

Economic regulation for Tiaki Wai

Consultation on additional information
disclosure requirements

7 May 2026



Associated documents

Publication date	Reference	Title
12 February 2025	ISBN 978-1-99-133225-7	Economic Regulation of Water Services - Information Disclosure – Discussion Paper
12 February 2025	ISBN 978-1-99-133228-8	Economic Regulation of Water Services – Information Disclosure – Technical Working Paper on the Accounting Basis for Regulatory Reporting
28 May 2025	ISBN 978-1-99-133251-6	Economic Regulation of Water Services – Information Disclosure – Discussion Paper – Summary of Responses
12 August 2025	ISBN 978-1-99-133286-8	Wellington Water Foundational Information Disclosure – Final Decision
12 August 2025	ISSN: 1178-2560	Wellington Water Foundational Information Disclosure Determination 2025
11 September 2025	ISBN 978-1-99-133298-1	Information Disclosure for Water Services – Draft Decision Summary
11 September 2025	ISBN 978-1-99-133297-4	Information-Disclosure-for-Water-Services-Explanatory-Paper-Supporting-Information-for-Draft-Information-Disclosure-Decisions-September-2025.pdf
24 February 2026	2026 NZCC 3	Water Services Information Disclosure Determination 2026
24 February 2026	ISBN 978-1-99-133299-8	Information Disclosure for Water Services – Regulatory Framework Paper
24 February 2026	ISBN 978-1-991414-64-9	Information Disclosure for Water Services – Final Decision Summary Paper
7 May 2026	ISBN 978-1-997321-07-1	Economic regulation for Tiaki Wai – Consultation on recommending performance requirement regulation
7 May 2026	ISBN 978-1-997321-05-7	Draft Tiaki Wai Economic Regulation Determination 2026
7 May 2026	ISBN 978-1-997321-04-0	Draft Water Services Information Disclosure (Tiaki Wai) Amendment Determination 2026

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Foreword

Wāhinga kōrero

Tenā koutou

Wellington residents are well aware of the poor condition of their water infrastructure. Regular leaks and the major incident at Moa Point have increased their concerns over how the water and wastewater systems have been managed. Many people are frustrated that serious problems have not been addressed, despite being apparent for quite some time now. Decades of under investment have seriously undermined the water infrastructure.

As part of nation-wide water sector reform, from 1 July 2026, Tiaki Wai will take over the delivery of Wellington's water services. It is important to be clear about the starting point. Tiaki Wai will inherit assets in very poor condition, as well as patchy information that needs to improve significantly if investment is to be prioritised effectively.

The new arrangements are designed to improve outcomes for consumers. But Wellington residents are now aware that these improvements are costly and that they will require significant price rises. This has sharpened concern about affordability and the need for significant improvements, commensurate with the price increases.

As the economic regulator of water infrastructure, the Commerce Commission's role is to promote the long-term interests of Wellington residents by regulating Tiaki Wai. We want Tiaki Wai to invest efficiently, pay close attention to its operating costs, and ensure consumers get quality and value for money from water services. This document outlines how we propose to seek these outcomes through regulation.

The Commission's regulation complements the efforts of other stakeholders (customers, councils and the board of Tiaki Wai). Tiaki Wai will operate within a wider system of oversight and accountability. The Commission's work will help to empower owner councils, iwi, and the Partners Committee and is designed to work with that system rather than cut across it. Our regulatory proposal reflects the current state of knowledge of Tiaki Wai's assets, information and performance. Under it, we will require independent scrutiny of investment and improvement, shine a light on performance, and closely track whether progress is being made.

We want Tiaki Wai to succeed and to establish itself in a way that supports better outcomes for consumers over the long-term. There is a lot of work ahead to get Wellington's water infrastructure back to an acceptable standard, and effective regulation is a big part of that work program. The Commerce Commission has access or potential access to a full kit of tools, and will not hesitate to reach for stronger measures when we see the need.

With the steep price increases signalled in Tiaki Wai's draft Water Services Strategy it is natural to ask whether we should step in to directly regulate pricing in Wellington. That may happen in the future but making good decisions about pricing needs good information. Developing that information is a key focus of our proposals.

At this point, we are proposing enhanced information disclosure. We also propose to recommend to the Minister of Commerce and Consumer Affairs to activate additional regulation that allows us to impose certain delivery requirements.

We welcome your feedback on our two consultation papers: this paper, which sets out proposed additional information disclosure requirements, and a companion paper, which sets out our proposed recommendation to the Minister for activating additional regulation.

Ngā mihi nui

John Small
Chair

Executive Summary

Whakarāpopotonga Matua

- X1 The Commerce Commission is consulting on proposed economic regulatory requirements for Tiaki Wai, the council-owned water organisation that will provide water, wastewater and stormwater services within the Wellington region from 1 July 2026. We will be the economic regulator of Tiaki Wai’s supply of regulated services—water supply and wastewater services—from its inception.
- X2 Wellingtonians have been concerned about the performance of their current water service provider, Wellington Water for some time. So have we. An early form of economic regulation was applied to Wellington Water in May 2025. We have required reporting of targeted performance information from Wellington Water, including on its plan that is designed to set its successor, Tiaki Wai, up for success. Our analysis of the information Wellington Water has reported has reinforced our concerns.

A shared interest in the long-term success of Tiaki Wai

- X3 The Commerce Commission is one of many organisations with an interest and a role in facilitating the long-term success of Tiaki Wai. The five Council owners—Greater Wellington Regional Council, Upper Hutt City Council, Hutt City Council, Porirua City Council and Wellington City Council—and the independent Directors of Tiaki Wai have pivotal roles. They are currently finalising the agreement for the financial starting point for the new organisation, including the assets and debt it will inherit from Wellington Water. These decisions will irreversibly affect the prices consumers of water services pay in the long-term, and prices will inevitably go up as Tiaki Wai returns services to the level of quality that consumers demand.
- X4 To maintain oversight of Tiaki Wai, the Councils have established a Partners Committee, which brings mana whenua to the table alongside the organisation’s owners. They have laid out clear expectations for Tiaki Wai and will continue this oversight role. The Local Government Funding Agency will loan money to Tiaki Wai and we understand its lending arrangements include financial and non-financial reporting requirements. The Water Services Authority has an interest in drinking water quality, and with Greater Wellington Regional Council an environmental protection role.
- X5 Our interest is in protecting the interests of consumers now, and in the long-term. We consider that there are foundational matters that need to be addressed by Tiaki Wai to enable it to develop the capacity and capability to improve delivery and restore confidence to Wellingtonians, as quickly as possible. Our focus is in ensuring that there is enough information readily available for us and for other people who are interested to assess whether these activities are happening.

