

COMPLAINT NUMBER	20/122
ADVERTISER	Mercury NZ Limited
ADVERTISEMENT	Mercury NZ Limited Interim Report
DATE OF MEETING	6 April 2020
OUTCOME	No Grounds to Proceed

Advertisement: The Mercury NZ Limited Interim Report contains a photo of three wind turbines at the Turitea Wind Farm. At the top right of the photo is the text “Our Turitea Wind Farm – 222MW – New Zealand’s largest wind farm – 840 GWh – estimated generation per year.”

The Chair ruled there were no grounds for the complaint to proceed.

Complaint:

Re Complaint Mercury Energy Interim Report 2020 False and Misleading Information depicted on the front page of Information for Shareholders, totalling 15 Pages. (see below) This Complaint is also inclusively Against the Trust Power Owned Tilt Renewables Ltd, who have actively supported Mercury Energy within this Complaint as an Equal Companion by their support in the Lower Left Hand Corner, of the Pictured Brochure that shows three Wind Turbines overlooking the City of Palmerston North in the background. Within this Pictured Presentation, is mentioned 222 Megawatts and 840 GWH, indicating the Outputs produced by this Named, Turitea Wind Farm.

My Complaint is Primarily about the Two Misleading Statements, is within the capability of 222 MWs and the Yearly 840 GWHs, that Mercury and Tilt Renewables, have Statistically indicated that this Wind Farm will produce over One Year.

These Stated Output Quoted Figures are an Impossibility to achieve thus giving a False and Misleading statement of Intent to any future Shareholder Considerations to purchase any Mercury or Tilt Renewable Shares.

Thus, this Complaint to the NZ Advertising Authority, totally involves the Technical and Operational aspect of the stated Physical Performance being Promoted within this Brochure only.

Essentially, the MWs and the GWHs Presentation makes and gives the Assumption to a Prospective Shareholder, that all Depicted Outputs are being Produced within the Consumers Guarantees and Fair Trading Acts along with the ECP 36 Harmonic and Generator Participation 2010 Acts, that is within the Law Statutes refer Singularly and Purely only to the Standard NZ 50 HZ Sinusoidal Synchronous 20 Milli-Second Durations of Uniform Current physical Production.

The Promotion and Placement that any recent Wind Farm Output can produce any Lawful SYNCHRONOUS ENERGY is totally False and is Profoundly active and is Promoting Grossly Misleading Public Information within this Brochure Content Complaint to the ASA. These Functional Synchronous Outputs have been the Primary back stay of the Worlds Economic advancement for the last 180 Years and needs to be Nurtured into the Future. My enclosed Evidence of Facts, is at Technical and Operational odds with the NZ Governments Energy Controlling Agency of Trans Power NZ that is Controlled by the RT

Hon. Megan Woods as the Minister of Energy, who insist and keep maintaining that the Illegal Multiple Capacitive Frequency ASYNCHRONOUS OUTPUTS OF WIND FARMS, ARE COMPLETELY COMPATIBLE BY being mixed with the Legal Single 50HZ Frequency SYNCHRONOUS GENERATION FORMATED ENERGIES into our National Grid Network. For the ASA to refer and use that Agency for any Confirmation against this written Complaint, will be Tantamount to a Sabotaging Act by the ASA, who by this intended action will fortify the Governments Promotion of the largest Scam and Corruption Operation in NZ. They, have been Politically active by giving the Assurance that they will reduce NZ Carbon Production by the year 2025 by Mitigating the problem, by expanding and Promoting more Wind Farms to mistakenly achieve those Goals for the wrong reasons. And as such will not want to support any part of my Complaint to you. Besides those points, the ASA needs to be Honest and Pragmatic and do their Due Diligence Advertised Function, to disseminate the Technical evidence only in front of them.

1 That all Wind Terminal Outputs are Asynchronously Generated, which means they are Out of Step.

2 That No Wind Farm can apply the needed Synchronicity Function to apply any Controlled Distribution of Energy Demand by the System Controller when needed, as they are essentially not LOCKED IN PHASE TO PHASE.

3 No Wind Farm can ever supply, any unlimited Positive and Negative Reactive Voltage Energies to Specific Grid Controlled Node Points of Supply to essentially Maintain Voltage Levels, simply, because none have independent Excitation Systems attached.

4 No Wind Farm can ever be Synchronous with the System Frequency because they do not have Speed Drooped Controlled Governor with the designated and required 0.3% Sensitivity requirements, that is an essential requirement which is always needed at all times, due to the Intermittency and Lack of Wind Consistencies.

5 No Wind Farm can supply the needed Fault Ride through Current Capability to ensure that Blackouts do not get expanded, by Inhibiting the Over-reaching Functions of the Protection Systems.

6 No Wind Farm can initiate a Black Start Start-Up Sequences, as all are Basic Three Phase Induction Motors that require Energy to start them up.

7 All Wind Farms Collectively, become the Bad, Intermittent Asynchronous Three Phase Inductive Capacitive Modulating Multiple Harmonic Frequency Changers Generating 2,500 HZ that Modulates the Supplied Good Synchronous 50 HZ Frequency to Produce an Uncontrolled Completely new form of Bulk Dirty Energy being Distributed throughout NZ to all Node points of the Connected System that has no Government or Departmental Legal References or Standing in the NZ Statutes or Governments frame of References to be Promulgated against. This ongoing and Unwarranted Legal situation is an untenable situation for the Country to be floating along with, which directly makes the Whole Electrical Industry to be in a Legal Limbo State of Negative Non- Conformity of the Status Quo which the Government needs to urgently inform the Country if NZ wants either a Single Stable Frequency system or a Unstable Multiple Frequency System of Operation, which will be a Huge undertaking to change over for the worst of Features. But without doubt we cannot afford to have two legal Standards to contend with as we are contending with now.

