



COMMERCE COMMISSION

DECISION NO. 736

Amendment made under s52X of the Commerce Act 1986 (the Act) to the input methodologies determination applicable to Transpower pursuant to Part 4 of the Act.

The Commission:

Dr M Berry

S Begg

P Duignan

Dr S Gale

Date of Decision: 1 November 2011

Regulation Branch, Commerce Commission

Wellington, NEW ZEALAND

1 November 2011

ISBN: 978-1-869451-73-8

Commerce Act (Transpower Input Methodologies) Amendment Determination (No.1) 2011

Pursuant to Part 4 of the Commerce Act 1986 the Commerce Commission makes the following determination:

1. Title

This determination is the Commerce Act (Transpower Input Methodologies) Amendment Determination (No.1) 2011.

2. Commencement

This determination comes into force on 1 November 2011.

3. Amendments

- (1) This determination amends the Commerce Act (Transpower Input Methodologies) Determination 2010.
- (2) Clause 1.1.4(2) (Interpretation) is amended:
 - (a) in the definition of “**cost of executing an interest rate swap**” by omitting “clause 2.4.9(1)” and substituting “clause 2.4.9(2)”;
 - (b) in the definition of “**initial RAB value**” by omitting “clause 2.2.2(2)” and substituting “clause 2.2.2”;
 - (c) in the definition of “**opening RAB value**” by omitting “clause 2.2.3(2)(f)” and substituting “clause 2.2.3(3)”;
 - (d) in paragraph (b) of the definition of “**opening RAB value**” by omitting “clause 2.2.3(2)(f)” and substituting “clause 2.2.3(3)”.
- (3) Clause 2.2.6(1) is amended by inserting after paragraph (f):

“(g) the HVAC lines pseudo asset described in Schedule 1, clause 3(4)(d) of the **thresholds notice**, five years from 1 July 2011;”.
- (4) Existing paragraph 2.2.6(1)(g) is re-numbered paragraph (h) and is amended –
 - (a) by omitting “paragraphs (a)-(f)” and substituting “paragraphs (a) to (g)”,
 - (b) by omitting subparagraph (ii) and substituting –

“(ii) not having a **standard physical life**, if there is a similar physical asset in terms of asset type with an **unallocated opening RAB value**, the physical asset life of that similar physical asset;”.
- (5) Existing paragraph 2.2.6(1)(h) is re-numbered paragraph (i) and is amended by omitting “paragraphs (a) to (g)” and substituting “paragraphs (a) to (h)”.
- (6) Subclause 2.2.6(3) is amended by omitting “subclauses (1)(1)(e) and (1)(g)(iii)” and substituting “paragraphs (1)(e) and (1)(h)(iii)”.

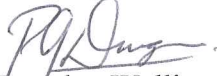
Dr Mark Berry, *Chair*



Sue Begg, *Deputy Chair*



Pat Duignan



Dr Stephen Gale



Dated at Wellington this 1st day of November 2011.

COMMERCE COMMISSION

Explanatory Note

This determination amends the Commerce Act (Transpower Methodologies) Determination 2010 to clarify certain components of the determination and to reflect the final decisions on the contents of the determination, which were explained in the Commission's Input Methodologies (Transpower) Reasons Paper, December 2010.