Information enables oversight

- X6 In February this year we published requirements for key information to be published by regulated suppliers.¹ Those requirements are phased in over time, in recognition of the change that the wider sector is experiencing. We aim to apply a risk-based and proportionate approach to regulation. We consider that there is evidence that the risks to consumer outcomes are higher for Tiaki Wai than for other regulated suppliers, therefore there is a need for additional regulation from when it starts operating.
- X7 We are consulting on our proposal for enhanced reporting for Tiaki Wai that includes:
- X7.1 Accelerating key asset management disclosure requirements compared to other regulated suppliers. We consider this will support improved asset management and investment planning, delivering the outcomes that consumers want more efficiently.
 - X7.2 Requiring Tiaki Wai to publish a baseline asset management maturity and capability assessment, so it is possible to better understand how certain, or uncertain, its expenditure plans are.
 - X7.3 Following this, to require Tiaki Wai to publish asset management and delivery improvement plans to set out the steps it will take to improve and when these will happen.
 - X7.4 Independent expert review, or verification, of improvement plans, but also of the capital and operating expenditure in Tiaki Wai's next Water Services Strategy – due for publication on 30 June 2027. This will demonstrate whether the planned expenditure is directed in the right way, efficient, and deliverable.
 - X7.5 Ongoing reporting of key performance information by Council area, including operating expenditure, the number of faults and the time for their resolution so that Wellingtonians can see what is happening in their area over time.
- X8 Taken together these actions do not themselves resolve the risks and challenges facing Tiaki Wai. However, they are intended to make sure that the information that is necessary for Wellingtonians, us, and other interested persons, to understand whether Tiaki Wai is improving its ability to deliver for the long-term interests of consumers during this transitional period. We will also be monitoring Tiaki Wai closely to track whether progress is being made.

¹ Commerce Commission [Information Disclosure for Water Services](#).

Additional regulatory tools

- X9 Whilst transparency and oversight are expected to influence significant change, in some instances additional regulatory interventions may be warranted. We are also consulting on whether to recommend to the Minister of Commerce and Consumer Affairs that the Commerce Commission can apply a regulatory tool called performance requirement regulation to Tiaki Wai. Performance requirement regulation can include setting clear delivery requirements that are expected to create stronger incentives and are discussed in our separate consultation paper.²

² Commerce Commission '*Economic regulation for Tiaki Wai – Consultation on recommending performance requirement regulation*'.

Chapter 1 Introduction

Kupu whakataki

Purpose of this paper

Te pūtake o tēnei pepa

- 1.1 This consultation paper relates to the application of economic regulation under Part 4 of the Commerce Act 1986 (**Commerce Act**) to Tiaki Wai. Under the Commerce Act, only regulated water services are subject to economic regulation. Currently, regulated water services are water supply and wastewater services supplied by a decision-making local government water service supplier.³ Tiaki Wai will assume responsibility for delivering water, wastewater and stormwater services in the Wellington metropolitan area on 1 July 2026.
- 1.2 This paper seeks feedback on our proposal for additional information disclosure (**ID**) requirements for Tiaki Wai. Our proposal is given effect to in two draft determinations that are being consulted on alongside this paper. These are collectively the ‘draft determinations’:
 - 1.2.1 **Draft Water Services Information Disclosure (Tiaki Wai) Amendment Determination 2026**—amends the enduring ID requirements published on 24 February 2026 to bring forward or strengthen certain disclosures for Tiaki Wai.⁴
 - 1.2.2 **Draft Tiaki Wai Economic Regulation Determination 2026**—sets out requirements that are not part of the enduring ID requirements. These include some requirements similar in nature to the requirements in the Wellington Water foundational ID determination.⁵
- 1.3 Alongside this paper, we are separately consulting on our intention to recommend to the Minister of Commerce and Consumer Affairs, to impose performance requirement regulation on Tiaki Wai.⁶

³ Commerce Act, s 57D(1) and (2).

⁴ Commerce Commission [Water Services Information Disclosure Determination 2026](#).

⁵ Commerce Commission [Wellington Foundational Information Disclosure Determination 2025](#).

⁶ Commerce Commission ‘Economic regulation for Tiaki Wai – Consultation on recommending performance requirement regulation’.

How to have your say

Mō te tuku kōrero mai

- 1.4 We want your feedback on our proposed ID requirements set out in the two draft determinations. This will inform our decision on the requirements we include in our final determination for Tiaki Wai. Our aim is to ensure that our approach is proportionate and directed at the areas that matter most, recognising that the costs of meeting these requirements will ultimately be passed on to consumers.
- 1.5 Submissions are due by **5pm on Thursday 28 May 2026**. [Attachment B](#) sets out how to make a submission including how to send your submission, how we handle confidential submissions, our preferred file format and where to find our submission template. There will be no opportunity for cross-submissions as part of this consultation process.

Next steps following consultation

Te ara ka whāia ā muri i te whakawhiti kōrero

- 1.6 The table below sets out key steps following consultation on our proposal.

Table 1.1 Next steps

Step	Timing
Consultation closes	28 May 2026
Final decision for additional ID requirements	Expected 20 July 2026
Tiaki Wai publicly discloses information	Refer to Attachment D
Publish our summary and analysis ⁷	To be confirmed

Structure of this paper

Te takoto o tēnei pepa

- 1.7 This paper is organised into the following chapters:
- 1.7.1 **Chapter 2 Context**—sets out Tiaki Wai’s starting point at its establishment, the wider governance and regulatory context, and our regulatory framework.
- 1.7.2 **Chapter 3 Summary of our assessment**—explains how we assessed Tiaki Wai’s risks and summarises the key information gaps we identified.

