requiring replacement and the other 1,581 remain sound and serviceable with remaining useful life.

Before we confirm that assessment, we will get independent verification of the testing methods we use to assess pole condition by an external assessor, URL Engineering – Australia. Any change in pole condition status and therefore its inclusion in the Fast Track pole programme will be subject to independent verification of the pole testing method and will also need to satisfy the requirements of the Energy Safety Service.

Priority for order of work

We are prioritising the order of work by condition and by location. That will ensure poles in and around public places - schools, care homes, public gathering places and high pedestrian traffic areas – will be addressed first. In any event, if we identify a pole requiring immediate replacement, we will either replace the pole (usually within 24-48 hours) or temporarily support the pole until replacement can occur.

As for any programme of this scale, contingent risks exist that we are proactively managing. Specifically, there is significant pressure in New Zealand on the supply of poles and availability of external contractors due to demand by other lines companies for similar accelerated work programmes. Weather conditions and emergency response to natural events will also impact on the rate of progress possible.

The Board and management continue to give the FastTrack pole programme the highest priority and are dedicating significant resources to reduce risk. Once the Fast Track programme is complete, we will continue scheduled pole inspection, repair and replacement. In line with the age profile of the network's pole fleet, we will maintain a strong focus and elevated levels of expenditure on pole renewal for several years beyond 2017, as part of the wider network renewal and maintenance programme planned.

Safety and planned power outages

We may need to turn the power off in areas where poles are being worked on to do the work safely. Detailed planning is needed to coordinate a project of this scale and we'll make every effort to keep customer disruption to a minimum.

Electricity customers will be notified in advance if a power outage is required via their electricity retailers. Planned power outages are listed on the Aurora Energy website www.auroraenergy.co.nz/outages and we are also publishing planned outages for the week ahead in regional newspapers.

You will also see public safety advertising continue in regional newspapers and online in coming months to increase public awareness of keeping safe around our network and that provides our contact information for any questions or to report damage.

Regional Mayors

We have updated the Mayors of Queenstown Lakes District Council and Central Otago District Council with progress to date as outlined in this letter, including specific requests over the holiday period for checks of high traffic areas in their regions including camping grounds and event locations.

Holiday period

Prior to Christmas, Delta visited and inspected power poles at five camping grounds in Dunedin. No issues requiring immediate attention were identified. The sites inspected were: Aaron Lodge Top 10 Holiday Park, Brighton Caravan Park, Dunedin Holiday Park, Leith Valley Touring Park and Portobello Village Tourist Park.

In Central Otago, Delta carried out inspection visits at camping grounds at Clyde, Hawea and Wanaka every second day over the summer holiday period. No incidents were reported and camp managers gave positive feedback on the additional presence. Delta also carried out visual checks at event locations including at Millers Flat, Cromwell and Roxburgh. No incidents were reported.

Company separation

We have begun implementing the organisational changes to Aurora Energy recommended by the independent review by our shareholder, Dunedin City Holdings Limited. The first step is to transition to two standalone companies from 1 July this year.

In future, the two organisations will have separate chief executives. Grady Cameron has decided not take up either of the new roles and he will remain in his existing role until 30 June 2017, after which he will be the interim Aurora Energy chief executive until the end of the year. The Board has started the recruitment process for a new Delta chief executive and that role will be advertised this week. The intention is for the new Delta chief executive to start on 1 July 2017.

A Project Team has been established to manage the transition to two standalone companies, with governance oversight by the Chair on behalf of the Boards of Delta and Aurora Energy. Kyle Cameron of Deloitte will provide an independent review of the project implementation, confirm that the recommendations of the independent report have been achieved and report back on both matters to the Boards.

Ongoing communication

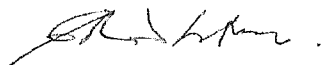
We want to keep you up to date on progress on this important remedial programme and have the opportunity to raise any concerns you may have with us.

