

12 July 2019

Simon Wakefield

Manager, Compliance and Performance Analysis
Commerce Commission
Wellington

By email: regulation.branch@comcom.govt.nz

Dear Simon

Error in our 2019 AMP

On 21 May, we notified the Commission of an error in line 36 of schedule 11b of our 2019 AMP.

Our incorrect and correct insurance cost forecasts are as follows:

Years to 31 Mar	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Incorrect	1,654	17,666	17,985	18,165	18,347	18,366	18,48	18,507	18,623	18,673	18,781
Correct	1,654	2,065	2,860	3,175	3,243	3,313	3,384	3,457	3,531	3,608	3,686

This was caused by human error – we transposed the *totals* line instead of the *insurance* line from table 8.4.1 to schedule 11b. This error affected our 2019 AMP, our excel version disclosed to the Commission and the Commission’s disclosure database. We did not pick up this error in our internal assurance process, partly because the line 36 does not add into other totals – so this did not highlight the issue to us.

We have corrected this error in our website AMP, and on 21 June we emailed the Commission our updated and corrected schedules 11a to 13.

Our AMP is not independently audited, so pursuant to clause 2.8.6 of the IDD we have not provided an independent assurance report in relation to correcting this error.

We work hard to ensure that our AMP is useful to interested parties and we are disappointed and regret that this error occurred. We will take all reasonably practicable steps to ensure that this kind of error does not occur again in our AMP.

Our directors’ certificate is **attached**.

Yours sincerely



Rob Jamieson
Chief Executive Officer

Directors' certification for year-beginning disclosures

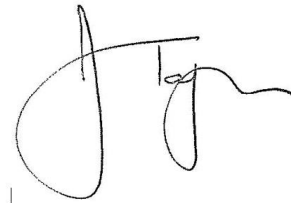
We, Bruce Donald Gemmell and Deborah Jane Taylor, being directors of Orion New Zealand Limited (Orion), certify that, having made all reasonable enquiry, to the best of our knowledge:

- a) The attached corrected insurance cost forecasts in schedule 11b, prepared for the purposes of clauses 2.6 and 2.7 of the Electricity Distribution Information Disclosure Determination 2012 (IDD), in all material respects comply with that determination.
- b) The attached corrected insurance cost forecasts in schedule 11b have been measured on a basis consistent with regulatory requirements or recognised industry standards.
- c) The attached corrected insurance cost forecasts in schedule 11b are based on objective and reasonable assumptions which both align with Orion's corporate vision and strategy and are documented in retained records.

Signed



Bruce Gemmell
Director



Jane Taylor
Director

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