⁷ Section 53B(2)(b) of the Commerce Act 1986 specifies that the Commission must as soon as practicable after any information is publicly disclosed, publish a summary and analysis of that information for the purpose of promoting greater understanding of the performance of the individual regulated suppliers, their relative performance, and the changes in performance over time.

- 1.7.3 **Chapter 4 Our proposed additional information disclosure requirements**—sets out our proposed additional ID requirements, including the rationale for each proposal and how they address the identified information gaps.

Chapter 2 Context

Horopaki

Tiaki Wai's starting point

Wāhi Tīmatanga mā Tiaki Wai

- 2.1 Tiaki Wai will assume responsibility for delivering water services in the Wellington metropolitan area on 1 July 2026. It is co-owned by the five metropolitan councils—Wellington City, Hutt City, Upper Hutt City, Porirua City and Greater Wellington. The mana whenua partners are Ngāti Toa Rangatira and Taranaki Whānui ki Te Upoko o Te Ika.
- 2.2 Tiaki Wai will inherit longstanding capability, asset condition, information system and financial challenges from Wellington Water. These include limited asset condition information, weak core systems, historical reliance on manual processes, and high inherited debt.
- 2.3 As a new council-controlled organisation, Tiaki Wai's role is broader than Wellington Water's. It will own assets, plan and deliver investment, manage customer billing, and engage directly with customers. Establishing these new functions while maintaining 'business as usual' improvements will place significant pressure on organisational capacity during its initial period of operation.
- 2.4 Tiaki Wai's establishment creates important opportunities. Bringing asset ownership, planning, funding and operations into a single organisation provides a clearer line of accountability and the potential for more coherent long-term decision making. An independent skills-based Board model also supports stronger governance, greater focus on performance, and improved transparency over trade-offs between cost, risk and service outcomes.
- 2.5 The establishment of Tiaki Wai, including the condition of the assets transferred, the initial level of debt, and the overall financial structure, reflects decisions made by the owner councils and Tiaki Wai as part of the transition to the new model.

Governance and regulatory oversight

Taha mana whakahaere, waeture hoki

- 2.6 Tiaki Wai will be subject to several layers of governance and regulatory oversight from the day it begins operating. These should provide important checks and balances – or risk controls - on the operation and performance of Tiaki Wai. Controls include:

- 2.6.1 The Tiaki Wai Board and the Partners Committee, a committee with representatives from each council and mana whenua, have primary responsibility for monitoring organisational performance, financial sustainability, and capability uplift during establishment.⁸ Tiaki Wai is also expected to adhere to best-practice governance standards, operate under ‘no-surprises’ protocols, and provide advance notice of emerging risks or significant departures from its Water Services Strategy.⁹
- 2.6.2 Tiaki Wai is expected to receive bespoke financial covenants from the Local Government Funding Agency (**LGFA**) as part of its borrowing agreement. LGFA’s terms for such agreements require bespoke reporting and monitoring arrangements.¹⁰ LGFA has advised us that it will closely monitor Tiaki Wai’s financial position and delivery performance through its lending arrangements. As we understand it, its lending arrangements includes requirements for frequent financial and non-financial reporting by Tiaki Wai to LGFA. LGFA may require further action if performance deteriorates beyond the transition pathway set by LGFA.
- 2.6.3 Greater Wellington Regional Council will continue to set, monitor and enforce environmental requirements applying to water services, including wastewater discharge and water abstraction consents.
- 2.6.4 The Water Services Authority - Taumata Arowai will continue to regulate drinking water quality, ensuring Tiaki Wai meets drinking water safety, and monitoring and reporting requirements.
- 2.6.5 The ID requirements introduced by the Commerce Commission (**Commission**) in February 2026 mark the start of an enduring, long-term regulatory framework for water services. The purpose of information disclosure regulation is to ensure that sufficient information is readily available to interested persons to assess whether the purpose Part 4 of the Commerce Act (**Part 4 purpose**) is being met.
- 2.7 Primary responsibility for managing establishment risks continues to sit with the Tiaki Wai Board and Partners Committee, overseen by the other bodies operating within their respective mandates, including LGFA, the Water Services Authority - Taumata Arowai and Greater Wellington Regional Council.

⁸ Tiaki Wai [Partners Agreement](#) provides further information.

⁹ Refer to the [Statement of Expectations](#) from the Partners Committee to Tiaki Wai, section 4. Tiaki Wai has to prepare a Water Services Strategy in accordance with [s 230 of the Local Government (Water Services) Act 2025].

¹⁰ LGFA, [Foundation Policies](#).

- 2.8 Before the introduction of the enduring ID regime, Tiaki Wai’s predecessor Wellington Water has been subject to ‘foundational ID’, an early form of light-touch economic regulation established under the Local Government (Water Services Preliminary Arrangements) Act 2024. Foundational ID applies to Wellington Water until 1 July 2026 and requires targeted disclosures to ‘shine a light’ on performance issues and improve transparency ahead of the full regime.
- 2.9 Insights gained from foundational ID highlight several performance issues.¹¹ These issues form part of the context for our assessment of Tiaki Wai.

Our framework for decision making

Tō mātou anga whakaoti whakatau

- 2.10 On 24 February 2026 we published our ID regulatory framework paper. It sets out our approach to setting and amending ID requirements for water services that are subject to ID regulation and the suppliers of those services (the **regulatory framework**). The regulatory framework is enduring and explains the approach we will take to setting and amending ID requirements.¹²
- 2.11 Our key consideration in setting or amending ID requirements is to require the disclosure of information that will ensure that interested persons have sufficient information readily available to assess whether the Part 4 purpose is being met.
- 2.12 This means we must consider what information that will allow interested persons to assess whether the performance of a regulated supplier is consistent with the performance outcomes produced in workably competitive markets. This is explained in more detail in our regulatory framework.
- 2.13 In setting and amending information disclosure requirements, we are also required under s 57S of the Commerce Act to take account of the existing obligations that regulated suppliers have under other legislation, instruments, or under any Treaty settlement obligations.¹³ For example, we must take into account a regulated supplier’s obligations to act in accordance with any financial principles set out in the Local Government (Water Services) Act 2025.
- 2.14 We have applied the regulatory framework in coming to our proposed ID amendments outlined in this paper and the draft determinations.