Throughout the rest of the year, we will provide monthly updates to you as the programme advances. You are most welcome to contact me or chief executive Grady Cameron if at any time you have questions. I am also happy to meet you to discuss these matters in person.

If helpful, we would be happy to provide additional briefings to Council and will make senior personnel available for that purpose. At an operational level, we continue to liaise closely with Council staff to coordinate work programmes in the roading corridor and answer queries about the programme.

We will continue to keep you regularly informed on the fast track pole programme. Please do not hesitate to contact me directly on 021 861 315 or Grady on (03) 479 6659 if you have any questions.

Yours sincerely



Steve Thompson
CHAIR



Grady Cameron
CHIEF EXECUTIVE

Attachment: Fast Track pole programme update – 1 March 2017

FAST TRACK

AURORA ENERGY POLE PROGRAMME UPDATE

as at 1 March 2017

DUNEDIN

PROGRESS		THIS MONTH	
Initial Scope	980	<u>SAFETY</u>	<u>February</u>
Verified reassessment	0	Public safety (zero harm)	Achieved
Current scope	980	Team safety (zero harm)	Achieved
No. completed to date	86	<u>OUTAGES</u>	<u>February</u>
Total completed project	86	Number of outages	12
% complete	9%	Duration of outages (minutes)	3,448
Stage 1: Condition 0 poles		NEXT MONTH PLANNED	
Initial Scope	603	Number of outages planned	38
Verified reassessment	0	Average outage duration (minutes)	429
Current scope	603	Planned work areas with outages:	
No. completed to date	78	Balaclava, Belleknowes, Blackhead, Calton Hill, Caversham, Concord, Corstorphine, Fairfield, Halfway Bush, Helensburgh, Mosgiel, Musselburgh, Ocean Grove, Ocean View, Outram, Port Chalmers, St Kilda, Wakari	
Total completed project	78		
% complete	13%		

FAST TRACK

AURORA ENERGY POLE PROGRAMME UPDATE

as at 1 March 2017

ENTIRE NETWORK

PROGRESS		THIS MONTH	
Initial Scope	2,910	SAFETY	February
Verified reassessment	0	Public safety (zero harm)	Achieved
Current scope	2,910	Team safety (zero harm)	Achieved
No. completed to date	132	OUTAGES	February
Total completed project	132	Number of outages	27
% complete	5%	Duration of outages (minutes)	7,155
Stage 1: Condition 0 poles		NEXT MONTH PLANNED	
Initial Scope	1,173	Number of outages planned	47
Verified reassessment	0	Average outage duration (minutes)	375
Current scope	1,173	Planned work areas with outages:	
No. completed to date	95	Central Otago/Queenstown Lakes: Alexandra, Butchers Gully, Cardrona, Hawea, Luggate, Ophir, Tarras, Wanaka	
Total completed project	95	Dunedin: Balaclava, Belleknowes, Blackhead, Calton Hill, Caversham, Concord, Corstorphine, Fairfield, Halfway Bush, Helensburgh, Mosgiel, Musselburgh, Ocean Grove, Ocean View, Outram, Port Chalmers, St Kilda, Wakari	
% complete	8%		

Entire network includes Dunedin, Central Otago and Queenstown Lakes



1 December 2016

Mayor Dave Cull and CEO Dr Sue Bidrose
Dunedin City Council
PO Box 5045
DUNEDIN 9058

Dear Dave and Sue

We are writing to update on the actions we are taking to ensure the safety of our network and our customers following the concerns raised in the media. Our Chairman wrote to Dunedin City Holdings on 26 October 2016, and we met you and Dunedin City Holdings on 30 October 2016 and Dunedin City Holdings on 10 November to provide further updates.

As you know, the Aurora Energy network is one of the country's older networks and we are in the midst of a major renewal phase to replace and upgrade those infrastructure assets.

