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Input methodologies review draft decisions

Summary paper

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Associated documents

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22 June 2016 (expected)	1178-2560	Draft amendments to <i>Electricity Distribution Services Input Methodologies Determination 2012</i> [2012] NZCC 26
22 June 2016 (expected)	1178-2560	Draft amendments to <i>Gas Distribution Services Input Methodologies Determination 2012</i> [2012] NZCC 27
22 June 2016 (expected)	1178-2560	Draft amendments to <i>Gas Transmission Services Input Methodologies Determination 2012</i> [2012] NZCC 28
22 June 2016 (expected)	1178-2560	Draft amendments to <i>Commerce Act (Specified Airport Services Input Methodologies) Determination 2010</i> (Decision 709, 22 December 2010)
22 June 2016 (expected)	1178-2560	Draft amendments to <i>Transpower Input Methodologies Determination 2012</i> [2012] NZCC 17
22 June 2016 (expected)	1178-2560	Draft amendments to <i>Commerce Act (Specified Airport Services Information Disclosure) Determination 2010</i> (Decision 715, 22 December 2010)

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Purpose of this paper

1. The purpose of this paper is to provide an overview of our draft findings on the input methodologies review (**IM review**) under Part 4 (**Part 4**) of the Commerce Act 1986 (the **Act**).
2. This paper begins by providing a general overview of our draft findings. The paper summarises our draft decisions by topic for emerging technology and cost of capital and then by sector, for electricity lines businesses, gas pipeline businesses, and regulated airports.

General overview of our draft findings

3. We propose a small number of substantive changes to the existing input methodologies (**IMs**), along with a number of incremental improvements.
4. The Part 4 regime seeks to promote the long-term benefit of consumers of regulated services, which are electricity line services, gas pipelines services and specified airport services at Auckland, Wellington and Christchurch international airports.
5. We promote the long-term benefit of those consumers by promoting the following outcomes consistent with the way they are promoted in workably competitive markets—namely that suppliers of regulated services:¹
 - 5.1 have incentives to innovate and invest including in replacement, upgraded, and new assets;
 - 5.2 have incentives to improve efficiency and provide services at a quality that reflects consumer demands;
 - 5.3 share with consumers the benefits of efficiency gains in the supply of the regulated services, including through lower prices; and
 - 5.4 are limited in their ability to extract excessive profits.
6. The IMs are an important input to regulation under Part 4. The purpose of IMs is to provide certainty to both regulated suppliers and consumers about the rules, requirements and processes applying to Part 4 regulation. A stable and predictable regime provides suppliers and investors in regulated firms with the confidence to invest in long-lived infrastructure that provides essential services to all New Zealanders.

¹ Commerce Act 1985, s 52A(1)(a)-(d).

7. We set the original IMs in December 2010 after extensive engagement with interested parties.² There was a subsequent merits appeal process that reviewed the majority of those IMs. The review resulted in specific aspects of a small number of IMs being amended. Some of the IMs have also been amended pursuant to s 52X.
8. The current IM review is being conducted under s 52Y of the Act, which requires us to review the IMs within 7 years of setting them.
9. From the outset, we anticipated that substantial changes to the IMs would not be necessary.³ Through the review, we have maintained our focus on only making changes likely to:
 - 9.1 promote the Part 4 purpose in s 52A more effectively;
 - 9.2 promote the IM purpose in s 52R more effectively (without detrimentally affecting the promotion of the s 52A purpose); or
 - 9.3 significantly reduce compliance costs, other regulatory costs or complexity (without detrimentally affecting the promotion of the s 52A purpose).
10. Our current draft decisions package presents draft decisions on all IMs within the scope of the review except the IMs for:
 - 10.1 the Transpower Incremental Rolling Incentive Scheme (**IRIS**);⁴
 - 10.2 the customised price-quality path (**CPP**) information requirements for gas;⁵ and
 - 10.3 the related party transactions provisions.⁶
11. While these areas are still within the scope of the IM review, we have not yet reached draft decisions on them.
12. In the case of the three areas noted above where we have not yet reached draft decisions, it is possible that, once we have defined the relevant problems or reached a draft decision, we may need to extend our final decision dates on those areas beyond December 2016. We will update interested parties on our timing for draft and final decisions on these areas in our anticipated September 2016 process update.

² The input methodologies for Transpower's capital expenditure proposals were published on 9 February 2012, and are the only IMs outside the scope of the current review.

