

Transpower Individual Price-Quality Path (treatment of insurance entitlements) Amendment Determination 2024

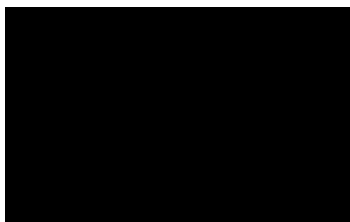
[2024] NZCC 41

The Commission:

Vhari McWha
Bryan Chapple
Dr Derek Johnston
Nathan Strong

Date of decision:

11 December 2024



Dr Derek Johnston, Commissioner
Dated at Wellington this 11th of December 2024
COMMERCE COMMISSION
Wellington, New Zealand

Determination history		
Determination date	Decision number	Determination name
14 November 2019	[2019] NZCC 19	Transpower Individual Price-Quality Path Determination 2020 ('principal determination')
7 October 2021	[2021] NZCC 19	Transpower Individual Price-Quality Path Amendment Determination 2021 (No. 1)
22 November 2022	[2022] NZCC 37	Transpower Individual Price-Quality Path Amendment Determination 2022 (No. 1)
10 August 2023	[2023] NZCC 22	Transpower Individual Price-quality Path Amendment Determination 2023 (No. 1)
12 October 2023	[2023] NZCC 27	Transpower Individual Price-quality Path Amendment Determination 2023 (No. 2)
11 December 2024	[2024] NZCC 41	Transpower Individual Price-Quality Path (treatment of insurance entitlements) Amendment Determination 2024

[Drafting notes:

- This determination amends the Transpower Individual Price-Quality Path Determination 2020 [2019] NZCC 19, as previously amended, ('principal determination').
- The included amendment which is secondary legislation is made under the Legislation Act 2019 and Part 4 of the Commerce Act 1986.]

Under Part 4 of the Commerce Act 1986, the Commerce Commission makes the following determination:

1. TITLE

- 1.1 This determination is the Transpower Individual Price-Quality Path (treatment of insurance entitlements) Amendment Determination 2024.

2. DETERMINATION AMENDED

- 2.1 This determination amends the **principal determination**.

3. INTERPRETATION

- 3.1 In this determination, the words or phrases in bold type bear the following meanings:

3.1.1 **Act** means the Commerce Act 1986;

3.1.2 **Commission** has the same meaning as in s 2 of the **Act**;

3.1.3 **disclosure year** has the same meaning as in the **IM determination**;

3.1.4 **IM determination** means the Transpower Input Methodologies Determination [2012] NZCC 17; and

3.1.5 **principal determination** means the Transpower Individual Price-Quality Path Determination 2020 [2019] NZCC 19.

4. COMMENCEMENT AND APPLICATION

- 4.1 This determination comes into force on 12 December 2024, being the day after which notice of it is given in the New Zealand Gazette under the Legislation Act 2019 in accordance with s 52W of the **Act**.

5. PRINCIPAL DETERMINATION AMENDMENTS

- 5.1 In clause 7 of the **principal determination**, replace the definition of “other regulated income” with:

“other regulated income	means income associated with the supply of electricity transmission services , excluding:
	(a) actual transmission revenue ;
	(b) income associated with electricity transmission services performed by Transpower as system operator ;
	(c) income associated with new investment contracts ;
	(d) investment-related income;

- (e) any **insurance entitlement** that has been applied to reduce the value of a **commissioned** asset under clause 2.2.7(1)(i) of the **Transpower IM**;
- (f) any **insurance entitlement** that has been netted off in calculating an **operating cost**;
- (g) any **third-party liability entitlement** that has been netted off in calculating an **operating cost**; and
- (h) any **retained entitlement**;

5.2 In clause 7 of the **principal determination**, insert in its appropriate alphabetical order:

“**retained entitlement** has the meaning given in the **Transpower IM**;