



31 August 2022

Commerce Commission
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Wellington 6140

By email: infrastructure.regulation@comcom.govt.nz

Submission on Draft Decision Paper - Targeted Information Disclosure Review – Electricity Distribution Networks

WEL Networks (WEL) appreciates the opportunity to make a submission to the Commerce Commission (the Commission) regarding the tranche 1 draft decision paper - **Targeted Information Disclosure Review – Electricity Distribution Networks**.

In addition to this submission, WEL supports the views expressed in the longer-form Electricity Networks Association (ENA) submission.

WEL is a consumer-owned electricity distribution business (EDB) serving over 95,000 homes and businesses throughout Waikato and is playing an essential role in the economic and social development of our communities. Key to this growth are strong partnerships and innovation which see us explore new ways of providing critical infrastructure and services to ensure our customers receive affordable, reliable, fairly priced, and sustainable energy.

WEL supports the Commission's aim of improving the quality of disclosed information and preparing for the future. As the Commission notes, EDBs are facing a period of change, particularly in relation to decarbonisation and other impacts of climate change, and the challenges and opportunities posed by new technology.¹

Although WEL supports the intent of the changes proposed in the draft decision paper, we cannot support the proposed timeframes. WEL is concerned that the decision to retrospectively impose disclosure obligations, within the current disclosure year, will result in many EDBs being unable to satisfactorily complete disclosures for which they are not currently capturing data.

If the Commission requires additional quantitative data disclosed, it must signal this well in advance of the disclosure year it wishes to assess. Sufficient advanced warning of additional disclosure requirements is imperative to ensuring that EDBs have robust systems and processes in place to capture and report the required data.

WEL does not believe that the draft decision paper provides a compelling rationale for the expedited disclosure timeframes that have been proposed. We contend that a more reasonable approach would be to postpone the

¹ Targeted Information Disclosure Review – Electricity Distribution Businesses Draft decisions paper – Tranche 1





introduction of any amendments requiring the disclosure of quantitative data until the disclosure year beginning 1 April 2023, at the earliest.

We are also concerned with the current lack of clarity regarding audit and certification of the proposed disclosure amendments. If the Commission intends for any of the disclosures be audited or certified, not only do these requirements need to be made more explicit, but it reinforces the rationale for delaying the introduction of said requirements.

We believe that now is an ideal time to review and revise the regulatory disclosure requirements for EDBs. A robust review and implementation will ensure that disclosures remain fit for purpose as the external context continues to change. However, in doing so, care must be taken to ensure that any additional disclosure requirements are well-reasoned, given realistic implementation timeframes, and provide a net benefit to consumers.

This submission highlights the key high-level issues which we believe need the most attention in order for WEL to support the proposed amendments. However, as mentioned earlier, we also support the longer-form views expressed in the ENA submission.

Yours sincerely

David Wiles
Revenue and Regulatory Manager

