

Information Disclosure Requirements for Transpower

Process Update Paper

Date: 2 May 2012

Purpose

1. This paper updates the process the Commerce Commission (the Commission) expects to follow to determine the information disclosure (ID) requirements under Part 4 of the Commerce Act 1986 that will apply to Transpower. This paper:
 - summarises progress since the Commission's September 2011 Process Update¹
 - identifies the consultative steps that the Commission will follow before releasing draft ID requirements
 - presents revised timeframes for issuing the Final ID Determinations for Transpower.
2. The paper does not discuss ID for electricity distribution businesses or gas pipeline businesses. We will issue a separate paper in the near future, with an updated process and timeframe for finalising ID requirements for electricity distribution and gas pipeline businesses.
3. Submissions are not sought. The next opportunity for interested persons to provide views will be in August 2012 when a workshop will be held. Submissions will also be sought on the draft ID determination.

Progress since last process update

4. Since the last process update in September 2011, we have:
 - Completed the Transpower Capital Expenditure Input Methodology Determination² (Capex IM). The Capex IM intended that an ID Determination would replace the use of notices issued under Section 53ZD of the Commerce Act to trigger the provision of information.
 - Released the Draft Commerce Act (Electricity Distribution Services Information Disclosure) Determination 2012 and its accompanying Draft Reasons paper.³

While these papers do not include proposed ID requirements for Transpower, some of the approaches are relevant to developing new ID requirements for Transpower. We also received submissions from Transpower relevant to Transpower ID when we consulted on the EDB ID Draft Determination and Reasons paper.

5. Our updated process for determining ID requirements for Transpower is as follows:

¹ Commerce Commission, "Information Disclosure Regulation Electricity Lines Service and Gas Pipeline Services Process Update" (12 September 2011).

² Commerce Commission, "Re Transpower Capital Expenditure Input Methodology Determination [2012]" (31 January 2012).

³ Commerce Commission "Draft Commerce Act (Electricity Distribution Services Information Disclosure) Determination 2012 [2012]" (January 2012); Commerce Commission "Information Disclosure Requirements for Electricity Distribution Businesses and Gas Pipeline Businesses [2012]" (16 January 2012).

Table 1: Our updated process, including indicative timeframes

Key Steps	Indicative date
Scoping phase and development of workshop material	2 May – 31 July 2012
Workshop	Between 1 and 15 August 2012
Publication of draft determination	28 September 2012
Consultation on draft determination	1 October – 21 December 2012
Publication of final determination	1 March 2013

6. In the scoping phase the Commission will consider what information is necessary for interested persons to assess whether the purpose of Part 4 of the Commerce Act is being met.
7. Topics for the workshop are likely to include the scope and structure of proposed ID requirements as well as the potential to rationalise information collected under individual price path regulation⁴ and the Capex IM.
8. A Draft Determination and accompanying reasons paper will be released in September 2012. Consultation on the Draft Determination and Draft Reasons paper will continue until December.
9. The Commission will then consider submissions and cross submissions, and produce a Final Determination in March 2013.

⁴ Commerce Commission, "Individual price-quality determination applicable to Transpower pursuant to Part 4 of the Commerce Act 1986 (the Act)" (reflecting all amendment as of 31 January 2012).