



MAJOR ELECTRICITY USERS' GROUP

14 November 2003

Mr Gareth Wilson
Acting Manager, Network Performance
Commerce Commission

By email to gareth.Wilson@comcom.govt.nz

Dear Gareth

Submission on “Development of Information Disclosure Regime: Process Paper”

1. This is a submission by the Major Electricity Users' Group (MEUG) on the Commerce Commission discussion paper “Development of Information Disclosure Regime – Process Paper,” 16 October 2003. MEUG support the proposed process to largely replicate and replace the existing information disclosure regime plus some additional limited information to support the current thresholds and changes to the ODV Handbook. Those arrangements will carry through until a review of information disclosure requirements after 1 April 2004.
2. When gazetting a disclosure regime to replace the existing Electricity (Information Disclosure) Regulations 1999 the Commission could consider:
 - a) The 5-month lag between the end of the next disclosure year on 31 March 2004 and the last date for disclosures to be published (30 August 2004) should be shortened. Modern governance requires much shorter time frames for preparation of annual reports and release of information by listed companies. There would appear to be no reason why disclosures take so long for regulatory purposes. Indeed it is likely that undertaking statutory audit and regulatory compliance reports simultaneously will be more cost effective than having auditors come back much later to complete regulatory disclosures. Prompt disclosure also allows identification and remedy of problems before they become critical, eg deteriorating service quality.
 - b) As well as the formats that individual ELB wish to use, they could also be required to provide data in a standard format for easy aggregation and subsequent publication of individual and collated information. For example ELB could easily supply disclosure information in a format consistent with the spreadsheet developed recently by MED and used by Merrick and Associates.

Yours sincerely

Ralph Matthes
Executive Director