

Transpower Input Methodologies (Government Grants Related to Income) Amendment Determination 2026 [2026] NZCC 35

The Commission:

Nathan Strong
Dr John Small
Dr Derek Johnston
Bryan Chapple

Date of decision:

1 September 2026



Robert Cahn, Chief Legal Counsel – Infrastructure Regulation

Dated at Wellington this 1st day of September 2026

COMMERCE COMMISSION

Wellington, New Zealand

Determination history		
Determination date	Decision number	Determination name
29 June 2012	[2012] NZCC 17	Transpower Input Methodologies Determination ('principal determination')*
28 August 2014	[2014] NZCC 22	Transpower Input Methodologies Amendments Determination 2014
26 September 2014	[2014] NZCC 24	Electricity Lines Services Input Methodologies Determination Amendment 2014
29 October 2014	[2014] NZCC 27	Electricity Lines Services and Gas Pipeline Services Input Methodologies Determination Amendment (WACC percentile for price-quality regulation) 2014
27 November 2014	[2014] NZCC 32	Incremental Rolling Incentive Scheme Input Methodology Amendments Determination 2014
27 November 2014	[2014] NZCC 34	Transpower Input Methodologies Amendments Determination 2014 (No. 2)
11 December 2014	[2014] NZCC 38	Electricity Lines Services and Gas Pipeline Services Input Methodologies Determination Amendment (WACC percentile for information disclosure regulation) 2014
5 February 2015	[2015] NZCC 3	Transpower Input Methodologies Amendment Determination 2015
21 October 2015	[2015] NZCC 27	Transpower Input Methodologies Amendment Determination 2015 (No. 2)
20 December 2016	[2016] NZCC 27	Transpower Input Methodologies Amendments Determination 2016
29 June 2017	[2017] NZCC 17	Transpower Input Methodologies Amendment Determination 2017
28 August 2019	[2019] NZCC 10	Transpower Input Methodologies Amendments Determination 2019
13 November 2019	[2019] NZCC 16	Transpower Input Methodologies Amendments Determination (No. 2) 2019
13 December 2023	[2023] NZCC 38	Transpower Input Methodologies (IM Review 2023) Amendment Determination 2023
29 August 2024	[2024] NZCC 19	Transpower Input Methodologies Amendment Determination 2024
11 December 2024	[2024] NZCC 39	Transpower Input Methodologies (treatment of insurance entitlements) Amendment Determination 2024

27 March 2025	[2025] NZCC 4	Transpower Input Methodologies (Reopeners and Other Matters) Amendment Determination 2025
1 September 2026	[2026] NZCC 35	Transpower Input Methodologies (government grants related to income) Amendment Determination 2026

* The principal determination re-determined the input methodologies contained in the *Commerce Act (Transpower Methodologies) Determination 2010* (Commerce Commission Decision No.713, 22 December 2010), as amended by the *Commerce Act (Transpower Input Methodologies) Amendment Determination (No. 1) 2011* (Commerce Commission Decision 736, 1 November 2011). A complete history of determinations relevant to the input methodologies applicable to Transpower is available on the Commission's website.

Under section 52W of the Commerce Act 1986, the Commerce Commission makes the following determination:

1. Title

- 1.1 This determination is the Transpower Input Methodologies (Government Grants Related to Income) Amendment Determination 2026.

2. Commencement

- 2.1 This determination comes into force on 2 September 2026.

3. Interpretation

- 3.1 Terms in bold that are defined in the **principal determination**, but not in this determination, have the meaning given to those terms in the **principal determination**.
- 3.2 In this determination, **principal determination** means the Transpower Input Methodologies Determination [2012] NZCC 17.

4. Determination amended

- 4.1 This determination amends the **principal determination**.

5. Principal determination amendments

- 5.1 Insert, in the appropriate alphabetical order, a new definition of “government grant related to income” in clause 1.1.4(2) of the **principal determination**:

“**government grant related to income** has the same meaning as ‘grants related to income’ under **GAAP**, except to the extent such a grant relates to expenditure that has been explicitly or implicitly provided for in an **IPP**;”

- 5.2 Replace the definition of “operating cost” in clause 1.1.4(2) of the **principal determination** with:

“**operating cost**

means a cost incurred by **Transpower** relating to the **supply of electricity transmission services**, net of any **insurance entitlement, compensatory entitlement, third-party liability entitlement, or government grant related to income** for the same cost, up to the amount of that cost, which **Transpower** chooses to net off in calculating that cost, and excludes-

- (a) a cost that is treated as a cost of an asset by **GAAP**;
- (b) amounts that are depreciation, tax, subvention payments, revaluations or

an interest expense, in accordance with their meanings under **GAAP**;

- (c) **debt-issuance costs**;
- (d) **pass-through costs**;
- (e) **recoverable costs**; and
- (f) **pecuniary penalties**;"

- 5.3 Replace the definition of "retained entitlement" in clause 1.1.4(2) of the **principal determination** with:

"retained entitlement

means, for the purpose of Part 3, the **base capex standard incentive rate** multiplied by (the sum of any **insurance entitlements**, **compensatory entitlements**, **third-party liability entitlements**, and **government grants related to income** excluding the sum of any of those entitlements netted off, or forecast to be netted off, in calculating an **operating cost** or applied to reduce the value of a **commissioned** asset under clause 2.2.10(1)(j));"

Explanatory note

This note is not part of the determination but is intended to indicate its general effect.

This determination amends the Transpower Input Methodologies Determination ('principal determination').

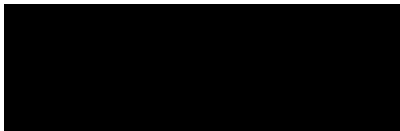
This is secondary legislation issued under the authority of the Legislation Act 2019 .	
Title	Transpower Input Methodologies (Government Grants Related to Income) Amendment Determination 2026
Principal or amendment	Amendment
Consolidated version	No
Empowering Act and provisions	Commerce Act 1986 Section 52W
Replacement empowering Act and provisions	Not applicable
Maker name	Commerce Commission
Administering agency	Commerce Commission
Date made	1 September 2026
Publication date	1 September 2026
Notification date	1 September 2026
Commencement date	2 September 2026
End date (when applicable)	Not applicable
Consolidation as at date	Not applicable
Related instruments	Transpower Input Methodologies Determination [2012] NZCC 17

**Consistency Accountability Statement: Transpower Input Methodologies
(Government Grants Related to Income) Amendment Determination 2026**

Agency Responsible	Commerce Commission
Portfolio	Commerce and Consumer Affairs
Date finalised	1 September 2026
Identification number	N/A

Statement of Review

I confirm that the Commerce Commission has assessed the above legislation, and the process for developing it, for consistency with the principles of responsible regulation as set out in section 9 of the Regulatory Standards Act 2025. This assessment identified no inconsistencies with the principles of responsible regulation.



Suzanne Stewart
Chief Executive Officer
Commerce Commission