

# NOTICE OF INTENTION

14 April 2026

## Potential amendments to Input Methodologies for Electricity Distribution Services, Gas Pipeline Services and Transpower

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1. The Commerce Commission (**Commission**) gives notice under section 52V(1) of the Commerce Act 1986 (**Act**) that it is beginning work on potential amendments to the following input methodologies (**IMs**):
  - 1.1 Electricity Distribution Services Input Methodologies Determination 2012 [2012] NZCC 26;
  - 1.2 Gas Transmission Services Input Methodologies Determination 2012 [2012] NZCC 28;
  - 1.3 Gas Distribution Services Input Methodologies Determination 2012 [2012] NZCC 27; and
  - 1.4 Transpower Input Methodologies Determination [2012] NZCC 17.
2. In accordance with section 52V of the Act, this notice outlines the general scope of the potential IM amendments under consideration, and the proposed process and indicative timeframes for considering and consulting on the potential amendments.

### Scope of potential IM amendments under consideration

3. We have identified potential amendments to the IMs in respect of the treatment of government grants related to income that:
  - 3.1 may promote the Part 4 purpose in section 52A of the Act more effectively than the current IMs; and
  - 3.2 may promote the IM purpose in section 52R of the Act more effectively.
4. The potential amendments relate to the recognition of government grants related to income as “other regulated income” and their treatment in relation to the incremental rolling incentive scheme.
5. Alongside the potential amendments to the IMs, the Commission is also considering changes to the Transpower Individual Price-Quality Path Determination 2025 [2024] NZCC 26. This is because the definition of other regulated income is defined in this determination and not the IMs.
6. We consider it appropriate to address this issue outside of the statutory review of the IMs under section 52Y of the Act on the basis that these are not ‘fundamental’ changes to the IMs.

**Proposed process and indicative timeframes for potential IM amendments described above**

|           | <b>Process</b>   | <b>Indicative timeframe</b> |
|-----------|--|-----------------------------|
| <b>1.</b> | <b>Draft decision by the Commission</b><br>Draft decision on potential IM amendments | April 2026                  |
| <b>2.</b> | Submissions due from interested persons on potential IM amendments                   | May 2026                    |
| <b>3.</b> | Cross-submissions due from interested persons on potential IM amendments             | May 2026                    |
| <b>4.</b> | <b>Final decision by the Commission</b><br>Final decision on potential IM amendments | June 2026                   |

Updates and any process refinements will be published on the Commission's [website](#).