We recognise that claims by some members of the public threaten confidence in the safety of the Aurora Energy network and we are taking immediate steps to address this. As signalled to our shareholder, the Board approved a fast track programme to accelerate pole replacement on Monday 31 October. The goal of that programme is to bring forward replacement of highest priority poles (condition 0 and 1) from March 2020 to December 2017.

We have attached a map of the 941 poles that are currently assessed as condition 0 or 1 in Dunedin City, plus a list of pole locations as at 13 November 2016. These are poles that are the highest priority for replacement.

The accelerated pole replacement programme will require Aurora Energy to incur additional capital expenditure in the current and future financial years. Management has been authorised to apply to Dunedin City Treasury Limited for additional funding of up to \$26 million to support the delivery of the programme, making a total of \$30.4 million over the next 14 months.

In the past two years we have installed 1,670 poles across the network in Dunedin, Queenstown Lakes and Central Otago - nearly half were condition 0 or 1. We have installed a total of 238 poles this financial year, of which the vast majority were condition 0 or 1 poles.

The objective of the fast track programme is to remove the risk of all known condition 0 and 1 poles from the network by December 2017, or earlier. We will continue scheduled pole replacement work beyond 2017 in the normal course of asset lifecycle renewal, in line with the age of the network.

To fast track the programme, we will ramp up the rate of pole replacement from around 50 per month now to approximately 300 per month from March next year across Dunedin, Queenstown Lakes and Central Otago.

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A programme of this scale will require more resources and Aurora Energy will be engaging additional contractors to supplement existing capacity from its primary contractor, Delta. We have approached service providers in the market who have indicated resource availability from early in the New Year. We have also confirmed we can procure the necessary pole supplies.

We expect up to an additional ten field crews will be working on fast track pole replacement in Dunedin, making a total of up to 12 crews at some times. Plus, an additional three crews will be working on fast track pole replacement in the Queenstown Lakes / Central Otago area, making a total of up to five there. Existing planned maintenance and renewal work will continue in parallel.

In the meantime, we have instructed Delta to continue to accelerate progress in replacing poles which we have identified as posing the highest risk of near term failure, prioritised by risk. If any member of the public is concerned about the safety of poles in the Dunedin area or have any other network safety concerns, please ask them to contact us on 0800 433 582 (0800 4 DELTA) or via our website www.auroraenergy.co.nz.

In summary, we are taking the following steps to restore public confidence in our network safety:

- **Fast track pole replacement programme.** The accelerated programme was approved on Monday 31 October with up to \$30.4 million available for pole replacement over the next 14 months to replace all condition 0 and 1 poles by December 2017. We will continue scheduled pole replacement work beyond 2017 in the normal course of asset lifecycle renewal, in line with the age of the network. Detailed programme planning is currently underway for the accelerated pole replacement programme covering timing, resources, materials supply and external contractor availability.

As at 23 November, we have installed a total of 238 poles this financial year, of which the vast majority were condition 0 or 1 poles.

- **Re-check condition 0 and 1 poles and order of priority replacement.** We are currently re-checking the order of priority for replacement of all condition 0 and 1 poles, including on-site inspection where necessary. That will ensure poles near schools and high density public areas are replaced first. We expect to complete re-prioritisation work this month.
- **Pole tags.** We have been re-checking 2,170 condition 1 poles to confirm they all have the correct safety tag in place, signalling line workers must not climb. The verification work started on 5 October and was completed on 3 November. Of the total checked, 64 poles had already been replaced, 400 had a red tag and 1,610 had a red tag added. The other 107 poles are ones we cannot immediately check, mainly for access reasons (for example they are on private property). We will be contacting those owners individually to arrange access to their property to check the remaining pole tags.
- **Energy Safety Service safety compliance audit.** We are cooperating fully with the safety compliance audit of our maintenance programme initiated by Energy Safety Service on 20 October 2016. Aurora Energy provided the safety and planning documentation on 28 October as requested. A preliminary meeting was held with Energy Safety Service representatives in Dunedin on 3 November. The Energy Safety Service visited Dunedin on 22-24 November and met with Delta representatives. We understand they intend to visit Central Otago at a later date.


