



T R A N S P O W E R

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5 September 2018

Florian Steinebach
Regulation branch
Commerce Commission
PO Box 2351
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By email: regulation.branch@comcom.govt.nz

Listed Projects decision: Oteranga Bay - Haywards A lines

We welcome the opportunity to submit to the Commerce Commission's draft decision, published 15 August 2018, on our application for base capex funds to reconductor the Churton Park section of the Oteranga Bay – Haywards A line (OTB-HAY A line).

This project is one of the five listed projects in our *Individual Price Path determination (IPP) 2015 – 2020, (Schedule I)*.¹ The Listed projects process is designed to manage cost and timing uncertainties of large (> \$20m) base capex projects. Our OTB-HAY A line application is the second time we have used the Listed project process to obtain additional base capex funding during a regulatory control period.²

In our May 2018 application, we requested that the Commission approve a \$23.5 million increase in our base capex allowance, and recovery of the actual costs of our additional exposure to reserve costs. The Commission's draft decision is to approve our application.

We appreciate and support the Commission's decision. The Commission's review of our application was comprehensive in challenging and critiquing our justification, approach and analysis for the proposed investment.

We thank stakeholders for engaging with us, ahead of our application to the Commission, on options to mitigate the market impact of the outages to deliver the project. Stakeholder feedback on the Commission's draft decision will be equally valuable in helping to ensure the final decision is robust.

Please contact me if you have any questions about this submission.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Rebecca Osborne', written over a light blue horizontal line.

Rebecca Osborne
Regulatory Affairs & Pricing Manager

¹ Available [here](#)

² The first project was [Central Park - Wilton](#)