



Orion



12 July 2024

Ben Woodham
Electricity Distribution Manager
Commerce Commission
44 The Terrace
Wellington 6140
By email: infrastructure.regulation@comcom.govt.nz

Dear Ben,

DPP4 draft decision – Big Six submission of PwC Proposed Reopener Guidelines - July 2024

Who we are:

We are a group of the six largest price-quality regulated electricity distribution businesses (EDBs) in New Zealand (the Group) - Aurora, Orion, PowerCo, Unison, Vector and Wellington Electricity. We formed in 2021 around a shared interest in delivering future-ready electricity services to communities and a common belief that decarbonisation needs to be integral to the regulatory framework.

Expert submission:

The Group is submitting PwC's proposed Reopener Guidelines in response to the Commerce Commission's (Commission) consultation on the draft decisions for the default price-quality path (DPP) reset.

We are pleased to provide proposed regulatory guidelines for reopeners for non-exempt EDBs and gas distribution businesses (GDBs).

These are intended to provide more certainty for regulated suppliers when considering and preparing reopener proposals for price-quality paths, and during the Commission's reopener assessment and decision processes.

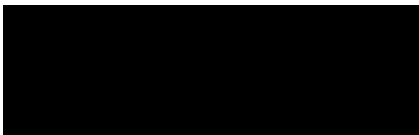
The proposed guidelines have been prepared in response to the EDB DPP4 draft decision paper.

In drafting the proposed guidelines, PwC has considered:

- the 2023 input methodology (IM) amendment determinations for EDBs and GDBs;
- the commentary in the 'CPP and in-period adjustment mechanisms topic paper' for the final 2023 IM review decision;
- the commentary in the DPP4 draft decision paper;
- published EDB reopener proposals, and the Commerce Commission's determinations, decision papers and supporting models;
- Ofgem's 2023 'reopener guidance and application requirements document';
- input from EDBs who have or are contemplating making reopener applications; and
- potential amendments to the IMs for reopeners.

The proposed guidelines are drafted for EDBs and GDBs, for DPPs and customised price-quality path (CPPs), and for all possible reopener categories, including those categories where the Commission may initiate a reopener event. The proposed guidelines could be adapted to cover regulated transmission and fibre businesses.

Your sincerely,



Richard Sharp - on behalf of the Big Six