³ Commerce Commission "Open letter on our proposed scope, timing and focus for the review of input methodologies" (27 February 2015) para 28.

⁴ As discussed below and in Part 2 of the Report on the review, which we expect to publish on 22 June 2016.

⁵ As discussed below and in Topic paper 2: CPP requirements.

⁶ As discussed below and in Topic paper 7: Related party transactions.

13. The IMs are an important input to the regulatory regime. But what ultimately delivers benefits to consumers is the application of the IMs through price-quality regulation or information disclosure (**ID**) regulation. The impact on the price and quality of services consumers receive will generally not be evident until the next price setting events. These are in:
 - 13.1 2017 for gas pipeline businesses (**GPBs**), Christchurch Airport and Auckland Airport;
 - 13.2 2019 for Wellington Airport; and
 - 13.3 2020 for electricity distribution businesses (**EDBs**) and Transpower.
14. As such, we are still aiming to complete the IM review by December 2016.

Our focus on engaging with stakeholders

15. Through the IM review process, we have strongly focussed on involving our stakeholders and seeking stakeholders' views. We sought input in a number of ways, including through workshops, forums and written consultation. We have appreciated stakeholder engagement and contributions to these processes.
16. We have tried to be transparent about our decision-making approach from early in the process, and to reveal our emerging thinking as it develops. We welcome your feedback on whether you have found our engagement and consultation approaches useful, as well as how we can improve.
17. We have tried to communicate our draft decisions in a way that will allow you to engage with our views and provide your own perspectives. We look forward to hearing your views.

Overview of draft findings relating to emerging technology

18. We are very aware of the potential for significant change to arise from the improving capabilities of new technology, new business models, and evolving consumer preferences. Together these offer significant opportunities, especially for consumers.
19. What this changing technology means for electricity lines businesses is not currently clear, but it seems that it will blur the boundaries between participants in the electricity market, change the way that electricity networks are used, and create challenges for policy makers and regulatory agencies.
20. We have reviewed our IMs to test their fitness for purpose in this changing landscape. We consider that the IMs can deal appropriately with foreseeable developments and do not currently think that major changes to IMs are needed.

21. We do not think that the IMs should discourage suppliers (or others) from exploring opportunities to use new technology and new business models to benefit consumers. We will continue to engage with stakeholders on how the sector is developing to ensure we are ready to make any changes that may be required to IMs in the future.
22. We have identified two possible concerns with emerging technology:
 - 22.1 if enough consumers may elect to disconnect from electricity distribution networks, EDBs may not be able to fully recover their historic capital investment (we have termed this 'partial capital recovery'); and
 - 22.2 EDBs may have a significant competitive advantage in emerging energy markets.
23. In our judgement, the available evidence is inconclusive on whether the risk of partial capital recovery for EDBs regulated business has increased, and by how much. We consider that partial capital recovery is unlikely to be a significant concern in the short term, but may be an issue over the longer term. The long term view on how electricity networks might be used in the future has become more uncertain compared to 2010.
24. As a precautionary measure, consistent with our concern about increased uncertainty, we propose to allow EDBs to apply to recover the cost of assets more quickly by allowing up to a 15% reduction in the average remaining asset lives.
25. This measure has been designed so the total cost to consumers does not increase in net present value terms over the life of the assets while reducing the possible need for subsequent 'regulatory catch-up' (ie, the need to shorten asset lives in future by a greater amount than if we take this precautionary measure now) resulting in price shocks in the future. We consider it should give suppliers confidence to invest in the face of emerging developments.
26. Our review of emerging technologies has highlighted concerns from some stakeholders (mainly energy retailers) that EDBs may have a significant competitive advantage in emerging energy markets. Their key concern is that EDBs' status as regulated monopoly providers may give them an undue competitive advantage in, or otherwise distort, competitive emerging energy markets (either existing or new), and that our cost allocation rules would not adequately deal with this.
27. Our current cost allocation IM is intended to ensure that consumers of regulated services benefit over time from any efficiency gains achieved by EDBs supplying regulated and unregulated services together. We consider the current cost allocation IM is largely fit for purpose. However, we propose to amend the IMs to lower the revenue materiality threshold for EDBs or GPBs deciding on the cost allocation approach from the current 20% to 10%. The objective is to ensure that when EDBs or GPBs use the avoidable cost allocation methodology (**ACAM**), this does not result in increases to regulated revenue greater than 1-2%, compared to the use of the accounting-based allocation approach (**ABAA**).

