

Review findings disputed

By [Daniel Birchfield](#)

The Waitaki Power Trust is one of several trusts that own electricity distribution companies to voice its displeasure about an International Energy Agency review of electricity providers in New Zealand.

In its recently released annual report for the year ended March 31, the consumer-owned trust, which monitors the performance of North Otago lines company Network Waitaki and appoints its directors, said it "didn't buy into" some of the contents of the agency's report, commissioned by the previous government last year.

The agency's report said small consumer-owned electricity distribution networks such as Network Waitaki were considered to be "inefficient and poorly run" because trustees, who were also shareholders, made "poor decisions" when they appointed directors, and a lack of size resulted in failure to benefit from economies of scale.

The report said that electricity consumers would receive more benefits from new technology if all lines companies in the country became platform service providers only, which meant an electricity distribution company would have to transfer ownership, governance and operational control of all other aspects of the business to an unrelated third party.

As a result, the lines company would be left control of the network infrastructure only.

Independent Crown entity the New Zealand Electricity Authority sought feedback on the report.

As a result of the trust, alongside 11 of the country's 21 wholly or majority consumer-owned lines companies, prepared a combined submission which Waitaki Power Trust chairwoman Helen Brookes presented at the Energy Trusts of New Zealand conference in Westport in November.

She said "significant concerns" were raised.

"Most of the arguments were not based on fact or evidence at all . . . it was an argument built on innuendo, I would call it."

Network Waitaki's net profit for the year was \$3.773 million, up from \$3.672 million. Capital expenditure was \$9.107 million, which included the construction of substations, a 66kV line from Lake Waitaki to Duntroon, and the replacement of power poles.