5 November 2026

To: Simon Wakefield,
Commerce Commission
email: Infrastructure.Regulation@comcom.govt.nz

Open letter – Local lines networks: achieving better outcomes for consumers now and in the future

Kia ora Simon,

Waitaki Power Trust (WPT) welcomes the opportunity to respond to the Commerce Commission's open letter. WPT is the 100% owner of Network Waitaki Limited (NWL) on behalf of 13,500 connected beneficiaries across the Waitaki region.

We support the submissions made by NWL and Energy Trusts of New Zealand (ETNZ).

WPT broadly support the Commission's three proposed areas of focus:

- EDBs delivering core network operations well;
- EDBs having strong commercial arrangements in place;
- EDBs building capability for the future.

From the Trust's perspective, the central question is how to achieve lasting benefits for consumers while preserving effective local ownership and accountability, if that is the consumers' preference. We support the Commission's focus on better performance; and encourage it to assess efficiency across the electricity system and against the outcomes that consumers value - not cost or business scale alone.

Good performance should reflect consumer value

WPT supports the Commission's focus on efficient, capable electricity networks. For consumer-owned networks, however, performance should not be judged by cost measures alone.

Consumers may also value reliability, resilience, local accountability, responsiveness and decisions that reflect the needs of their community. The Commission's assessment should therefore consider whether networks are providing sustainable value to consumers, and not simply whether they are larger, more uniform or lower-cost on a particular measure. In particular, performance comparisons must account for the impact of low connection density in rural areas, which is a far stronger driver of cost per consumer than business scale.

Efficiency should be assessed in context, and regulatory or structural changes should be based on clear evidence of a material consumer problem and a demonstrable net benefit.

Efficiency should be considered across the whole system
Electricity outcomes depend on the interaction of generation, transmission, distribution, retail and regulation. A change that reduces costs for one part of the system may transfer costs to another, rather than improve overall efficiency for consumers.

We encourage the Commission to consider whole-of-system costs and benefits when identifying priorities and assessing proposed interventions. This should include coordinating its work with Government and other regulators, so that overlapping requirements do not add cost without improving outcomes.

Collaboration can deliver scale while retaining local ownership
WPT supports voluntary sector collaboration, shared services and joint initiatives where these provide genuine consumer benefits. These approaches can allow networks to share capability, systems and costs while retaining local ownership and accountability. The recent agreement between NWL and Orion to share access to an Advanced Distribution Management System is a practical example. It enables NWL to access modern capability through collaboration rather than each network developing and operating a separate system independently.

This kind of collaboration should be recognised as a meaningful route to scale. Consolidation of ownership should not be treated as the default measure of efficiency, or as a necessary condition for access to capability. The relevant question is whether the arrangements deliver good outcomes for consumers.

Ownership decisions should remain grounded in beneficiary interests
Consumer ownership provides a direct connection between the network and the communities that own and use it. WPT's Trust Deed provides for periodic review of whether ownership continues to serve the long-term interests of consumer-beneficiaries. WPT's 2021 independent ownership review found strong support for the existing model: 198 of 199 submissions supported it. The last three reviews consistently supported the current ownership model, and therefore we engaged with consumers, and extended the review period from 5-10 years.

WPT considers that ownership choices should remain with owners and beneficiaries unless there is clear evidence that intervention is necessary to address material consumer harm. Any assessment should be objective and should not presume that a different ownership structure will necessarily produce better outcomes.

Local ownership supports enduring community and workforce benefits. NWL distributes $1million annually in consumer discounts across the network, plus local sponsorship which totalled $156,630 last year. It also contributes to regional capability through employment and training. In 2025, 15 apprentices completed an Electrical Distribution qualification through "learn while you earn" pathways supported by local high schools and the GATEWAY programme. In a town without a local polytechnic, these pathways are an important way to develop and retain trade skills locally.

These opportunities are part of the broader value that should be considered when assessing outcomes for a community. Our consumers may be happy to pay a little more to retain local ownership and accountability.

WPT's requests

WPT asks the Commission to:

- Assess performance in terms of consumer value, including local accountability and long-term community outcomes, as well as cost efficiency;
- Take a whole-of-system view of efficiency and coordinate its work with other regulators and Government;
- Recognise voluntary collaboration and shared capability as credible ways to achieve scale without changing ownership;
- Assess performance and capability on evidence, rather than using size or ownership as a proxy; and
- Require clear evidence of a material consumer problem and a demonstrable net benefit before recommending further regulatory or structural intervention.

The Trust supports the objective of better outcomes for consumers. We encourage the Commission to work with the sector to identify practical, evidence-based improvements that build on collaboration already underway and preserve effective local accountability.

Kind Regards



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