

NOTICE OF INTENTION

2 July 2024

Amended and reissued on 11 September 2024

Potential amendments to Input Methodologies for Electricity Distribution and Transmission Services

1. The Commerce Commission (**Commission**) gives notice under section 52V of the Commerce Act 1986 (**Act**) that it is beginning work on potential amendments to:
 - 1.1 the Electricity Distribution Services Input Methodologies Determination 2012 [2012] NZCC 26 (**EDB IMs**); and
 - 1.2 the Transpower Input Methodologies Determination 2010 [2012] NZCC 2 (**Transpower IMs**).
2. In accordance with section 52V of the Act, this notice outlines the general scope of the potential IM amendments under consideration, and the proposed process and indicative timeframes for considering and consulting on the potential amendments.

Scope of potential IM amendments under consideration

3. We are currently in the process of resetting the default price-quality path for electricity distribution services under section 53P(1) of the Act, for the regulatory period beginning on 1 April 2025 (**DPP4**).
4. In the course of that process, we have identified a number of potential amendments to IMs relevant to default price-quality paths and customised price-quality paths that may:
 - 4.1 promote the Part 4 purpose in section 52A of the Act more effectively than the current IMs;
 - 4.2 promote the IM purpose in section 52R of the Act more effectively (without detrimentally affecting the promotion of the section 52A purpose); and
 - 4.3 reduce compliance costs, other regulatory costs or complexity (without detrimentally affecting the promotion of the section 52A purpose).
5. The potential amendments relate to discrete issues with particular IM provisions relating to reopeners, the reopener event allowance, and wash-up mechanisms, including related consequential amendments made during the Part 4 Input Methodologies Review 2023. We consider it appropriate to address these issues now as opposed to waiting for the statutory review of the IMs under section 52Y of the Act.

6. For consistency between the EDB IMs and the Transpower IMs on these discrete issues, the scope of the potential IM amendments includes amendments to the Transpower IMs to the extent we consider the amendments would apply to the electricity transmission services provided by Transpower under its individual price-quality path.

Proposed process and indicative timeframes for potential IM amendments described above

	Process	Indicative timeframe
1.	Draft decision by the Commission Draft decision on potential IM amendments	Quarter 4, 2024
2.	Submissions due from interested persons on potential IM amendments	Quarter 4, 2024
3.	Cross-submissions due from interested persons on potential IM amendments	Late Quarter 4, 2024 – Early Quarter 1, 2025
4.	Final decision by the Commission Final decision on potential IM amendments	By 31 March, 2025

Updates and any process refinements will be published on the Commission's [website](#).