

NOTICE OF INTENTION

28 APRIL 2017

Input Methodology Review: Transpower Capital Expenditure Input Methodology

1. The purpose of this notice of intention is to advise that the Commerce Commission is beginning work on a review of the Transpower Capital Expenditure Input Methodology Determination [2012] NZCC 2, in accordance with section 52Y(1) of the Commerce Act 1986 (the Act).
2. In accordance with sections 52Y(3) and 52V(1) of the Act, this notice outlines the process that will be followed and the proposed timeframes for the review.

Process		Indicative time frame
1.	<p>Paper to be issued for consultation – Transpower capex input methodology review: Proposed focus areas for the capex IM review (focus areas paper)</p> <p>This paper will be issued by the Commission to seek input in identifying key focus areas, and the appropriate process, for the review.</p>	May 2017
2.	Knowledge sharing workshop with interested persons	May 2017
3.	Submissions from interested persons on the focus areas paper	June 2017
4.	Cross-submissions from interested persons on the focus areas paper	June 2017
5.	<p>Draft decision on input methodology review published for consultation</p> <p>Publication of draft reasons paper and any draft input methodology amendments</p>	Q4 2017
6.	Submissions from interested persons on the draft decision	Q4 2017
7.	<p>Final decision on input methodology review</p> <p>Publication of final reasons paper and any input methodology amendments</p>	Q1 2018

3. Further detail on the Commission's process for the review will be provided in the focus areas paper referred to above. In particular, that paper will provide more specific information about the timing for the knowledge sharing workshop and for submissions on the focus areas paper.
4. We expect that submissions on the focus areas paper will inform our process for the remainder of the review. For example, we are open to adjusting the dates for reaching decisions on certain aspects of the review in order that any amendments relevant to Transpower's individual price-quality path (**IPP**) can be in place in time to be incorporated into the 2020-2025 IPP.
5. Regular updates on the process, including process refinements and changes to any of the proposed time frames will be published on the Commerce Commission's website: <http://www.comcom.govt.nz/>.