



Proposed process – Amendments to information disclosure requirements

23 June 2014

Purpose

1. The purpose of this paper is to seek views on our proposed process for amending the information disclosure requirements for electricity distribution and gas pipeline businesses. You are invited to provide your views on this process by **11 July 2014**.

Technical Improvements for Disclosure Year 2015 (TIDY 2015)

2. We propose amending the information disclosure determinations for electricity distribution and gas pipeline businesses to address identified issues.¹
3. Information disclosure requirements for electricity distribution and gas pipeline businesses were issued in October 2012. Suppliers have now completed at least one full year of disclosures.
4. In producing the disclosures a number of issues have been identified. These have been recorded on the Electricity and Gas Information Disclosure issues register which will inform this amendment process.² Interested parties are invited in the early stages of the consultation to identify additional issues.
5. Given the number of issues identified it is unlikely we will have sufficient time and resources to address them all. In prioritising the work we will consider the impact and complexity of the issues and any interrelationships with other work streams.
6. We expect to publish our final decision by **February 2015**.

¹ Commerce Commission, *Electricity Distribution Information Disclosure Determination*, 1 October 2012
Commerce Commission, *Gas Distribution Information Disclosure Determination*, 1 October 2012
Commerce Commission, *Gas Transmission Information Disclosure Determination*, 1 October 2012.

² The register is available at: <http://www.comcom.govt.nz/regulated-industries/electricity/electricity-information-disclosure/current-electricity-information-disclosure-requirements/>.

Proposed process

7. Table 1 sets out the proposed process, deliverables and indicative dates.

Table 1: Indicative dates for key publications and events

Indicative date	Publication / event
20 June 2014	Publish process paper
11 July 2014	Submissions due on process paper
11 July 2014	Final date that any new issues to the issues register will be considered as part of this project
September / October 2014	Publication of Commerce Commission's draft decision on amendments to information disclosure requirements
November	Submissions on draft decision
February 2015	Publication of Commerce Commission's final decision on amendments to information disclosure requirements

8. Further publications or events, such as additional workshops or issues papers, may be added to the process.

Key features of the proposed process

9. The key features of our proposed process are:
- 9.1 identifying issues;
 - 9.2 prioritising issues;
 - 9.3 draft decision on proposed amendments to the information disclosure determinations;
 - 9.4 final decision and roll out of the revised requirements.

Identifying issues

10. We propose allowing a period at the beginning of the process for suppliers to raise any further issues. We will consider all issues currently on the electricity and gas information disclosure issues register, but recognise that stakeholders may have additional matters they would like to see resolved.

11. Any issues not yet on the register that you want considered in this amendment process must be submitted by **5pm, Friday 11 July 2014**. Any issues submitted after 11 July will be considered as part of future amendment processes.

Prioritising issues

12. We will be addressing issues based on priority. For the project to be delivered in a timely and efficient manner there will be insufficient time to consider all matters identified. To assist us with prioritisation we have begun engaging with industry representatives from the Electricity Networks Association, and for gas pipeline businesses.
13. To help guide our prioritisation discussions we have been using the framework set out in Figure 1 below.

Figure 1: Prioritisation framework

		Complexity	
		Low	High
Impact	High	High Priority	Moderate Priority
	Low	Moderate Priority	Low Priority

14. High impact issues are those that would improve the operation of the information disclosure regime. This may include improving the ability for suppliers to disclose, reduce the costs to comply, or improving the usability of information.
15. High complexity issues are those that will take significant time from staff and interested persons to resolve. Prioritisation of these issues will, therefore, need to consider the resource requirements against the impact. We will also consider the deferral of issues where they are or would benefit from being considered as part of an alternative work stream.
16. Issues not addressed through this process will continue to be treated the same way they are currently. For example, any exemptions relating to issues we do not resolve, will continue to be exemptions for the following disclosures.

Draft decision

17. We propose releasing our draft decision in September or October 2014. It will set out the amendments we propose to make and include reasoning for any substantive amendments. We propose allowing 4 weeks for submissions on the draft decision.
18. We are also interested in your views on whether we should allow for a further consultation round focussing on the technical implementation of proposed changes to the determinations.

Final decision and roll out of revised requirements

19. We propose releasing our final decision in February 2015. This will implement any amendments to the information disclosure requirements, and will be accompanied with reasons and consolidated determinations.
20. The amendments will be effective from the date of implementation. We recognise it may not be possible to apply revised requirements to some disclosures, because of the time required in gathering and auditing the information.³ To help smooth the roll-out we are considering whether to:
 - 20.1 bring forward the date for finalising amendments relating to specific disclosures; or
 - 20.2 issue exemptions for specific disclosures where there may be temporary difficulty with compliance.
21. We invite submissions on which disclosures would not be able to apply revised requirements if they were released in February 2015. We would also welcome possible solutions to ensure revisions to the requirements are implemented in a timely and consistent manner.

How you can provide your views

22. We invite you to provide your written views on this process paper no later than **5pm Friday, 11 July 2014**.
23. You should address your responses to:

Brett Woods (Senior Analyst, Regulation Branch)
c/o regulation.branch@comcom.govt.nz
24. We prefer responses in Microsoft Word .doc format rather than Adobe PDF format.

³ For example, amendments made in February 2015 may not reasonably be expected to apply to the Electricity Distribution forecast disclosures due in March 2015, and Powerco's gas distribution year end disclosures also due in March 2015.