¹¹ For more information on insights from foundational ID, refer to [Wellington Water Foundational ID – Factsheet](#).

¹² For further detail on the Commission’s approach to setting and amending information disclosure requirements, refer to [Information Disclosure for Water Services – Regulatory Framework Paper](#).

¹³ Commerce Act, s 57S. For discussion of how we considered Treaty settlement obligations in setting our enduring ID requirements see para 2.47-2.50 of [Information Disclosure for Water Services Explanatory Paper: Supporting Information for Draft Information Disclosure Decisions](#). Enduring ID has disclosures in relation to Treaty settlement obligations. In this consultation paper we are not proposing any amendments to those obligations.

Other factors we considered in developing our proposals

Ētahi āhuatanga i tirohia hei whakarite i ā mātou tūtohunga

- 2.15 In developing our proposal for additional ID requirements for Tiaki Wai, we have had regard to the following factors, consistent with our regulatory framework and the purpose of ID under Part 4 of the Commerce Act.
- 2.15.1 **Risk**—We have tried to prioritise areas where information gaps, including limitations in information availability, quality, or assurance create a heightened risk that sufficient information cannot be readily identified so that interested persons can assess (during the establishment period) whether the Part 4 purpose is being met.
- 2.15.2 **Timeliness**—Several of our proposals accelerate the timing of disclosures so that information on performance, planning, and delivery becomes available within a time frame that supports effective assessment and accountability in this higher risk transitional period.
- 2.15.3 **Compliance costs**—We are aware that the costs of compliance are passed on to consumers. Our proposals seek to avoid imposing undue compliance costs on Tiaki Wai, including the potential opportunity cost of disclosure requirements displacing other priority establishment activities. We consider that our proposed requirements are targeted and proportionate. Our requirements are focused on information that is necessary for interested persons to assess whether the Part 4 purpose is being met.

Chapter 3 Summary of our assessment

Hei whakarāpoto i tō mātou aromatawai

- 3.1 This chapter summarises:
- 3.1.1 our approach;
 - 3.1.2 our assessment of the key risks areas for Tiaki Wai at establishment; and
 - 3.1.3 the information gaps we identified.

Our approach

Te ara ka whāia e mātou

- 3.2 In applying our regulatory framework to Tiaki Wai, we identified key risk areas. For each area we considered:
- 3.2.1 **Key risk areas:** The nature and significance of risks, the extent that the current system of governance and regulatory oversight acts as potential controls that can be expected to mitigate these risks, and what ‘residual risk’ we expect there to be once Tiaki Wai starts its full operation from 1 July (Chapter 3).
 - 3.2.2 **Information gaps:** For areas with high residual risk, information gaps and whether additional ID requirements would better help interested persons in assessing whether the Part 4 purpose is being met (Chapter 3).¹⁴
 - 3.2.3 **Additional information disclosure requirements:** What specific implementation design options (eg, type, quality, or timing of information) are available to us under ID regulation that could be effective in addressing information gaps (Chapter 4).
 - 3.2.4 **Role of other regulatory tools:** Once our proposed changes to ID requirements were defined, we also considered whether additional regulatory tools would better promote the Part 4 purpose (Chapter 4 discussion of alternative options and our separate consultation paper).¹⁵

¹⁴ As part of this we considered the extent to which increased transparency from disclosed information would improve accountability and create incentives for behaviour change that improves performance.

¹⁵ Refer to *Economic regulation for Tiaki Wai – Consultation on recommending performance requirement regulation*.

- 3.3 Our proposals draw on a range of evidence and information, including analysis undertaken under foundational ID, the Metropolitan Wellington Water Services Delivery Plan,¹⁶ Tiaki Wai’s draft Water Services Strategy,¹⁷ Wellington Water culture and value-for-money improvement plan updates,¹⁸ relevant independent reports,¹⁹ and information obtained through engagement with Tiaki Wai and the LGFA.

Key risk areas and information gaps we identified

Ngā wāhi tūraru matua me Ngā āputa pārongo i tautuhia

- 3.4 Our assessment of this evidence and information has identified that, despite the risk controls that will be in place from 1 July 2026 including the enduring ID requirements, we consider further disclosure of information (and more timely disclosure of information already required under ID) is needed to help ensure sufficient information is readily available to assess whether the Part 4 purpose is being met.
- 3.5 The following section summarises:
- 3.5.1 the risks in each key risk area, drawing on the evidence and information set out above; and
 - 3.5.2 information gaps we have we have identified.

Asset management

Risks

- 3.6 Tiaki Wai will inherit significant weaknesses in asset management from Wellington Water. This includes limited asset condition and other asset information, immature planning approaches, and only basic information systems. Tiaki Wai will need to build its asset management capability as a matter of priority. Without a step change its investments are unlikely to provide value for money for consumers.²⁰
- 3.7 Limitations in asset data and asset management maturity reduce the transparency of how investment is prioritised, whether renewals and maintenance are appropriately targeted at the assets with the greatest need, and whether delivery expectations are credible given the levels of asset knowledge.

¹⁶ Refer to [Metropolitan Wellington Water Services Delivery Plan](#).

¹⁷ Refer to [Water Services Strategy – draft for feedback](#). Tiaki Wai commenced consultation on its draft water service strategy from 25 March 2026.

¹⁸ Refer to [Culture and Value for Money Improvement Plan](#).

¹⁹ Commerce Commission [Foundational information disclosure for Wellington Water – Consultation paper on draft determination](#), 3.10–3.13.

²⁰ This assessment draws on insights from foundational ID analysis of Wellington Water, its Water Service Delivery Plan, and Tiaki Wai’s draft Water Service Strategy.

