

NOTICE OF INTENTION

24 NOVEMBER 2025

Amended and reissued on 31 March 2026

Potential Amendments to the Input Methodologies for Gas Pipeline Services

1. The purpose of this notice of intention is to advise that we are considering potential amendments to targeted aspects of the:
 - 1.1 Gas Transmission Services Input Methodologies Determination 2012 [2012] NZCC 28 (as amended) (**GTB IMs**); and
 - 1.2 Gas Distribution Services Input Methodologies Determination 2012 [2012] NZCC 27 (as amended) (**GDB IMs**).(together, the '**Gas IMs**')
2. In accordance with section 52V of the Commerce Act 1986 (**Act**), this notice outlines the scope of the potential amendments under consideration, and the proposed process and indicative timeframes for considering and consulting on the potential amendments to the Gas IMs.

Scope of potential amendments under consideration

3. We are currently in the process of resetting the default price-quality paths (**DPPs**) for gas pipeline businesses under s 53P of the Act.
4. In the course of that process, we have identified amendments to the Gas IMs that would:
 - 4.1 better promote the outcomes in s 52A of the Act;
 - 4.2 more effectively promote the certainty purpose in s 52R of the Act;
 - 4.3 reduce compliance or other regulatory costs or complexity; or
 - 4.4 correct errors.

Gas Transmission Services Input Methodologies

5. The amendments we are considering making to the GTB IMs are:

- 5.1 Implementing revenue wash-up transitional arrangements, between DPP3 and DPP4, with respect to the Gas Transmission revenue cap,¹ including:
 - 5.1.1 Defining the wash-up account balance for pricing year 2025 to enable its timely drawdown in DPP4 (see the clause 3.1.4(2A) of the EDB IMs);
 - 5.1.2 Clarifying the time value of money adjustments used to roll forward the pricing year 2025 and 2026 wash-up account balances to their drawdowns in DPP4. This relates to the change of the time value of money from using the 67th percentile estimate of WACC in DPP3 to the use of the mid-point estimate of WACC in DPP4 (see clauses 3.1.4(2A), (5) and (12) of the EDB IMs);
 - 5.1.3 Changing the limit on the wash-up drawdown amount available, in any given year, to remove the amount drawn down in the year prior. This will reduce the volatility in the wash-up balance (see clause 3.1.4(5) of the EDB IMs); and
 - 5.1.4 Making consequential adjustments to enable the above changes to work effectively; and
- 5.2 Correcting minor typographical errors.

Gas Distribution Services Input Methodologies

6. We are considering amending the GDB IMs to introduce a mechanism to address a significant in-period demand shock. The options include introducing:
 - 6.1 no new mechanisms (no change);
 - 6.2 a mechanism that varies the weighted average price cap, in the event of a significant in-period demand shock, to share the revenue effects resulting from that shock between consumers and suppliers; or
 - 6.3 a price-path reopener for a significant in-period demand shock.

¹ The amendments to the Gas Transmission IMs would be equivalent to the EDB wash-up IM amendments we made in November 2024 to enable the Electricity Distribution Services (EDB) DPP reset in March 2025. See *Electricity Distribution Services Input methodologies (Wash-up Amounts) Determination 2024 [2024] NZCC 27* and [Amendments to input methodologies for electricity distribution businesses – wash-up amounts – Final decision reasons paper, 20 November 2024](#).

Proposed process and indicative time frames for potential Gas IM amendments

Process steps		Indicative time frame
1.	Draft decision on GTB IM amendments	Completed (November 2025)
2.	Submissions due on draft GTB IM amendment decision	Completed (January 2026)
3.	Cross-submissions due on draft GTB IM amendment decision	Completed (February 2026)
4.	Draft decision on mechanisms to address in-period demand shocks Re-consultation limited in scope to the proposed GDB IM amendments and how they impact upon the DPP4 draft decisions.	April 2026
5.	Submissions due on in-period demand shocks draft decisions	April 2026
6.	Cross-submissions due on in-period demand shocks draft decisions	May 2026
7.	Final decision by the Commission on Gas IM amendments Publication of the reasons for the final decision and the IM amendment determinations.	May 2026

7. Updates and any refinements to our process steps and timelines will be published on the Commission’s website at: <https://comcom.govt.nz/regulated-industries/gas-pipelines/gas-pipelines-price-quality-paths/gas-pipelines-default-price-quality-path/2026-gas-default-price-quality-path>