

NOTICE OF INTENTION

20 MAY 2024

Potential amendments to Input Methodologies for Electricity Distribution Services, Gas Distribution Services, Gas Transmission Services and Transpower

1. The Commerce Commission (**Commission**) gives notice under section 52V(1) of the Commerce Act 1986 (**Act**) that it is beginning work on potential amendments to the following input methodologies (**IMs**):
 - a. *Electricity Distribution Services Input Methodologies Determination 2012* [2012] NZCC 26;
 - b. *Gas Transmission Services Input Methodologies Determination 2012* [2012] NZCC 28;
 - c. *Gas Distribution Services Input Methodologies Determination 2012* [2012] NZCC 27; and
 - d. *Transpower Input Methodologies Determination 2010* [2012] NZCC 17.
2. In accordance with section 52V of the Act, this notice outlines the general scope of the potential amendments under consideration, and the proposed process and indicative timeframes for considering and consulting on the potential amendments to the IMs.

Scope of potential amendments under consideration

3. We have identified potential amendments to the IMs in respect of the treatment of insurance proceeds and other compensatory entitlements that:
 - may promote the Part 4 purpose in section 52A of the Act more effectively than the current IMs; and
 - may promote the IM purpose in section 52R of the Act more effectively.
4. The potential amendments relate to insurance entitlements and other compensatory entitlements and their treatment in relation to asset valuation, tax, and the incremental rolling incentive scheme. The amendments concern matters that we consider appropriate to address now (as opposed to waiting for the statutory review of the IMs under section 52Y of the Act).

Proposed timeframes for potential amendments to the IMs described above

| | Process | Indicative timeframe |
|-----------|--|-----------------------------|
| 1. | Draft decision by the Commission Draft decision on potential amendments to the general provisions and IMs for asset valuation, tax, and incremental rolling incentive scheme published | End of quarter 2, 2024 |
| 2. | Submissions due from interested persons on potential amendments to the general provisions and IMs for asset valuation, tax, and incremental rolling incentive scheme | Quarter 3, 2024 |
| 3. | Cross-submissions due from interested persons on potential amendments to the general provisions and IMs for asset valuation, tax, and incremental rolling incentive scheme | Quarter 3, 2024 |
| 4. | Final decision by the Commission Final decision on potential amendments to the general provisions and IMs for asset valuation, tax, and incremental rolling incentive scheme | Quarter 4, 2024 |

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