28. The legislation requires us to ensure that our cost allocation rules do not unduly deter investment by EDBs in unregulated markets. We note that matters of industry structure raised by some stakeholders and the Electricity Authority (**EA**) may be more appropriately handled by policy makers than through adjustments to the IMs.

Overview of draft findings relating to cost of capital

29. We have reviewed our cost of capital IM and consider it remains broadly fit for purpose. Our review included:
- 29.1 reviewing key parameter estimates such as the tax-adjusted market risk premium (**TAMRP**);
 - 29.2 updating our estimates of beta in light of new information;
 - 29.3 considering whether any adjustment to beta is required in light of our proposed changes to the form of control for EDBs;
 - 29.4 re-examining the case for a trailing average cost of debt in response to the substantive stakeholder submissions on this;
 - 29.5 examining a proposal by MEUG for a cross-check with the Black's Simple Discounting Rule (**BSDR**); and
 - 29.6 examining the issues raised by the High Court (ie, alternative models, split cost of capital, and the term credit spread differential (**TCSD**)).⁷

Our key draft findings relating to cost of capital

30. Most aspects of our cost of capital IM remain unchanged in our draft decisions.
31. We have updated our asset beta estimates for EDBs, Transpower and GPBs using more recent data. We estimate that the average unadjusted asset beta for the electricity and gas businesses is 0.34 (unchanged from our 2010 estimate). This estimate is based on a sample of 73 overseas electricity and gas companies and Vector.
32. We have also reviewed the uplift to asset beta that we currently apply for GPBs, given questions raised as to its appropriateness. We consider that based on the available evidence, removing the uplift would improve the accuracy of our asset beta and WACC estimate for gas businesses, better promoting the long-term benefit of consumers.

⁷ *Wellington International Airport Ltd & others v Commerce Commission* [2013] NZHC 3289.

- 33. We already recognise the possibility of estimation error through our estimate of the standard error of the WACC, and use of the 67th percentile when setting price-quality paths. We consider that also applying an uplift to the asset beta for GPBs largely based on precedent, without other robust supporting evidence, would be likely to over-compensate suppliers of gas pipeline services.
- 34. We considered the following evidence in reaching our draft decision to remove the asset beta uplift for GPBs:
 - 34.1 Our empirical analysis of our comparator sample does not provide clear support for a difference in asset betas between gas and electricity businesses.
 - 34.2 The empirical analysis of income elasticity of demand estimates suggests a small difference between gas and electricity asset betas. However, this evidence may not be relevant to the systematic risk faced by New Zealand businesses exposed to price or revenue cap regulation.
 - 34.3 The comparator sample includes gas company betas, and therefore already reflects any higher systematic risk faced by gas businesses. If an asset beta uplift were applied for GPBs, this may suggest a downwards adjustment to the asset beta for the EDBs and Transpower (given the weighted average estimate for the comparator sample of 0.34).
 - 34.4 Although gas is a discretionary fuel, this does not necessarily suggest greater exposure to systematic risk.
 - 34.5 Overseas regulators generally do not derive different asset betas for gas and electricity businesses.
- 35. In our view, there is not robust empirical evidence to support making an adjustment to the asset beta based on the form of control.
- 36. We propose to adopt an asset beta of 0.34 for EDBs, GPBs and Transpower.
- 37. We have updated our asset beta estimate for airports from 0.60 to 0.58. This reflects a change in the average asset beta of our comparator companies (from 0.65 to 0.63) and the continued application of a 0.05 adjustment to reflect the lower risk of the regulated airport activities.
- 38. Other proposed changes to the cost of capital IM are to:
 - 38.1 remove the separate weighted average cost of capital (**WACC**) for CPPs so we do not dis-incentivise CPPs where they are in the long-term benefit of consumers;
 - 38.2 make minor changes to some aspects of the cost of debt, including simplifying the TCSD, to reduce complexity in light of experience and new information;
 - 38.3 modify our debt premium methodology, including extending the averaging period to three months;

