



Commerce Commission
Matthew Clark
Manager, Transpower and Gas
Wellington

By email: infrastructure.regulation@comcom.govt.nz

13 February 2026

Transpower Redclyffe MCP proposal decision: cross-submission

We appreciate the opportunity to respond to issues raised by submitters to the Commerce Commission's draft decision on our MCP for Redclyffe.

There were two submissions to the draft decision, MEUG, and a combined one from Unison and Centralines.

We acknowledge MEUG's support of the draft decision, with MEUG considering it a pragmatic solution to improve the security of electricity supply and resilience of the infrastructure to floods.¹

Unison and Centralines also supported the option to rebuild at the existing site as the right solution to meet the investment need. However, they submit that *"while, the project is projected to finish in 2027, the approval's expiry in 2032 provides a five-year buffer"* and considers *"it is imperative for the Commission to make clear its expectation that the project will be finalised by 2027 as planned."*²

This cross submission clarifies that the *approval expiry date* does not affect Transpower's intention to complete the project by December 2027.³ The rebuild investment at the substation will deliver significantly increased resilience for the region within two years of approval (the Commission's final decision). Our forecast for project delivery for December 2027 will assure supply reliability to the region by this time.

The approval expiry date is there to accommodate the risk that supply side factors could detrimentally impinge on delivery of the completed project. The Commission has previously described the expiry date as *"necessary to recognise that significant delays in undertaking a project may affect the benefits delivered by or the need for the project."*⁴

¹ [Major-Electricity-Users-Group-MEUG-Submission-on-Transpowers-Redclyffe-MCP-draft-decision](#)

² [Unison-and-Centralines-Submission-on-Transpowers-Redclyffe-MCP-draft-decision](#)

³ [Redclyffe-220-kV-Switchyard-Resilience-Major-Capex-Proposal-June-2025.pdf](#) page 4

⁴ [Capex-IM-review-Proposed-focus-areas-for-the-capex-IM-review-Attachment-C-How-capital-expenditure-is-proposed-and-approved-under-the-capex-IM-15-May-2017.PDF](#)

The buffer between project delivery (commissioning) and the approval expiry date also ensures all the costs related to the project are captured through Transpower's *project close-out process*. After commissioning, all the costs of a project may take some time to be accounted for in our regulatory asset base to ensure the covered cost for the benefit-based investment, under the Transmission pricing Methodology, is accurate.

For the Redclyffe MCP, the December 2032 approval expiry provides flexibility for any supply delays and recovery of all project costs, while still targeting completion in December 2027 to deliver net regional benefits.

Yours sincerely

Joel Cook
Hed of Strategy and Regulation