



1 August 2016

Matthew Lewer
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SUBMISSION ON THE COMMERCE COMMISSIONS DRAFT AMENDMENT TO TRANSPOWER'S INDIVIDUAL PRICE-QUALITY PATH (IPP) DETERMINATION

Introduction

1. WEL Networks Limited ('WEL') appreciates the opportunity to provide feedback on the Commerce Commission's ('Commission') Draft Transpower Individual Price-Quality Path Amendment Determination 2016.
2. WEL Networks contact person for this submission is:

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Proposed exemptions

3. WEL does not agree with the proposed changes to empower the Commission to, at any time, exempt Transpower from the declaration of non-financial performance measures relating to asset health and development of asset health and initiative plans for RCP2.
4. The electricity industry is entering a critical stage where customers have increasingly affordable alternatives to them and the industry requires increased transparency and regulatory certainty. Consistency of data is required to understand how Transpower is making progress on their asset health grid output measures and how they are using that information to more efficiently direct their expenditure on the National Grid.
5. As a purchaser of the service that Transpower provide WEL has a need to clearly understand Transpower's performance against asset health and their progress on their initiatives plan. The cost of Transpower's service and the quality of the service can significantly impact WEL's

customers. The proposed change would not enable transparent comparisons when the methodology behind the data, and the disclosure of it, may change.

Recommendation

6. As noted above, WEL does not support the proposed change in disclosure requirements. As an industry we should be moving to more transparent disclosure of information rather than increasing the uncertainty.

Thank you for the opportunity to make this submission. If the Commission wishes to discuss any aspects of this submission please do not hesitate to contact me.

Yours faithfully



Michelle Allfrey
Pricing Manager
WEL Networks Limited