- 38.4 reduce the allowance for debt issuance costs in light of new information but include an allowance for entering two interest rate swaps; and
 - 38.5 amend estimates of leverage slightly, taking into consideration changes in leverage for comparable companies.
39. We also considered proposals regarding the use of a trailing average cost of debt, split cost of capital and BSDR, but do not propose any changes in response.
- 39.1 We do not consider that a trailing average cost of debt would be an improvement to our current prevailing rate approach.
 - 39.2 The High Court (in its judgment on the merits appeal of the original IMs) outlined that it expected us to consider a split cost of capital approach, whereby a higher WACC is applied to new investment, given its scepticism about the original IMs using a WACC substantially higher than the mid-point (ie, the 75th percentile). Submissions on the split cost of capital approach have not changed our view that, there is unlikely to be any long-term benefit to consumers from introducing a split cost of capital.
 - 39.3 We consider that BSDR is an intuitively appealing method from which to assess the appropriate rate of return for a regulated business. However, there are a number of challenges that would need to be overcome before we could use it to provide material benefits in our regulatory regime. As a result, we do not propose to use BSDR as a cross-check on the WACC until some of the identified issues have been resolved.

Overview of draft findings for electricity line services

Our key draft findings for EDBs

40. We propose a number of improvements to the way we set default price-quality paths (**DPPs**), evaluate customised price-quality paths (**CPPs**), and provide for reopeners to price-quality paths, all intended to ensure that the DPP/CPP regime as a whole for EDBs (and GPBs) delivers greater long-term benefits to consumers.
41. For EDBs, we have proposed changes to the detailed CPP proposal requirements in the IMs to reduce complexity and compliance costs and improve effectiveness, such as:
- 41.1 removing the separate WACC for CPPs so we do not dis-incentivise CPPs where they are in the long-term benefit of consumers, as mentioned above;
 - 41.2 removing the quality-only CPP and instead providing for a quality reopener in the DPP;
 - 41.3 introducing greater flexibility in the CPP information and verifier requirements (eg, provision for the verifier to select the number of projects it is required to assess);

- 41.4 better aligning information requirements for a CPP to information already disclosed under ID;
 - 41.5 clarifying expectations around consumer consultation (eg, require CPP applicants to notify consumers of the price and quality impact of any alternative investment options in their CPP proposal); and
 - 41.6 clarifying the role and purpose of the verifier.
42. We propose that non-exempt EDBs be regulated under a revenue cap rather than a price cap, as this would remove:
- 42.1 the quantity forecasting risk, which may lead to inappropriate cut backs or deferral in expenditure and investment;
 - 42.2 potential disincentives on EDBs to shift to more efficient pricing, resulting from the current price cap and associated compliance requirements; and
 - 42.3 potential disincentives on EDBs to pursue energy efficiency and demand-side management initiatives.⁸
43. Both we and the EA consider that there are very significant long-term benefits to consumers from reforming the pricing of the services that EDBs deliver. Given the EA's responsibility for EDB pricing, the IMs do not contain specific requirements relating to pricing.
44. However, our proposed change to the form of control for EDBs was adopted in part because we consider this may remove a potential barrier to EDBs reforming their tariffs.
45. We have published a letter from the EA, which explains the EA's view that the form of control may have an impact on the incentives for EDBs to adopt efficient pricing. We welcome submissions on this letter as part of our draft decision consultation.
46. As noted above, we have not yet reached a draft decision on whether to change the related party transactions IMs. We propose to further explore whether there is a problem with the related party transactions regime that extends beyond issues raised with the IMs, and further consider what the best solution to any such problem might be.⁹ We aim to update stakeholders in early September 2016 on our timing for draft and final decisions in respect of the related party transactions IMs.¹⁰

⁸ For this reason we consider that moving EDBs from a weighted average price cap to a revenue cap will help to better promote s 54Q.

⁹ Any changes to the ID requirements would be consulted on and made under s52Q of the Act, rather than under s 52Y.

¹⁰ As discussed in the Introduction and process paper, we anticipate providing a general process update at this time.

47. There were other areas where having considered proposals suggested by stakeholders, or raised in our emerging views papers, we do not propose making a change, such as:
- 47.1 introducing a DPP reopen for constant price revenue growth (**CPRG**), where the supplier is on a weighted average price cap (**WAPC**);
 - 47.2 introducing a DPP reopen for contingent projects, or other adjustments to a supplier's capital expenditure (**capex**) forecasts (we consider a CPP remains appropriate for significant increases in capex above previous levels);
 - 47.3 allowing expenditure, above what is allowed for in a DPP, incurred prior to the submission of a CPP to be recovered.

