



meridian

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**Meridian submission on Transpower capex input methodology review: Emerging views on incentive mechanisms**

Meridian agrees with the Commission's comment at 51.2 that "...third-party scrutiny and engagement in investment decisions will help to enhance investment choices for the long-term benefit of consumers."

In relation to identifying specific projects that would benefit from increased third-party engagement and Meridian suggests a test based on a combination of:

- simple project cost threshold; and
- as suggested by the Commission, consideration of whether one party or a limited number of parties is or are likely to pay a significant percentage of the relevant Transpower investment (for example under a potential future TPM),

is likely to be a useful way forward. In Meridian's submission the tests should be applied separately so that if either project cost threshold or the 'significant percentage' test is passed then the project should attract the obligation to allow for greater third party scrutiny and engagement.

Yours sincerely

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