

**Media statement – for immediate release**  
**10.30am, 14 August 2013**

## **Orion weighs Commission’s counter-proposal**

Christchurch-based Orion says it is too early to give a definitive response to the Commerce Commission’s draft decision released today about the company’s post-earthquake electricity network reliability and prices.

“There’s a lot for us to consider. We need to work through the detail of the Commission’s proposal to understand fully the implications for Orion and our community,” says Orion chief executive Rob Jamieson.

“The Commission has spent six months reviewing the proposal we submitted in February and we now have six weeks to respond to what is effectively a counter-proposal from the Commission.

“We are the first company to go through this regulatory process so it’s a steep learning curve for all involved and is in parallel to the work we are doing in the field as part of the Canterbury rebuild.”

What does seem clear from the Commission’s draft decision is that Orion’s electricity distribution prices would be set around mid-range for New Zealand electricity networks. At the same time, the company would need to undertake a significant rebuild programme as well as its ‘business as usual’ work in a more costly environment.

“Ultimately, it is Orion who has the responsibility to provide essential electricity infrastructure and who needs to supply an acceptable level of service to residents and businesses. It’s important that the Commission’s final decision doesn’t constrain the pace of the Canterbury rebuild nor compromise the levels of electricity network reliability and resilience that our community wants,” says Mr Jamieson.

“We are pleased that the Commission has acknowledged that *Orion manages its business well for the benefit of its consumers, supported by a strong engineering team*<sup>1</sup>. Our engineers and planners have a wealth of experience and knowledge specific to our region.”

The quality of Orion’s past planning is evident from the company’s rapid and effective response to the Canterbury earthquakes – a response that made a critical difference to people’s lives in 2011 in particular. The company has continued those governance and management processes and seeks to ensure that the legacy of a well-managed electricity network is passed on to future generations.

---

<sup>1</sup> Commerce Commission, *Setting the 2014-2019 customised price-quality path for Orion New Zealand Limited Draft Decision*, 14 August 2013, Foreword



At the same time, significant risks from events such as earthquakes have not disappeared. The ability to respond effectively to major events to prevent power outages remains central to the value Orion provides to its community.

“As an organisation we’re always receptive to new ideas, and we’re keen to extract the key learnings from this process with the Commerce Commission. Our ultimate aim is to provide a safe, reliable and resilient electricity supply while finding the right balance between costs for consumers and network investment for the long-term benefit of our region.”

## **ENDS**

For further information please contact:  
Rob Jamieson, Chief Executive Officer – 027 432 4367