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Extensions to the deadlines of disclosures under the Electricity Distribution Information Disclosure Determination 2012

- 1. We write in response to Unison Networks Limited's (**Unison**) and Centralines Limited's (**Centralines**) letter of 6 March 2023, requesting the Commerce Commission (the **Commission**) provides an extension to the deadline for the disclosure of Unison's and Centralines' Asset Management Plans (**AMP**) and pricing methodologies in 2023, required by Electricity Distribution Information Disclosure Determination 2012 (the **ID Determination**).¹
- Unison and Centralines requested the AMP disclosure deadline be extended to 30
 June 2023 and the pricing methodology disclosure deadline be extended to 3 May 2023 due to Cyclone Gabrielle impacts.²
- 3. This request follows a letter we received on 15 February 2023³ in which the Electricity Networks Association (the **ENA**) requested a two-week (10 working day) extension to the AMP disclosure deadline for all Electricity Distribution Businesses (**EDB**s). The Commission approved the ENA's request on 24 February 2023.⁴ As such, Unison and Centralines have already been granted a two-week extension in relation to its AMP and pricing methodology disclosure obligations for 2023.⁵

¹ EDB ID Determination 2012, amended November 2022. Found <u>here</u> on our website.

Unison is the EDB that serves the Hawke's Bay, Taupo and Rotorua regions. Centralines is the EDB that serves the Central Hawke's Bay region.

³ Request for an extension for upcoming regulatory disclosure deadlines, the ENA, dated 15 February 2023.

Electricity Distribution ID Exemptions – All EDBs – Extension to deadline for year-beginning disclosures, dated 24 February 2023.

⁵ These disclosures must now be publicly disclosed by the revised deadline of 18 April 2023.

Background

- 4. The ID determination requires that EDBs, before the start of each disclosure year,⁶ publicly disclose the following disclosures:
 - 4.1 a pricing methodology, in accordance with clause 2.4.1;
 - 4.2 an AMP in accordance with clauses 2.6.1 and 2.6.1A; or an AMP update, in accordance with clauses 2.6.3 and 2.6.4;
 - 4.3 information on forecasts and asset condition, in accordance with clause 2.6.6; and
 - 4.4 mandatory explanatory notes on forecast information, in accordance with clause 2.7.2.

Exemption request

- 5. Unison and Centralines requested an extension to 30 June 2023 for the disclosure of their AMPs and an extension to 3 May 2023 for the disclosure of their pricing methodologies. They consider they are not able to reasonably comply with the current deadlines due to material changes in circumstance due to Cyclone Gabrielle. Unison and Centralines described these events in its letter:⁷
 - loss of power for most of Hastings and Napier customers for an extended period, as well as, approximately 1,340 customers still without power as at 6 March 2023 and;
 - flooding of the Redclyffe substation Grid Exit Point (**GXP**) and subsequent implementation of temporary measures to bypass Redclyffe GXP; and
 - 5.3 extensive damage to distribution infrastructure
- 6. Unison and Centralines have stated that the engineering team and shared management resourcing, between Unison and Centralines, are focused on reconnecting customers and that there has been a material quality impact on the AMP content of both businesses.
- 7. Unison and Centralines have stated that their unique circumstances warrant a longer extension to allow a more accurate assessment of Cyclone Gabrielle impacts on each network.

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⁶ The disclosure year for EDBs is 1 April – 31 March.

⁷ Information disclosure exemption requests consequent to Cyclone Gabrielle impact, Unison and Centralines, dated 6 March 2023.

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Exemption granted

8. We consider a further extension for Unison and Centralines, beyond the previously granted two-week extension applying to all EDBs, is reasonable given that:

- 8.1 Hawke's Bay was the one of the areas in New Zealand that was severely affected by Cyclone Gabrielle in February 2023.
- 8.2 due to the impact and aftermath of the weather events, Unison and Centralines staff have been focused on repair work and restoring power to disconnected customers.
- Unison and Centralines require further time to assess the impacts of Cyclone Gabrielle on their networks and the effect on their 2023 AMPs.
- the events that led to Unison and Centralines reprioritising its staff are outside of its control; and
- the extension only relates to the timing of the AMPs and does not alter the volume or category of information required to be publicly disclosed.

 Therefore, granting the extension will not change the amount of information in the public domain and available to interested persons.
- 9. We have considered the impact of the extension on the purpose of information disclosure under section 53A of the Commerce Act 1986 and have concluded that the purpose will still be met if this exemption is granted.⁸
- 10. By this notice, using the exemption powers in clause 2.11.1(1) of the ID determination, the Commission grants Unison and Centralines an extension to each publicly disclose the following information by **30 June 2023**:
 - an AMP (including post-cyclone Gabrielle response forecasts), in accordance with clauses 2.6.1 and 2.6.1A;⁹
 - information on forecasts and asset condition, in accordance with clause 2.6.6; and
 - 10.3 mandatory explanatory notes on forecast information, in accordance with clause 2.7.2.

Paragraph 8 acknowledges the effect the extension will have on interested persons.

Clause 2.6.3(2) of the ID determination requires an AMP to be completed, instead of an AMP update, for the AMP disclosure due before the 2024 disclosure year (i.e. before 1 April 2023).

11. By this notice, using the exemption powers in clause 2.11.1(1) of the ID determination, the Commission grants Unison and Centralines an extension to each publicly disclose a pricing methodology, in accordance with clause 2.4.1 by **3 May 2023**.

Further information

- 12. This exemption may be revoked or further amended by the Commission at any time in accordance with clause 2.11.1(2) of the ID determination.
- 13. A copy of this exemption response letter will be published on the Commission's website.
- 14. If you have any questions regarding this matter, please contact Zac Clark at infrastructure.regulation@comcom.govt.nz

Yours sincerely



Andy Burgess

General Manager, Infrastructure Regulation