- **Dunedin City Holdings review.** Our Chairman received notification from Dunedin City Holdings on 2 November of the independent review by Deloitte and specific questions regarding the safety concerns. We replied to requests for specific information on 9 November including questions received from Councillors. Over the last fortnight, Deloitte has been on site in Dunedin and Cromwell interviewing our staff who we are making available as required. We have also provided a range of documentation to the reviewers.
- **Commerce Commission quality standards.** As disclosed in our 2016 annual report, Aurora Energy was one of a number of networks that failed to comply with the 2015 and 2016 quality standards set by the Commerce Commission. Reliability in both years was affected by severe weather events. Under regulation, an investigation is initiated when quality breaches occur in consecutive years. We have provided the Commerce Commission with an overview of the contributing factors to the quality breach and last week met the Commerce Commission to discuss.
- **Otago Regional Council.** We met Otago Regional Council last week and provided an update on the latest work to identify the location of an oil leak from the North City 33kV underground cable. The cable is oil-insulated and oil loss was first identified in 2009. While the type of oil is non-hazardous and biodegradable, we want to prevent any further discharges. Despite using a variety of techniques over several years attempts to pinpoint the leak have so far proven elusive. Recent advances in detection technology have offered a new tracer fluid technique that we are trying right now and we expect results back early next year. We've consulted Otago Regional Council on the steps we're taking to find the leak and we'll work closely with them on the solution.
- **Public complaint.** We have responded to a complaint from Kris Nicolau forwarded by Sue Bidrose regarding a pole installation outside her mother's property. We have confirmed the poles in question were both Chorus poles and forwarded the complaint to its contractor Downer that has followed up. Delta transferred electrical services to the new Chorus pole and removed the old Chorus pole on behalf of Chorus.
- **Greater South Dunedin Trust.** We replied on 4 November to Ray Macleod, Chairperson Greater South Dunedin Community Trust in response the letter sent to Mayor Dave Cull regarding the Trust's concerns about the safety of the Aurora Energy network as it relates to the greater South Dunedin area. We have offered to meet Ray in person to discuss our plans.
- **Community Boards.** We have had requests from the Chairs of local community boards in Dunedin for further information on the location and condition of poles in their areas and we are finalising responses to them.
- **Regional Mayors.** We have corresponded and spoken to the Mayors of Queenstown Lakes District Council and Central Otago District Council to address their concerns. The Chief Executive is meeting the Mayors on 9 December.

As we said at the outset, the Aurora Energy network is one of the older networks in the country, being mostly built in the 1950s and 1960s. The network has served the community well and has been one of the most reliable in the country. We always had a plan in place to maintain the integrity of the network and had committed more than \$400 million over the next 10 years to secure its ongoing reliability.

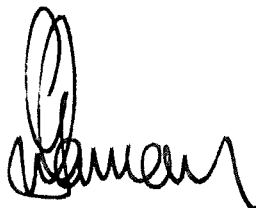
Dave and Sue, we look forward to meeting you in person soon to further discuss our plans and the steps we are taking to maintain your and the public's confidence in the safety of our network. We will contact your office to arrange a convenient time to meet soon.

We will continue to keep you informed of any developments of interest. As always, please contact either of us if you have any questions.

