

Gas Transmission Services Default Price-Quality Path Determination Amendment 2014

[2014] NZCC 6

The Commission: S Begg
Dr M Berry
P Duignan
Dr S Gale

Date of determination: 26 March 2014

Regulation Branch, Commerce Commission

Wellington, NEW ZEALAND

26 March 2014

Note: This determination amends the *Gas Transmission Services Default Price-Quality Path Determination 2013* [2013] NZCC 5.

Pursuant to Part 4 of the Commerce Act 1986, the Commerce Commission makes the following "amendment determination":

1. Title

- 1.1 This amendment determination is the Gas Transmission Services Default Price-Quality Path Determination Amendment 2014.
- 1.2 This amendment determination amends the Gas Transmission Default Price-Quality Path Determination 2013 [2013] NZCC 5, which is called the "principal determination".

2. Commencement Date

This amendment determination comes into force on 1 May 2014.

3. Amendment to Schedule 5

The principal determination is amended by deleting the ΔCPI_t formula in Schedule 5, Equation 4, (b) applying to MDL, and inserting the following formula in its place:

$$\Delta CPI_t = \frac{CPI_{Mar,t-2} + CPI_{Jun,t-2} + CPI_{Sep,t-2} + CPI_{Dec,t-2}}{CPI_{Mar,t-3} + CPI_{Jun,t-3} + CPI_{Sep,t-3} + CPI_{Dec,t-3}} - 1$$



Sue Begg
Deputy Chair

Dated at Wellington this 26th day of March 2014
COMMERCE COMMISSION

Explanatory Note

The *Gas Transmission Default Price-Quality Path Determination 2013* ('the Determination') sets out the default price-quality paths for gas transmission businesses ("GTBs") for the four years and three months beginning 1 July 2013 and ending 30 September 2017, pursuant to Part 4 of the Commerce Act 1986 ("the Act").

Pursuant to section 53N of the Act, each GTB is required to provide to the Commerce Commission ("the Commission") a compliance statement stating whether or not it has complied with the default price-quality path set out in the Determination together with supporting evidence. The compliance statement is to be accompanied by both an auditor's report and a director's certificate. Each GTB must publish its compliance statement on its website within five working days after submitting it to the Commission.

This amendment corrects errors in the formula that Maui Development Limited must use in calculating the change in the CPI for the purposes of calculating its allowable notional revenue for all assessment periods other than the first.