8 This now, newly Produced Dirty Energy, has many other negative By-Products within its operation.

9 My Primary Engineering concern, is that System connected Nameplated 222 Mega Watts within this ASA Brochure Complaint as shown in the previous 8 sections above is the Underbelly and Catalyst that will create the Reduction of the Quality of the 50 HZ and at the same time places the Whole Systems Security of Supply at dangerous Levels when any Fault occurs.

To the ASA Investigative Management Team, I have specifically and Hopefully portrayed enough to influence the ASA of some of the important features within the above 9 sections which outlines and shows, that the Mercury and Tit Renewable Energy Corporations

promotional Advertising of Itemising the Merits within the figures of 222 MW and 840 GWh of Wind Farm Capabilities is based on a False Premise Proposition that can never ever be Practically Achievable.

I therefor Request that the ASA Gives a Direction for Mercury and Tilt Renewables and Trust Power to remove all of their Advertising and Displays that depict that any Asynchronous generated Wind Farm Output is ever needed in any Society around the World for the given abridged 9 Reasons above.

The ASA has now enough information to carry out their Deliberation and is well within their Terms of Reference to Mitigate the Problem based on the 9 important Extensions given to support that the Mercury Shareholder Brochure Front Page comes under the Terms of False Advertising.

I wish this Complaint to be treated with the utmost urgency, because the Asynchronous Outputs are being delivered to all our Homes that you and I need not have to pay for. I look Forward to your Action and Comments.

The relevant provisions were Advertising Standards Code - Principle 2, Rule 2(b);

Principle 2: Truthful Presentation: Advertisements must be truthful, balanced and not misleading.

Rule 2(b) Truthful Presentation: Advertisements must not mislead or be likely to mislead, deceive or confuse consumers, abuse their trust or exploit their lack of knowledge. This includes by implication, inaccuracy, ambiguity, exaggeration, unrealistic claim, omission, false representation or otherwise. Obvious hyperbole identifiable as such is not considered to be misleading.

The Chair confirmed the Mercury NZ Limited Interim Report fitted the definition of advertisement as defined by the Advertising Standards Code: "Advertising and Advertisement(s) mean any message, the content of which is controlled directly or indirectly by the advertiser, expressed in any language and communicated in any medium with the intent to influence the choice, opinion or behaviour of those to whom it is addressed."

The Chair noted the Complainant's concerns the advertisement contained misleading information about the energy output possible from the Turitea Wind Farm.

The Chair noted that a similar complaint had previously been considered (Decision 16/160 Appeal 16/011) and was ruled Not Upheld by the Complaints Board and the Appeals Board. The following is an excerpt from that decision:

"The Complainant asserted that it was impossible for 690 megawatts of power to supply 300,000 New Zealand homes all day for a year. They were concerned the public was wrongly being led to believe wind generation produced the power that operated their home appliances when the type of electricity produced was limited to within three percent at domestic switchboards.

The Complaints Board said the statement subject to complaint was not misleading. It noted it stated that "about the same amount of electricity" and was not claiming wind farms absolutely supplied 690 megawatts of power to 300,000 New Zealand homes annually. It said the likely consumer takeout was that the reference to 300,000 homes and 690 megawatts was intended as an indicative measure of annual wind power energy, not an exact measure of wind generated electricity supplied to New Zealand homes."

The Chair said the precedent decision directly applied to the complaint before her. She said in this case the advertisement simply stated the electrical capacity and estimated power generation of the Turitea Wind Farm.

The Chair noted the comments made by the Chair of Mercury NZ Limited, Prue Flacks, in her report, which was also included in the Mercury NZ Limited Interim Report: “One particular highlight during the period was the announcement of our commitment to complete the construction of the remaining 27 consented turbines at Turitea, adding to the 33 turbine project announced earlier in 2019. This will create New Zealand’s largest wind farm at 222MW producing 840 GWh of electricity generation annually.”

The Chair said these comments were intended to be read in conjunction with the photo of the Turitea Wind Farm. The Chair said it was clear from the comments made by Prue Flacks that the figures quoted in the advertisement related to the estimated future output of the Turitea Wind Farm.

The Chair noted the Complainant had technical knowledge about wind turbines that meant their interpretation of the advertisement was likely to be different to that of the average consumer. The Chair noted that the average consumer would not be familiar with terms such as “synchronous” and “asynchronous” energy, and would be unlikely to apply these concepts to their interpretation of the text “Our Turitea Wind Farm – 222MW – New Zealand’s largest wind farm – 840 GWh – estimated generation per year.” The Chair disagreed with the Complainant that it is the role of the ASA to “disseminate the Technical evidence” about this topic.

The Chair said it was unlikely that the advertisement would mislead, deceive or confuse consumers and there had been no breach of Principle 2 or Rule 2(b) of the Advertising Standards Code.

The Chair ruled there were no grounds for the complaint to proceed.

Chair’s Ruling: Complaint **No Grounds to Proceed**

APPEAL INFORMATION

According to the procedures of the Advertising Standards Complaints Board, all decisions are able to be appealed by any party to the complaint. Information on our Appeal process is on our website www.asa.co.nz. Appeals must be made in writing via email or letter within 14 calendar days of receipt of this decision.