

05 September 2017

By email

John Findlay  
Regulatory Accountant  
Transpower New Zealand Ltd  
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Wellington, 6140  
Email: [John.Findlay@transpower.co.nz](mailto:John.Findlay@transpower.co.nz)

Dear John

**Transpower New Zealand Ltd – exemption from requirements of clause 28.1 of the  
Transpower IPP determination – asset health pilot reporting measures**

*Consultation on proposed changes to Transpower’s asset health pilot reporting requirements*

1. As discussed with Commission staff, the Commission has considered Transpower New Zealand Limited’s (Transpower) proposal for an alternative method of pilot reporting on asset health in place of the requirements set out in clause 28.1 of the Transpower Individual Price-Quality Path Determination 2015 (IPP).
2. We consider there is merit in Transpower’s proposal and therefore intend consulting with interested parties on the proposed changes to these reporting requirements.
3. We anticipate that if, following consultation, we determine to adopt Transpower’s proposed changes this is likely to be via an amendment to the IPP. Our decision on whether or not to adopt Transpower’s proposal is likely to be made in late October 2017.

*Due date for Transpower’s asset health pilot reporting information disclosures*

4. Transpower’s asset health pilot reporting information disclosures for the 2016/17 disclosure year are due on 20 October 2017.
5. As noted in paragraph 3 above, this is around the time we anticipate making a determination on Transpower’s proposed changes to these reporting requirements.

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*Exemption granted*

6. In view of the possible changes to Transpower's asset health pilot reporting requirements, and to allow sufficient time for consultation and deliberation, we consider that it would be appropriate to grant Transpower an exemption from the requirements of clause 28.1 for the 2016/17 disclosure year by allowing Transpower to provide the disclosures at a later date.
7. In an email to Commission staff dated 31 August 2017 – titled Asset Health pilot reporting - you noted that if we were to defer the due date for these disclosures because of possible changes to the asset health pilot reporting requirements you considered that the last working day of December would be the most practical date for Transpower – being the due date for the next tranche of information disclosures due under the Transpower Information Disclosure Determination 2014.
8. We therefore grant Transpower an exemption from the requirement to make the asset health pilot reporting information disclosures in clause 28.1 for the 2015/16 disclosure year by 20 October 2017, on condition that it makes the disclosures by 22 December 2017.
9. If you have any questions regarding the matter, please contact Scott Pearse-Smith on 04 924653.

Yours sincerely



Elisabeth Welson  
Commissioner