

Mya Nguyen
Commerce Commission
Wellington

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Dear Mya

Confidential: Capex

1. **Effluent**

Evidence on the expected [REDACTED]

1.1 [REDACTED]

1.2 [REDACTED]

Evidence of the expected [REDACTED]

1.3 As Lempriere has previously advised the Commission [REDACTED]

1.4 More generally, Lempriere make the following comments regarding [REDACTED]

(a) Godfrey Hirst's claims regarding [REDACTED] capex (claimed by Lempriere and supported by the Commission's independent expert [REDACTED]) hinge on the premise that:

(i) [REDACTED]

(ii) [REDACTED]

(b) [REDACTED]

(i) [REDACTED];

(ii) [REDACTED]

(iii) [REDACTED]

[REDACTED]

(c) [REDACTED]¹

¹ [REDACTED]

(d) [REDACTED]

(e) [REDACTED]²

2. [REDACTED]

Additional evidence on the [REDACTED]

2.1 By way of background, [REDACTED]

2.2 [REDACTED]

2.3 [REDACTED]³

2.4 [REDACTED]⁴

2.5 [REDACTED].

2.6 We also make the following comments, for completeness.

(a) The forward looking NZWSI capex that would be avoided by the merger was not included in the Application because the relevance of the issue has only become apparent to NZWSI during the setting of its 2017 and 2018 budgets, which occurred after filing.

(b) [REDACTED]

(c) [REDACTED]

(d) [REDACTED]

² [REDACTED]

³ [REDACTED]

⁴ [REDACTED]