Information gaps

- 3.8 Key asset management planning and reporting documents such as the Strategic Asset Management Plan (SAMP), Investment and Delivery Plan (IDP), and Annual Delivery Report (ADR) are essential to assessing investment prioritisation, the credibility of planned improvements delivery credibility, and long-term service outcomes. Under the enduring ID requirements, these documents are subject to a transitional approach through to 31 July 2030.²¹
- 3.9 In Tiaki Wai’s case, we consider that reliance on the transitional approach would mean insufficient information is available when it interested persons need it for their assessments, given Tiaki Wai’s elevated risk profile and the scale and urgency of planned investment.
- 3.10 In addition, there is limited information that allows interested persons understand the underlying assumptions in Tiaki Wai’s expenditure forecasts, and the extent to which the planned investment is prudent and efficient, and deliverable.
- 3.11 A lack of sufficient and timely information on asset management maturity (including investment prioritisation) may mean interested persons are unable to assess whether investments are likely to support services being delivered at a quality that reflects consumer demand.
- 3.12 These information constraints are particularly acute during the initial years of Tiaki Wai, when it is expected to ramp up its investment while simultaneously building asset management capability. Without timely and sufficiently robust disclosures, interested persons will lack visibility of whether Tiaki Wai is improving the value for money it provides by developing its asset management maturity.

Delivery

Risks

- 3.13 Tiaki Wai will face some big challenges in delivering its planned work. It inherits significant capability, capacity, and information gaps from Wellington Water. These gaps will make it hard to deliver work efficiently, even if it continues with the current level of expenditure, but more so in the context of the proposed significant increase in investment.
- 3.14 Forecasts contained in Tiaki Wai’s draft Water Services Strategy indicate that it needs to significantly ramp up its investment in the coming years. If these capability, capacity, and information gaps are not fixed, there is an elevated risk of under-delivery, or that what is delivered does not provide good value for money for consumers.

²¹ Commerce Commission [Information Disclosure for Water Services – Final Decision Summary Paper – 24 February 2026](#), Chapter 3.

- 3.15 The significant investment uplifts, combined with a lack of maturity, create significant deliverability risk for Tiaki Wai. Its planned investment programme may not be able to be completed as intended. This could happen for a range of reasons, both internal to Tiaki Wai (eg, reflecting its ability to define, consent and tender work packages, or the availability of skilled project and programme managers) and external (eg, contractor availability or capability). Insufficient deliverability planning may result in under-delivery of scope, cost overruns, or outcomes falling short of expectations.

Information gaps

- 3.16 As discussed above, under the enduring ID requirements, key documents such as the SAMP, IDP and ADR are subject to a transitional approach through to 31 July 2030.²²
- 3.17 In Tiaki Wai’s case, we consider that reliance on the transitional approach for information that provides transparency on delivery and deliverability would mean insufficient information is available when it interested persons need it for their assessments, given Tiaki Wai’s elevated risk profile.
- 3.18 Without timely and sufficiently robust disclosures, interested persons will lack visibility of whether Tiaki Wai’s plans can be expected to be deliverable and whether it is delivering.

Financial sustainability

Risks

- 3.19 Tiaki Wai will begin with a constrained financial position. It will inherit high levels of debt and the need for a significant uplift in infrastructure investment.²³ Its financial sustainability is influenced by the credibility of its expenditure forecasts, its ability to deliver planned investment within expected cost envelopes, and the ability to secure funding for its investments (including through lending provided by LGFA and the revenue collected from customers through the bills they pay).
- 3.20 Risks to Tiaki Wai’s financial sustainability risks include:
- 3.20.1 Tiaki Wai’s expenditure forecasts and needs do not reflect robust information (and as such could be higher or lower) and programme deliverability is not sufficiently well understood.
 - 3.20.2 Critical projects might not be delivered as planned and could result in adverse shocks to Tiaki Wai’s finances, which in turn could reduce its financial and non-financial capacity to deliver in other areas.

²² Commerce Commission [Information Disclosure for Water Services – Final Decision Summary Paper](#), Chapter 3.

²³ Tiaki Wai [Water Services Strategy – draft for feedback](#), section 5.6.

- 3.20.3 Transitioning to billing customers directly for water services in a context of steep price increases (as signalled in the draft Water Services Strategy) and undertaking pricing reform may present challenges.

Information gaps

- 3.21 Where disclosed information is insufficient (eg, incomplete, insufficiently granular, or is not subject to appropriate assurance) interested persons are unable to assess whether Tiaki Wai is financially sustainable and aligns with outcomes that are in the long-term benefit of consumers.²⁴
- 3.22 Several of the information gaps discussed under asset management (eg, expenditure forecasts) and delivery (eg, delivery of key projects) are also relevant to financial sustainability. In addition, interested persons need to understand whether funding is appropriate to ensure financial sustainability.

Non-financial performance

Risks

- 3.23 Non-financial performance including network performance and service outcomes are ongoing risk areas for Tiaki Wai. For example, Wellington Water has reported high fault rates on its network (and is required to report on fault rates under foundational ID), and Tiaki Wai will have to continue to work progressively towards reducing these. High fault rates can be the result of ageing assets and overdue maintenance and renewal investment.
- 3.24 Tiaki Wai's role is broader than Wellington Water's. Wellington Water's main role was that of a service operator that manages networks for the shareholding Councils. In contrast, Tiaki Wai will own assets, plan and deliver investment, manage customer billing, and engage directly with customers. Establishing new functions while maintaining 'business as usual' improvements will place significant pressure on organisational capacity during Tiaki Wai's initial period of operation.

Information gaps

- 3.25 Insufficient information about how Tiaki Wai performs in providing services to customers, including how it deals with faults when they occur, makes it difficult to assess whether services are being provided at a quality that reflects consumer demands. Appropriate information about how Tiaki Wai is building capability and performing in key areas could provide assurance to interested persons that progress is being made.

²⁴ While the LGFA and the Partners Committee oversight arrangements provide important monitoring and control mechanisms, they are not substitutes for ID.

