

## **Input methodologies review – Notification email for the release of the draft decision package of papers**

Good morning

Today we have published the following papers as part of our draft decisions on the input methodologies review (IM review):

### **Overarching papers**

- Summary paper
- Introduction and process paper
- Framework for the IM review

### **Topic papers**

- Topic paper 1: Form of control and RAB indexation for EDBs, GPBs and Transpower
- Topic paper 2: CPP requirements
- Topic paper 3: The future impact of emerging technologies in the energy sector
- Topic paper 4: Cost of capital issues
- Topic paper 5: Airports profitability assessment
- Topic paper 6: WACC percentile for airports
- Topic paper 7: Related party transactions

### **Other items**

- WACC calculation spreadsheet for IM Review
- Summary of views – Airports profitability assessment – Workshop 2
- Electricity Authority letter, Possible implications for efficient distribution pricing of a decision to change the form of control for electricity distribution businesses
- Electricity Authority letter, Implications of regulatory treatment of cashflows for emerging technology

These papers are now available on our website at: <http://www.comcom.govt.nz/regulated-industries/input-methodologies-2/input-methodologies-review/>

### **Papers still to be published**

On Wednesday 22 June 2016 we expect to publish:

- The Report on the IM review, which records our draft decisions on whether and how to change the existing IMs as part of the IM review
- The draft amended IM determinations that reflect our draft decisions
- The draft amended airports ID determination that reflects changes proposed to the airports information disclosure requirements, as discussed in Topic paper 5: Airports profitability assessment
- A summary of views expressed at our CPP workshop held on 19 April 2016

## Dates for submissions

In respect of our draft decisions papers (including the Report on the IM review), we invite:

- submissions by **5pm on 28 July 2016**; and
- cross submissions by **5pm on 11 August 2016**.

On these dates we also seek comments on Dr. Lally's expert advice on cost of debt, asset beta adjustments for GPBs, RAB indexation and inflation risk, and TAMRP, released on 25 May 2016.

In respect of our draft determinations, to be released on 22 June 2016, we invite submissions by **5pm on 11 August 2016**. (Rather than providing for cross submissions on the draft determinations, we have instead provided an extended period for primary submissions.)

## Upcoming gas DPP reset paper

At this time we would like to remind stakeholders that we also expect to publish a paper explaining how the draft IMs would be implemented in the 2017 Gas DPP reset on 28 June 2016.

## Summary of next steps

The table below sets out the anticipated next steps on the IM Review between now and our final decision:

Step	Date
Draft decisions papers published, except for the Report on the IM review	16 June 2016
Report on the IM review published	22 June 2016
Draft determinations (including draft ID amendments for airports) published	22 June 2016
Submissions on draft decisions papers due (including the Report on the IM review, but excluding draft determinations)	28 July 2016
Cross submissions on draft decisions papers due (including the Report on the IM review, but excluding draft determinations)	11 August 2016
Submissions on draft determinations (including draft ID amendments for airports) due	11 August 2016
Process update	September 2016 (anticipated)
Targeted technical consultation on updates to draft determinations	October 2016 (anticipated)
Final decisions on IM review	December 2016

Kind regards

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