

28 May 2021

Andy Burgess
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Commerce Commission
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By email: regulation.branch@comcom.govt.nz

Dear Andy

Submission on open letter – ensuring our energy and airports regulation is fit for purpose

The open letter discusses how the Commission could respond to the impacts of covid19, decarbonisation and new technologies that may affect energy networks. In particular it appears to have an emphasis on the views of the Climate Commission. While we do not disagree with the issues that are discussed in the letter we are very interested in the broader question of how the Commission intends to reconcile giving due regard to these issues and still meet the purposes of the Act.

In this we note that s26 requires the Commission to have regard for government economic policies and that the purpose of Part 4 (s52A) is given effect (outcomes that are consistent with those produced in competitive markets).

With economic regulation being signaled for future water entities, we are keen for the Commission to publicly clarify how it intends to apply non-economic policy, including advice and direction from other areas of government, that responds to other circumstances that appear not fit within the Commission's legal remit. Our feedback is more about getting clarity on how the Commission would apply (say) changes to national policy statements and environment standards, government expectations that cross subsidisation will occur in the delivery of safe drinking water and requirements for new water entities to give effect to Te mana o te Wai ahead of a Part 4 inquiry or setting the determinations and input methodologies.

We appreciate the opportunity to provide feedback and trust that you find our comments helpful.

Yours faithfully



David de Boer
Director of Regulatory Services