- 3.26 In the longer term, non-financial performance can be expected to improve from the early investments Tiaki Wai will make to improve its asset management maturity and capability eg, in better information about its network, in systematically planning for improvement and in delivering these improvements.
- 3.27 Enduring ID and the Water Services Regulator – Taumata Arowai’s National Environmental Performance Monitoring do not require quarterly disclosure by council of performance information, such as the number of faults and related information that supports interested persons assessment of performance over time (eg, how Tiaki Wai’s spend on unplanned maintenance changes over time). Such information needs to be disclosed for Tiaki Wai at this level of detail and frequency so that sufficient information is available for interested persons to assess whether the Part 4 purpose is being met.

Chapter 4 Our proposed additional information disclosure requirements

Ā mātou tūtohunga herenga puakanga pārongo tāpiripiri

4.1 In this section we set out our proposed additional information disclosure requirements.

Purpose of additional information disclosures

Te pūtake o ngā puakanga pārongo tāpiripiri

- 4.2 The purpose of our proposal for Tiaki Wai is to ensure that sufficient information is readily available to interested persons to assess whether the Part 4 purpose is being met. This includes assessments of service quality, investment efficiency, delivery credibility and financial performance.
- 4.3 While the enduring ID requirements provide a comprehensive long-term framework for transparency and accountability, Tiaki Wai’s establishment context creates an opportunity to enhance the timeliness and assurance of information available during the early years, to respond to the risk environment and better support timely and meaningful assessment of whether the Part 4 purpose is being met.
- 4.4 We are proposing a targeted package of additional ID requirements applied to Tiaki Wai for regulated water supply and wastewater services. We consider that the requirements proposed in this chapter are targeted and proportionate. They are intended to better promote the purpose of ID for Tiaki Wai, without altering the fundamental structure or intent of the enduring regime.
- 4.5 Our proposal is given effect to in two draft determinations that are being consulted on alongside this paper. These are:
- 4.5.1 **Draft Water Services Information Disclosure (Tiaki Wai) Amendment Determination 2026**—amends the enduring ID requirements published on 24 February 2026 to bring forward or amend certain disclosures for Tiaki Wai.²⁵
 - 4.5.2 **Draft Tiaki Wai Economic Regulation Determination 2026**—sets out requirements that are not part of the enduring ID requirements. These include some requirements similar in nature to the requirements in the Wellington Water foundational ID determination.²⁶

²⁵ Commerce Commission [Water Services Information Disclosure Determination 2026](#).

²⁶ Commerce Commission [Wellington Foundational Information Disclosure Determination 2025](#).

Proposed disclosure requirements

Ngā herenga puakanga ka tūtohua

- 4.6 To address the information gaps identified in [Chapter 3](#), we are proposing additional ID requirements. The additional requirements aim to improve the availability, timing, or reliability of information in a way that directly supports an assessment of whether the Part 4 purpose is being met.
- 4.7 Taken together, these requirements do not resolve Tiaki Wai's risks. Rather, they ensure information that helps interested persons, including the Commerce Commission, to assess whether the Part 4 purpose is being met is readily available.
- 4.8 The timeline for our proposed disclosure requirements is outlined in [Attachment D](#).

Asset management

- 4.9 Asset management information is central to assessing whether services are being delivered at a quality that reflects consumer demand and whether investment decisions promote long-term consumer benefit.

Earlier disclosure of core planning documents

- 4.10 We propose to require Tiaki Wai to disclose its SAMP, IDP and ADR without the transitional approach required under the enduring ID requirements.²⁷
- 4.11 Earlier disclosures of these documents will allow interested persons to make an earlier assessment of whether Tiaki Wai's investment prioritisation, delivery, and performance expectations are credible and aligned with consumer demands. Requiring earlier disclosure of these planning documents is intended to also incentivise better asset management practices and give stakeholders more information on how Tiaki Wai is performing.
- 4.12 The proposed amendments focus on accelerating disclosure timing and do not change the purpose or scope of the documents.²⁸

Asset management maturity and capability assessment and improvement plans

- 4.13 To improve the transparency of Tiaki Wai's asset management baseline, we propose to require the disclosure of an asset management maturity and capability assessment. The assessment would provide interested persons with a structured view of the current state of asset management systems, processes and capability, and will shine a light on any current gaps.

²⁷ Commerce Commission [Water Services Information Disclosure Determination 2026](#), schedule A5.

²⁸ Commerce Commission [Information Disclosure for Water Services – Draft Decision Summary](#), Chapter 4.

- 4.14 Our proposal also requires Tiaki Wai to disclose an asset management improvement plan, informed by its asset management maturity and capability assessment. In the improvement plan, Tiaki Wai will be required to set out the specific actions it intends to take to address identified gaps in the asset management maturity and capability assessment.
- 4.15 We are proposing that this improvement plan would be subject to independent verification.

What is independent verification?

An independent expert assesses whether reported information is consistent with good water industry practice. Examples of information that can be verified are improvement plans and expenditure plans.

Independence is key in this process. This is ensured via a three-way legal agreement which means the independent expert has a duty of care to both the regulated supplier and the Commerce Commission.

The insights from the independent verification, which would be published in a report, will allow interested persons to better assess Tiaki Wai's performance.

Independent verification is also expected to benefit Tiaki Wai as it will be able use insights from an independent expert in preparing the final version of the verified information.

Independent verification is a tool that has been extensively used in regulating services under Part 4 and Part 6 of the Commerce Act. An example of independent verification in the water sector is the verification of Watercare's investment delivery and asset management improvement plan.²⁹

- 4.16 Together, the disclosure of these documents is intended to provide interested persons with a clearer view of whether Tiaki Wai has a realistic and achievable pathway toward improved asset management maturity. This will support an assessment of whether Tiaki Wai is providing services at a quality that reflects consumer demands.

Ongoing reporting on improvement progress

- 4.17 To complement the improvement plan disclosure detailed above, we propose to introduce an ongoing quarterly disclosure requirement for a summary of progress against the actions identified in the improvement plan. These disclosures would require a self-assessment of progress, supported by reasons for the progress or lack thereof.

²⁹ [Watercare Infrastructure Delivery and Asset Management Improvement Plan \(2025-2028\)](#), appendix 5.

- 4.18 The proposed ongoing disclosure is intended to provide interested persons with information on whether improvement actions are being implemented. This will allow an assessment of whether asset management capability is evolving in a manner consistent with improving service quality and investment outcomes over time.