Our key draft findings for Transpower

48. We consider no significant changes are needed to the IMs for Transpower.¹¹ However, there are two areas where we remain open to possible improvements on existing decisions.
49. Firstly, Transpower has raised concerns about the operation of the IRIS. We intend doing further analysis to determine whether possible problems with the current scheme, might justify changes to the IMs. We aim to reach a final decision on any changes to the Transpower IRIS IM at the same time as the rest of the IM review (ie, December 2016). Prior to then, we will consult on a draft decision on whether to make changes to the Transpower IRIS. We will update interested parties on our timing for draft and final decisions on the Transpower IRIS IM in our anticipated September 2016 process update.
50. Secondly, we consider that continuing to not index the value of Transpower's regulatory asset base (**RAB**) for inflation, remains appropriate. However, the current approach exposes Transpower and its consumers to inflation risk. We consider it would be straightforward to introduce a mechanism to protect both from this risk, and are interested in whether interested parties consider the benefits are sufficiently large to justify doing so.

Overview of draft findings for gas pipeline services

51. One factor influencing our decision to undertake the current statutory review of the IMs at this time was to allow any IM changes to be implemented as part of the 2017 gas DPP reset.
52. As stakeholders will be aware, the processes of reviewing the IMs and resetting the DPPs for gas pipelines businesses are running in parallel. On 28 June 2016, we expect to publish a paper discussing how our draft changes to the IMs for GPBs (as proposed in our draft decisions on the IM review) would be implemented through the gas DPP reset.

¹¹ As noted above, the Transpower Capex IM is outside the scope of the current IM review.

53. We recognise that the IM review and the 2017 reset, along with the transactions in the sector and the Gas Industry Company's work programme, provide opportunities to address some important regulatory design issues for the sector (eg, pricing reform, operating code alignment, security of supply matters). We will continue to work closely with stakeholders so that progress can be made on these issues.

Our key draft findings for gas pipeline services

54. We propose to adopt a 'pure' revenue cap for gas transmission businesses which will adjust year on year for previous under- or over- recovery of revenue. We consider that changing from a lagged revenue cap to a pure revenue cap would:
- 54.1 avoid any windfall gains and losses due to the lagging mechanism; and
 - 54.2 remove any existing compliance barriers for gas transmission businesses to offer more innovative tariffs, and in particular it should allow for capacity auction-based pricing to be more readily introduced.
55. We propose maintaining the weighted average price cap for gas distribution businesses (**GDBs**). Our reasons for this proposal are:
- 55.1 unlike for EDBs, there have not been significant concerns raised about continuing to use CPRG forecasting for GDBs;
 - 55.2 unlike for EDBs, we do not think the WAPC creates concerns about tariff restructuring or efficient pricing for GDBs; and
 - 55.3 the WAPC provide incentives for GDBs to pursue new gas connections and we consider this to be a more important factor for GDBs than EDBs.
56. As noted above, we have proposed as a precautionary measure allowing EDBs to recover the cost of assets more quickly. We are open to views on whether a similar mechanism would be beneficial for gas consumers.
57. As noted above, we have deferred our draft decisions on the CPP information requirements for GPBs until after recent transactions in the sector have been completed, and parties are better placed to fully engage with the process. We will continue to liaise with relevant stakeholders in order to establish an appropriate timeline for this work. We will update interested parties on our timing for this work in our anticipated September 2016 process update.
58. We continue to consider that a CPP is the appropriate tool for addressing major, one-off, capital investments, such as that proposed for the realignment of the transmission network at White Cliffs.
59. We propose not to implement an IRIS for operating expenditure (**opex**) or capex for gas transmission or distribution services under a DPP, and to remove the existing opex IRIS applying to CPPs in relation to GPBs. We consider that the benefits from implementing a capex and opex IRIS for gas pipeline services are unlikely to outweigh the costs, at this time.

Overview of draft findings for regulated airports

- 60. We have identified a number of specific areas where we consider that the disclosure requirements and associated IMs for airports could be changed to improve the transparency and timeliness of the information disclosed about airport charging.
- 61. We expect to complete these changes ahead of the next price setting events for Auckland and Christchurch Airports that are due in 2017. Wellington Airport is not due to reset prices again until 2019.