Yours sincerely



Ian Parton
CHAIRMAN

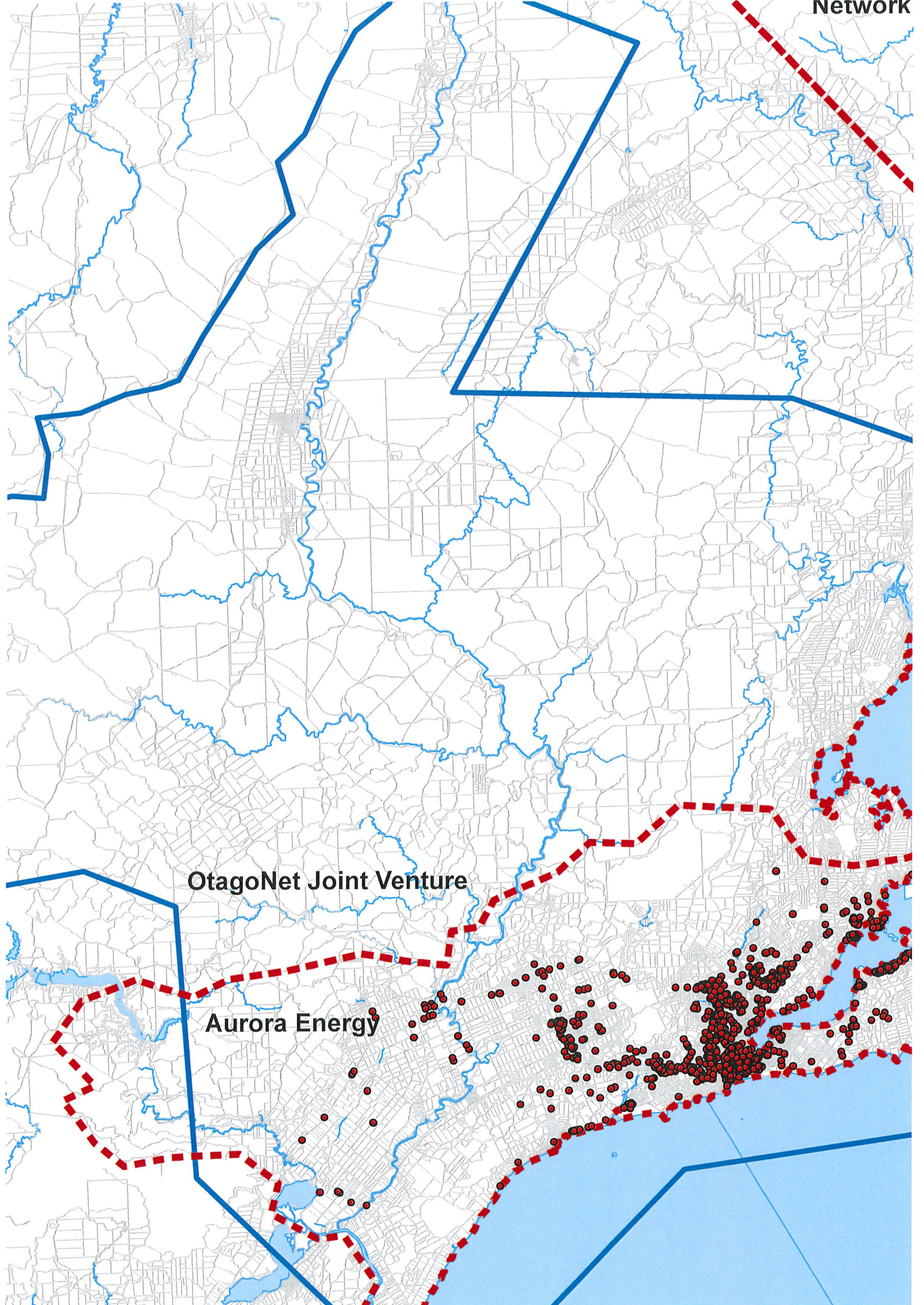


Grady Cameron
CHIEF EXECUTIVE

Attachments:

- Aurora Energy power poles condition 0 or 1 as at 13 November 2016 – Dunedin City Council area map (PDF)
- Aurora Energy power poles condition 0 or 1 as at 13 November 2016 – Dunedin City Council locations (Excel spreadsheet)

Network



OtagoNet Joint Venture

Aurora Energy