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TRANSPOWER IPP TPM DEVELOPMENT EXPENDITURE ALLOWANCE CHANGES CONSULTATION

We welcome the opportunity to submit our views on the Commerce Commission's (the Commission) "Reconsideration of Transpower's individual price-quality path determination in response to the Electricity Authority decision on Transmission Pricing Methodology guidelines – proposed changes to 2020-21 expenditure allowances for the costs of TPM development" consultation paper.

We do not consider any part of our submission to be confidential.

We support the Commission's proposal to amend the *Transpower Individual Price-Quality Path Determination 2020* to enable Transpower to recover the expenditure it has incurred to develop and implement the new Transpower Pricing Methodology (TPM). Allowing Transpower to recover its actual expenditure for the disclosure year 1 July 2020 to 30 June 2021 appears to be a pragmatic approach by the Commission, given the uncertainty of the timing of TPM development that existed when Transpower's Individual Price-quality Path expenditure allowances were set.

Yours sincerely

Shaan Ross

Regulatory Manager