Our key draft findings for regulated airports

- 62. We have proposed changes to disclosure requirements and associated IMs to help improve stakeholder understanding of the profitability being targeted by major international airports at periodic price setting events.
- 63. When airports release information following a price setting event, we propose to require that they disclose a forward-looking profitability indicator (on the regulated assets, and on the pricing asset base). We have set a number of requirements to operationalise this requirement.
- 64. The disclosure of target profitability would provide stakeholders with an early indication of each airport's pricing intentions. It would also expedite our own analysis of disclosed information. Requiring airports to disclose such an indicator may influence them to set prices that do not target excessive profits.
- 65. We also propose providing airports greater flexibility to disclose information in a way that best reflects their pricing approach. This includes:
 - 65.1 allowing them to disclose land revaluation information on the basis of an un-indexed approach, which is Auckland Airport's current approach; and
 - 65.2 allowing them to apply either a CPI-indexation or an un-indexed approach to parts of the asset base separately.
- 66. We are also proposing that airports disclose additional information to facilitate stakeholder understanding. For example, we propose to require airports to disclose additional information:
 - 66.1 when they adopt a non-standard approach to depreciation (eg, as happened when Christchurch Airport changed its depreciation to reflect the forecast utilisation of existing assets in its proposed depreciation profile); and
 - 66.2 explaining how revaluation gains will be treated in the next pricing period.
- 67. We propose to no longer publish the 25th and 75th percentile of our WACC estimate. Instead we propose to publish our mid-point estimate of WACC along with an estimate of the standard error.
- 68. Airports are free to set their own WACC and target return. However, we propose to require them to explain why their target return differs from our WACC estimate.

69. We have also proposed:
- 69.1 to adopt a pragmatic approach to establishing regulatory values for land as at 2010 (as required by the High Court) through interpolation of previously disclosed values.
 - 69.2 in order to reduce complexity and compliance costs, to set the initial RAB value of land using a pragmatic proxy of land as at 2010 by interpolating 2009 and 2011 market value alternative use (**MVAU**) land values based on existing MVAU land valuations.
70. We expect that these proposed changes, in combination with amendments we are proposing to the Airports ID Determination, will ensure stakeholders have access to the information they require about the airport's target returns, as well as increasing the likelihood that airports will provide additional information to assess whether those target returns are acceptable.

Our draft decisions package

- 71. Our draft decisions package comprises a number of papers, which are listed in the associated documents page at the beginning of this paper.
- 72. This paper provides a summary of our key findings. Alongside this paper, we have also published the following:
 - 72.1 An introduction and process paper, which describes the IM review process to date and explains the structure of the package of draft decisions papers.
 - 72.2 A framework paper, which describes the decision-making framework and key economic principles we have applied in reaching our draft decisions.
 - 72.3 Seven topic papers which, for each of the key topics for the review, explain the problems we have identified and our proposed solutions for addressing those problems. Each topic paper begins with an executive summary, which includes a table summarising our proposed changes in that topic area.
- 73. On 22 June 2016, we expect to publish the remaining papers in our draft decisions package:
 - 73.1 The Report on the IM review, which records our draft decisions on whether and how to change the IMs as a result of the IM review. Our draft decisions, as presented in the Report on the IM review, reflect both our findings in the key topic areas and the findings of our wider effectiveness review of the IMs.¹²

¹² Our effectiveness review is explained in the Introduction and process paper. The findings of our effectiveness review are presented as draft decisions in the Report on the IM review, which we expect to publish on 22 June 2016.

- 73.2 The draft amendments to the IM determinations (as well as draft ID amendments for airports), which demonstrate the drafting amendments that we propose for giving effect to our draft decisions.

Invitation to make submissions

74. In respect of our draft decisions papers (including the Report on the IM review, but excluding draft determinations), we invite:

74.1 submissions by **5pm on 28 July 2016**; and

74.2 cross submissions by **5pm on 11 August 2016**.

75. In respect of our draft determinations, we invite submissions by **5pm on 11 August 2016.¹³**

76. Please address submissions and cross submissions to:

Keston Ruxton
Manager, Input Methodologies Review
Regulation Branch
im.review@comcom.govt.nz

77. Please clearly indicate within your submission which paper or topic it relates to.

78. More information about the submissions process and next steps for the IM review is set out in the Introduction and process paper.¹⁴

¹³ Rather than providing for cross-submissions on the draft determinations, we have instead provided an extended period for primary submissions on those drafts.

¹⁴ Commerce Commission “Input methodologies review draft decisions: Introduction and process paper” (16 June 2016).