Strengthened consumer-related asset planning information

- 4.19 We also propose to bring forward the timing for disclosures of consumer-related asset management information in the AMP by removing the transitional approach.³⁰
- 4.20 Earlier disclosure of this information is intended to support the assessment of how customer impacts, service levels and complaint information are being incorporated into planning and investment decisions. This is particularly relevant as Tiaki Wai transitions to direct engagement with its customer and to standalone billing. It supports an assessment of whether services are being delivered at a quality that reflects consumer demands.

Financial sustainability

- 4.21 Financial disclosures play a key role in allowing interested persons to assess whether expenditure is prudent and efficient and whether financial performance is aligned with outcomes consistent with the long-term benefit of consumers.
- 4.22 We propose to require Tiaki Wai to specify any differences between its forecast operating and capital expenditure disclosed under ID requirements and the equivalent forecasts in Tiaki Wai's Water Services Strategy.
- 4.23 We propose requiring that Tiaki Wai also include a deliverability assessment alongside its forecast operating and capital expenditure disclosures. In the deliverability assessment, we expect to see any risks to deliverability that have been identified, and we also expect that Tiaki Wai would have regard to factors such as organisational capability, system maturity, key dependencies and constraints in identifying such risks and in putting together the assessment.
- 4.24 We propose to require independent verification of Tiaki Wai's forecast operating and capital expenditure information and the deliverability assessment so it can inform preparation of its next Water Services Strategy and for any other reporting purposes.

³⁰ Commerce Commission [Water Services Information Disclosure Determination 2026](#), schedule C7(1-5).

Delivery

- 4.25 We propose to require Tiaki Wai to publicly disclose quarterly delivery reporting. Reporting would summarise actual quarterly operating and capital expenditure, with a comparison against Board-approved budgets, progress on the delivery of material projects and programmes, and any significant timing, cost, or outcome risks to delivery. Tiaki Wai would be required to seek Commission feedback on its draft reporting.

Non-financial performance

- 4.26 Network and service performance outcomes are a central component of assessing whether services meet consumer demands.
- 4.27 To support transparency, we are proposing to require targeted disclosures that broadly continue the approach previously applied under foundational ID. In particular, we propose to continue:
- 4.27.1 quarterly reporting of fault metrics for water supply and wastewater services;
 - 4.27.2 disclosure of the associated data confidence grading; and
 - 4.27.3 publication of operations and maintenance dashboards.
- 4.28 These disclosures are intended to ensure that sufficient information is readily available to interested persons to assess whether Tiaki Wai's performance is improving and whether its network and service outcomes are consistent with the Part 4 purpose.

Alternative options considered

Ētahi atu kōwhiringa i tirohia

- 4.1 In developing the proposals set out in [Chapter 4](#), we also considered alternative options. Options for alternative ID requirements to our ID requirement change proposal are set out in [Attachment C](#).
- 4.1 Alongside this paper, we are also consulting on our intention to recommend to the Minister of Commerce and Consumer Affairs to impose performance requirement regulation on Tiaki Wai.³¹

³¹ Commerce Commission 'Economic regulation for Tiaki Wai – Consultation on recommending performance requirement regulation'.

Attachment A Glossary

Term/Abbreviation	Definition
ADR	Annual Delivery Report
AMP	Asset Management Plan
Commerce Act	Commerce Act 1986
Commission	The Commerce Commission
Economic regulation	Refers to a way of influencing the performance of suppliers in certain sectors (such as the water sector) which are important to people's lives, and where issues such as market power (including monopolies) may otherwise lead to outcomes that do not reflect the long-term interests of consumers, including in relation to the price and quality of products and services supplied
Enduring ID	Means a longer-term form of information disclosure under Part 4 of the Commerce Act
Foundational ID	Means an early form of information disclosure under the Local Government (Water Services Preliminary Arrangements) Act 2024
Good water industry practice	Means the exercise of the degree of skill, diligence, prudence, foresight and economic management in the provision of regulated services, as determined by reference to good international practice, which would reasonably be expected from a skilled and experienced regulated supplier under comparable conditions.
ID	Information disclosure
IDP	Investment and Delivery Plan
Independent expert	Means a person who has appropriate qualification and expertise in the matter on which they are providing their view (for example, asset management improvement) to a regulated supplier, and has no direct or indirect relationship with, or interest in, the regulated supplier, that undermines or appears to undermine the objectivity of their view.
LGFA	Local Government Funding Agency
Network	Means the infrastructure and processes used to provide the regulated services
OIA	Official Information Act 1982
Part 4 purpose	Means the purpose statement of Part 4 of the Commerce Act 1986 set out in section 52A

Regulated Water Services Under the Commerce Act 1986, only regulated water services are subject to economic regulation. Currently, regulated water services are water supply and wastewater services supplied by a decision-making local government water service supplier

SAMP Strategic Asset Management Plan

The regulatory framework Means the regulatory framework paper which sets out our approach to setting and amending ID requirements in respect of water services that are subject to ID regulation and regulated suppliers of those services

Tiaki Wai Means Tiaki Wai Limited, a council-controlled organisation jointly owned by the metropolitan Wellington councils, established under the Local Government (Water Services) Act 2025.

**Water Services Authority—
Taumata Arowai** Means the Water Services Authority—Taumata Arowai, established under the Water Services Authority—Taumata Arowai Act 2020

Attachment B Submission process

How you can provide feedback

- B.1 Responses must be emailed to wai@comcom.govt.nz with 'Economic regulation of Tiaki Wai – Consultation on additional information disclosure requirements' in the subject line. Please clearly state in your email that you consent to your submission being made public or if not – why not (see the section below).
- B.2 Please state whether you are submitting as an individual or on behalf of an organisation.
- B.3 To ensure we can consider your feedback, please provide this to us by **5pm on 28 May 2026**.
- B.4 We prefer submissions in both a format suitable for word processing (such as a Microsoft Word document) as well as a 'locked' format such as PDF for publication on our website. Please ensure that any submitted documents are not password protected.

