LYTTELTON ENERGY TRANSITION SOCIETY

26th of August 2026

Dear Commerce Commission,

I am writing on behalf of the Lyttelton Energy Transition Society (LETS), a community organisation based in Lyttelton Harbour and served by Orion's network. We appreciate the opportunity to comment on the Commerce Commission's [Process and Issues Paper] for Orion's proposed five-year [Customised Price-Quality Plan] (CPP).

As consumers and members of the Lyttelton community, we will benefit from the investments proposed by Orion, while also contributing to their costs through electricity distribution charges. We recognise that the CPP proposal, [Asset Management Plan] (AMP) and supporting documents are complex. We therefore offer some high-level comments on several of the key issues raised in the Process and Issues Paper.

Assessing Orion's consumer consultation
4.2 "We are seeking feedback on whether consumer views are accurately represented in Orion's CPP proposal, whether Orion appropriately considered those views, whether consultation on the CPP proposal (including on the refined CPP proposal from March 2026) was adequate, and if there were any other matters you would like us to consider."

- Orion demonstrates that it undertook substantial consultation during the development of its CPP and AMP. However, LETS is one of the organisations that participated in Orion's Community Energy Activator programme, referenced in the AMP, yet we were not consulted during the development of the CPP.
- We consider this a missed opportunity. Orion's AMP recognises distributed energy resources and flexibility—including distributed generation, battery storage and electric vehicles—as potential non-network solutions that can help defer or avoid larger network investments. Orion also recognises demand-side management and flexibility services as tools to manage network constraints.
- Community energy organisations can contribute to these solutions by developing and supporting locally owned generation, storage, demand management and other forms of flexibility. We therefore believe community energy organisations should be included more systematically in Orion's CPP engagement.
- Orion's Engagement Report identifies consultation with a range of business, industry, and government. However, under "community organisations" it identifies only the Akaroa and Bays Emergency Response Hub. Given the number and diversity of community organisations across Canterbury, we believe there was an opportunity for broader community engagement, particularly with organisations working specifically on energy issues.
- LETS would have welcomed the opportunity to engage more directly with Orion on the data, assumptions and solutions underpinning the CPP. Greater engagement with

community energy organisations could help identify locally appropriate solutions that improve flexibility, resilience and affordability.

- We recommend that Orion include a broader range of community energy organisations in its ongoing CPP engagement and report on this engagement as part of its annual disclosures.

Approving prudent and efficient expenditure allowances

2.1 “Orion is asking us to approve revenue levels that would support much more spending on its network than it has undertaken in recent years. To ensure consumers do not pay upfront for proposed expenditure that may not be needed or is not able to be delivered, we test whether it meets the expenditure objective.8 In practice, this involves assessing whether the proposed spend is prudent (the right investments at the right time and able to be delivered) and efficient (at the right cost)”.

- We agree that it is important to assess which investments are needed, when they are needed, and what benefits they will provide to consumers over time.
- We consider that Orion provides substantial information and justification for its proposed investments. However, we would have liked to see the long-term benefits of the proposed investment programme presented more clearly using metrics that consumers can understand and compare with the costs. Understanding the benefits of the investments is also a mechanism to gain support for price increases.
- In particular, we believe the CPP would be strengthened by presenting alternative future energy and investment scenarios alongside their associated costs and outcomes.

  For example, an energy future scenario with more:

  - residential solar;
  - community solar;
  - battery storage, including community-owned batteries;
  - managed EV charging and other EV flexibility;
  - And other flexibility services.

  The scenarios should show how different levels of distributed energy and flexibility could affect network constraints or congestion, or reduce peak demand, therefore affect the scale and timing of network investment, and ultimately the costs borne by consumers. This is particularly relevant because Orion’s AMP already recognises that non-network solutions can defer larger capital investments.. We believe that Orion's could propose an investment programme where flexibility is available at greater scale than assumed. So it is not just a collection of projects but flexibility as a system wide solution. We consider that demonstrating the cost implications of alternative levels of flexibility is important to determining whether the proposed expenditure is both prudent and efficient, particularly where Orion itself identifies non-network solutions as capable of deferring significant capital expenditure.

- Finally, while we understand the outcomes are shown for their 5 strategic priorities: Maintaining network safety and reliability levels, Supporting the strong population and demand growth in our network area, Strengthening the network's resilience, Preparing for future energy needs, Enhancing our efficiency and capability, we believe some of the investments for each of these strategic priorities could contribute to the same outcomes. For example investments in resilience could contribute to the future decentralised solar systems. This is why it is important to show both costs and benefits together for a more prudent assessment of the levels of investments relative to the outcomes or benefits.

Shaping the CPP revenue to reduce price shocks to consumers
5.1 "The increased expenditure allowances proposed by Orion would result in higher electricity lines charges for consumers over the CPP period. We are seeking your views on how best to manage these increases. We think that it might be possible to improve on the way Orion has proposed to shape its CPP revenue path to reduce the risk of price shocks for consumers".

- We agree with this statement. Any price increases for distribution will directly impact energy bills, and avoiding steep increases is critical at this time, particularly for individuals experiencing energy hardship.
- Orion and the Commerce Commission should explore options to ensure these costs are not borne equally by all consumers or to distribute them differently over the coming years. Smoothing these price increases must be a priority for this CPP.

Monitoring Orion's progress and performance during the CPP period
7.2 "We seek your feedback on how to monitor Orion's progress and performance over the CPP period, for example, how enhanced annual information disclosures by Orion (beyond existing requirements) could be structured and what Orion should be required to report on".

- We recommend Orion to include community energy groups in its ongoing CPP engagement and report on it in the annual disclosures.
- We also recommend including metrics that speak to the outcomes and benefits achieved with their investments for everyone. For example, Orion could report:
    - where network investment has enabled additional residential, commercial or community solar to connect;
    - where investment has increased the capacity to use or export solar resources;
    - where network investment has enabled or supported greater use of EV flexibility, batteries or demand response;
    - how much network investment has been deferred or avoided through non-network solutions;

    - the cost of those non-network solutions compared with the network investment they defer or avoid; and
    - the resulting benefits and costs to consumers over time.
- For major investments, Orion could provide a simple explanation of the expected consumer outcome, for example: what additional capacity or flexibility the investment provides, how many customers benefit, what alternative solutions were considered, and how the investment is expected to affect costs over its lifetime.
- This would make the CPP more transparent and would help consumers and the Commission assess whether expenditure is delivering the intended outcomes at the lowest reasonable long-term cost.

Ngā mihi nui,
Margarita Parra Cobaleda
Committee Member