

30 October 2024

Ben Woodham
Electricity Distribution Manager
Commerce Commission
Wellington 6140

By email to: infrastructure.regulation@comcom.govt.nz

Dear Ben,

Submission to the Commerce Commission (Commission) on the proposed amendments to input methodologies for electricity distribution businesses – wash-up amounts

Electricity Networks Aotearoa (ENA) appreciates the opportunity to make a submission to the Commission on its consultation paper on the *proposed amendments to input methodologies for electricity distribution businesses – wash-up amounts*.

ENA is the industry membership body that represents the 29 electricity distribution businesses (EDBs) that take power from the national grid and deliver it to homes and businesses (refer Appendix A for list of members). EDBs employ 10,000 people, deliver energy to more than two million homes and businesses and have spent or invested \$8 billion in the last five years. ENA harnesses members' collective expertise to promote safe, reliable and affordable power for our members' customers.

ENA supports the proposed amendments

As the Commission notes in its draft decision reasons paper,¹ the previously written transitional arrangements in the IMs “do not function as intended,” which prevents the RY24 washup account balance from being drawn down in the first year of the DPP4. We are grateful that the Commission has taken on board the feedback ENA² provided in response to the draft DPP4 decision on this matter and has largely adopted the drafting recommendations we made.

ENA supports the proposed drafting amendments in the Commission's [Draft] *Electricity Distribution Services Input Methodologies (Wash-up) Amounts) Amendment Determination 2024*.³ We agree that:

- the proposed amendments will give effect to the intent of the IMs by correcting this technical error

¹ Commerce Commission, [Draft-reasons-paper-Proposed-amendments-to-EDB-IMs-Wash-up-Amounts.pdf](https://www.comcom.govt.nz/draft-reasons-paper-proposed-amendments-to-edb-im-wash-up-amounts.pdf) ([comcom.govt.nz](https://www.comcom.govt.nz)), paragraph 1.4

² Electricity Networks Aotearoa, [Electricity-Networks-Aotearoa-ENA-Submission-on-EDB-DPP4-draft-decisions-12-July-2024.pdf](https://www.comcom.govt.nz/electricity-networks-aotearoa-ena-submission-on-edb-dpp4-draft-decisions-12-july-2024.pdf) ([comcom.govt.nz](https://www.comcom.govt.nz)), pages 5, 17-18

³ Commerce Commission, [5BDraft5D-EDB-IM-Wash-up-Amounts-Amendment-Determination-2024.pdf](https://www.comcom.govt.nz/sbdraft5d-edb-im-wash-up-amounts-amendment-determination-2024.pdf) ([comcom.govt.nz](https://www.comcom.govt.nz))

- the amendments to clauses (5)(a)(ii) and (12) provide greater clarity around how to calculate and implement the time value of money adjustments to wash-up calculations.

If you have any questions about ENA's submission please contact Gemma Pascall, Regulatory Manager ().

Yours sincerely

Gemma Pascall
Regulatory Manager

Appendix A: ENA Members

Electricity Networks Aotearoa makes this submission along with the support of its members, listed below:

- Alpine Energy
- Aurora Energy
- Buller Electricity
- Centralines
- Counties Energy
- Electra
- EA Networks
- Firstlight Network
- Horizon Networks
- Mainpower
- Marlborough Lines
- Nelson Electricity
- Network Tasman
- Network Waitaki
- Northpower
- Orion New Zealand
- Powerco
- PowerNet (which manages The Power Company, Electricity Invercargill, OtagoNet and Lakeland Network)
- Scanpower
- Top Energy
- The Lines Company
- Unison Networks
- Vector
- Waipa Networks
- WEL Networks
- Wellington Electricity
- Westpower