Confidential submissions

- B.5 We intend to publish your feedback on our website to ensure our process is transparent. However, it is important not to publish information that is confidential information which could be commercially sensitive or personal. We understand that publishing confidential information could cause harm to the provider of the information or a third party.
- B.6 If your feedback includes confidential information, we request that you provide us with a confidential and a public version. We propose publishing the public versions of your feedback on our website.
- B.7 We note that responsibility for excluding confidential information from the public version rests on the party providing the feedback.
- B.8 Where confidential information is included in feedback:
 - B.8.1 the information should be clearly marked and highlighted in yellow; and
 - B.8.2 both confidential and public versions of feedback should be provided by the due date.
- B.9 All information we receive is subject to the principle of availability under the Official Information Act 1982 (**OIA**). There are several reasons that we may withhold information requested under the OIA from disclosure. This could be in the event that:
 - B.9.1 release would unreasonably prejudice the commercial position of the supplier or subject of the information;

- B.9.2 withholding the information is necessary to protect the privacy of natural persons; and
 - B.9.3 we received the information under an obligation of confidence, and if we were to make that information available it would prejudice the supply of similar information to us (by any person) where it is in the public interest that such information continues to be supplied to us.
- B.10 We will not disclose any confidential or commercially sensitive information in a media statement, public report, or in response to a request, unless there is a countervailing public interest in doing so in a particular case. Such cases are likely to be rare and would be discussed with you in advance of any publication.

Attachment C Options for alternative ID requirements to our proposed ID requirements

- C.1 On balance, we consider that our proposed ID requirements set out in Chapter 4 strike an appropriate balance and promote the purpose of ID regulation. In addition, we also considered two alternative approaches to our proposed changes to ID requirements:
- C.1.1 do nothing; or
 - C.1.2 more comprehensive changes to the ID requirements.
- C.2 We discuss these alternative options below.

Do nothing

- C.3 We considered the option of not introducing any additional ID requirements for Tiaki Wai. Requiring Tiaki Wai to just meet enduring ID requirements would impose the lowest compliance cost on Tiaki Wai.
- C.4 However, we consider that due to the specific circumstances and risk profile of Tiaki Wai, relying solely on the enduring ID requirements would not be likely to provide sufficient information for interested persons to assess whether the Part 4 purpose is being met.

More comprehensive changes to the ID requirements

- C.5 We also considered whether to introduce a more comprehensive set of ID requirements for Tiaki Wai. This option would cover a wider range of information and would require Tiaki Wai to disclose its AMP sooner. A key benefit of this approach would be that the disclosure of more information may provide a more complete picture of Tiaki Wai's performance at an earlier stage.
- C.6 However, we consider that at this time, proposing more comprehensive ID requirements would not be appropriate for Tiaki Wai, for the following reasons:
- C.6.1 Tiaki Wai is undergoing a significant organisational transition, and imposing broad disclosure requirements could divert resources away from essential establishment and service delivery work.
 - C.6.2 Tiaki Wai's information systems and reporting processes are still developing. More extensive requirements could impose unnecessary compliance costs.
 - C.6.3 Wellington Water's submission on the enduring ID regime noted that it would struggle to meet some of the disclosure requirements. Introducing more comprehensive disclosures at this critical stage would risk diverting focus and resources away from Tiaki Wai's core transition activities and efforts to improve performance.

Attachment D Proposed disclosure timeline for Tiaki Wai

D.1 The Table below summarises when Tiaki Wai will have to publish information and how often it is required. It includes requirements set out in enduring ID and our proposed additional requirements outlined in this paper and the accompanying determinations.

Table D.1 Proposed disclosure timeline for Tiaki Wai

Start date	Frequency	Requirements
2026		
Immediate	When the requirement applies, disclose within 5, 10 or 30 working days	Enduring ID: <ul style="list-style-type: none"> • Statement from minor aspect supplier and reasons why • Transfer agreement • Value of assets and liabilities transferred • Date of becoming or ceasing to be a regulated supplier • Date of taking over the drinking water supply of another regulated supplier • Dividends policy • Policy for funding growth • Information about charges • Statement on becoming a minor aspect supplier Tiaki Wai specific ID: <ul style="list-style-type: none"> • Performance dashboards
30 September	Within 60 working days after 30 September, then for each quarter subsequently	Tiaki Wai specific ID: <ul style="list-style-type: none"> • Delivery reporting • Fault information
30 November	One off ³²	Tiaki Wai specific ID: <ul style="list-style-type: none"> • 2026 financial year actual planned and unplanned maintenance by shareholding council
2027		
31 March	Re-do assessment after two years	Tiaki Wai specific ID: <ul style="list-style-type: none"> • Asset management maturity and capability assessment
31 July	Annually, on or before 31 July	Enduring ID: <ul style="list-style-type: none"> • ‘Basic’ 10-year forecast financial information Tiaki Wai specific ID: <ul style="list-style-type: none"> • Operating and capital expenditure deliverability assessment • Asset management improvement plan (based on AMP requirements)
	One off	
	Within 30 days of the date a Water Services Strategy is adopted	Enduring ID: <ul style="list-style-type: none"> • 30-year forecast capital expenditure • AMP Tiaki Wai specific ID: <ul style="list-style-type: none"> • IDP • SAMP • Consumer related information (based on AMP requirements)
30 September	Quarterly	Tiaki Wai specific ID: <ul style="list-style-type: none"> • Progress reporting on asset management improvement plan
30 November	Annually on or before 30 November	Enduring ID: <ul style="list-style-type: none"> • ‘Basic’ previous financial year actual information (first disclosure under cl 3.2)
2028		
31 July	Annually, on or before 31 July	Enduring ID: <ul style="list-style-type: none"> • ‘Full’ (basic and additional) 10-year forecast financial information
30 November	Annually on or before 30 November	Enduring ID: <ul style="list-style-type: none"> • ‘Full’ (basic and additional) previous financial year actual information Tiaki Wai specific ID: <ul style="list-style-type: none"> • ADR

³² From the 2027 disclosure year, maintenance reporting will form part of the enduring ID requirements for ‘basic’ previous financial year actual information, with first disclosure due 30 November 2027.