

Electricity Distribution Services Default Price-Quality Path Determination Amendment No. 3

Decision No. NZCC 4

Amendment made under section 52Q of the Commerce Act 1986 to amend the Commerce Act (Electricity Distribution Default Price-Quality Path) Determination 2010.

The Commission:

S Begg

P Duignan

Dr S Gale

Date of Decision: 22 March 2012

Electricity Distribution Services Default Price-Quality Path Determination Amendment No. 3

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

1. DETERMINATION AMENDED

This determination amends the Commerce Act (Electricity Distribution Default Price-Quality Path) Determination 2010, Decision 685, made pursuant to Part 4 of the Commerce Act 1986 (the **Determination**).

2. COMMENCEMENT

This determination comes into force on the date on which notice of it is given in the New Zealand Gazette under section 52Q of the Commerce Act 1986.

3. INTERPRETATION

- 3.1 Terms in bold type term have the meaning given to those terms in the **Determination**. Terms used in this determination that are defined in the Act but not this determination, have the same meaning as in the Act.
- 3.2 Nothing in this determination limits the **Commission's** authority to amend the **Determination** in accordance with the Act.

4. AMENDMENTS

- 4.1 Replace clause 1.1 with:

1.1 This determination is the Electricity Distribution Services Default Price-Quality Path Determination 2010.

and the name of the Determination throughout is replaced with "Electricity Distribution Services Default Price-Quality Path Determination 2010".

- 4.2 Insert the following definition after the definition for Avoided Transmission Charge:

Catastrophic Event has the meaning given in clause 5.6.1 of the Commerce Act (Electricity Distribution Services Input Methodologies) Determination 2010

- 4.3 Replace section 7 with the following:

7. Customised price-quality path proposal date

- 7.1 An EDB may only submit a proposal for a customised price-quality path to the Commission:
- (a) for 2012, in the period beginning Monday, 2 July and ending Monday, 9 July;
 - (b) for 2013, in the period beginning Monday, 28 January and ending Monday 4 February, and the week beginning Monday, 6 May and ending Monday, 13 May;
 - (c) for 2014, in the period beginning Monday, 10 February and ending Monday, 17 February;
 - (d) following a Catastrophic Event, at any time within the 24 months after the Catastrophic Event, except in the 12 months before the end of the Regulatory Period.

Sue Begg, *Deputy Chair*

Dated at Wellington this 22nd day of March 2012.

COMMERCE COMMISSION

Explanatory Note

On 30 November 2009, the Commission reset the default price-quality path for electricity distribution businesses as required by section 54K(1) of the Commerce Act 1986 (the “Act”) by publishing Decision 685 – Commerce Act (Electricity Distribution Default Price-Quality Path) Determination 2010 (the “Initial Reset Determination”).

The Initial Reset Determination sets out the default price-quality path that applies from 1 April 2010 to 31 March 2015 to all electricity distribution businesses except those that are “consumer-owned” as defined in section 54D of the Act. Electricity distribution businesses meeting the requirements of section 54D are exempt from default/customised price-quality regulation under section 54G(2) of the Act.

This amendment includes a definition of Catastrophic Event, and amends clause 7 of the Initial Reset Determination to set the submission periods in which electricity distribution businesses can submit a customised price-quality path proposal. Further information, including a consolidated version of the Initial Reset Determination, can be found on the Commission’s website at: www.comcom.govt.nz