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Kia ora Elloise

Submission: Draft Resilience Guidance Feedback

Thank you for the opportunity to make a submission on the Commerce Commission's draft resilience guidance (Resilience Principles: Decision-making framework for critical infrastructure providers, Draft guidance document, 3 July 2026), and Infrastructure Resilience: Key principles for regulating the performance of utilities ("ResOrgs report")¹.

My submission is in the context of my experience working in natural hazards risk management for local government, however in making this submission I am not representing any local authority or group. I am not expressing legal opinion.

My responses to the questions in the consultation document are as follows.

Making our guidance clear and effective

1. Is the draft guidance clear about its purpose and practical status, including the level of analysis and rigour the Commission expects for more material resilience expenditure proposals?

The Foreword to the guidance states (p2) the purpose of the document to be "*how we will seek assurance that resilience needs and investment decisions reflect good practice*". However the guidance is not clear whether it is an introduction on how to go about a resilience assessment or is an outline of the commission's evidence of compliance requirements. Paragraph 1.17 states it is "*guidance on what we expect to be undertaken and provided in relation to resilience investment decision-making*" which implies the latter. The language in the document seems to reinforce this and therefore the guidance will potentially be seen as a document setting out the means of demonstrating compliance with regulatory bottom-lines rather than guidance on how utilities can achieve industry-standard resilience. The purpose therefore requires clarification, and for the content and the scope of the content to be consistent with that purpose.

The guidance states it aims to align with ISO 22372:2025 (paragraph 1.6) however it is difficult to assess whether that aim has been achieved and how well it complements it (paragraph 1.7). That Standard is not freely available and it does not seem to have been discussed in the ResOrgs report. Further, it is not clear which

¹ Brown, C., McDonald, G., Henning, T., Fairclough, R., Michela, L., McDonald, N., Mattea, S. 2025. Infrastructure Resilience: Key principles for regulating the performance of utilities, ResOrgs Report Prepared for Commerce Commission.

parts of the guidance are taken directly from ISO 22372:2025 and must be followed to achieve conformance with the Standard. For example, it is not clear whether the figures, such as Figure 2.1, and the matters they depict are taken from ISO 22372:2025. I acknowledge that copyright makes this difficult, but citing the sources of the figures and other content is one way of addressing this.

The guidance seems to express that the commission is looking at process rather than outcomes. Parts of the guidance are written at a very basic level and get into detail such as expecting information to be presented as GIS layers. A more effective approach might be highlighting and promoting exemplars, especially of utilities that have overcome the limitations of limited resourcing for resilience assessments and preparation of investment proposals. This practise can be disseminated through case studies and workshops, with content adjusted and updated over time.

The government has signalled direction regarding adaptation planning under the reformed resource management system and proposed amendments to the Climate Change Response Act 2002². Care is needed to ensure the guidance does not direct infrastructure providers to undertake planning and community engagement in conflict with or duplicating legislated processes. The guidance should acknowledge these other processes, and set an expectation that the outputs from them will be incorporated into resilience investment decision-making.

2. Is it clear how the draft guidance should be applied proportionately across sectors with different levels of maturity?

See comments in 12 below.

3. Are there implementation barriers, overlaps, or accountability issues in the wider resilience and regulatory landscape that may affect how this guidance is applied in practice?

Utilities that require resilience guidance are more likely to look to exemplar industry peers rather than seek guidance from the Commerce Commission. The commission has a stake in ensuring resilience of regulated services but that does not automatically extend to producing guidance on how utilities should achieve that. The matters for which guidance is provided should be restricted to those where guidance cannot be found elsewhere.

However, the guidance document has the potential to help drive delivery of the National Adaptation Plan, actions by utilities that collectively reduce some of the risks identified in the National Climate Change Risk Assessment (NCCRA), and fulfilment of the Infrastructure Commission's strategic objectives in the Infrastructure Priorities Assessment Framework³ (e.g. strengthening resilience to shocks and stresses). The guidance is silent on this national setting, and other important guidance such as the Ministry for the Environment's Coastal Hazards and Climate Change Guidance. The guidance document should therefore describe the broader national setting within which resilience investment decisions are made and then actively promote actions that will contribute to this.

² <https://environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/amending-the-climate-change-response-act/>

³ <https://media.umbraco.io/te-waihangā-30-year-strategy/4qljq5zt/ipp-infrastructure-priorities-assessment-framework-v2.pdf>

4. What areas should the Commission prioritise in further work (for example, business case guidance, resilience measures, maturity assessment, interdependency information, or reporting)?

If guidance is to be promulgated then it should be trialled first with a utility or a lifeline utility group.

Completeness and usefulness

5. Which aspects of the draft guidance are most helpful for informing your investment decision making, and why?

The ResOrgs report is a useful resource however the breadth and depth of its content is not reflected in its title. Consideration should be given to retitling and issuing it as “guidance material” or similar, perhaps replacing the guidance document and incorporating parts of the guidance document as appendices.

6. Which parts of the draft guidance are unclear, unnecessary, or could be improved? Please explain.

The guidance seems to use the expressions national infrastructure (paragraph 1.9) lifelines, lifeline utility and critical infrastructure to mean the same thing. It would be best to be consistent, and perhaps also consider incorporating “essential infrastructure” for consistency with the Emergency Management Bill (No.2).

The guidance defines resilience and reliability and states it is focussed on the former (paragraphs 1.9 to 1.11). It is crucial that users of the guidance understand the distinction and so it may be beneficial to reinforce this throughout the guidance, perhaps by giving examples of both so that they can be compared and contrasted. Figure 1 of the ResOrgs report is a helpful definition diagram and should be in the guidance document.

Despite the definitions, parts of the document seem to address reliability rather than resilience. This raises the broader issue of whether the scope of the guidance should be extended to cover both resilience and reliability.

The guidance briefly highlights that risk and resilience is broader than natural hazards but only uses natural hazards as resilience examples. It would be beneficial to give examples of resilience to other types of threat as these are probably more difficult for some utilities to conceptualise.

The guidance makes frequent reference to an expectation of community engagement in setting risk tolerance and determining community preparedness but that is not addressed in the roles and responsibilities listed in paragraph 1.12. That may be because ISO 22372:2025 is intended for jurisdictions that set national standards rather than those, like New Zealand, that are devolved to local government and communities. Paragraph 1.12 is silent on emergency preparedness and the role of CDEM Groups.

The guidance states (paragraph 2.2) that utilities need to take a wider system view however many of the examples of applying the principles seem to be at asset-scale and the word “asset” is used frequently throughout the document. Some of it relates to asset planning approaches that are routinely undertaken by utilities such as the “what we expect to see” in paragraph 2.37 (p25) and, “*asset criticality is applied to design standards and service levels*” (Principle 6, p28). This detracts from the

guidance. It may be tidiest to state that the resilience guidance is predicated on the assumption that the utility has a fit for purpose asset management system, aligned with ISO 55000:2024.

Further, not all systems comprise or depend solely on infrastructural assets. Stormwater systems (referred to on p2 of the guidance) critically depend on features, such as overland flowpaths, that are not “assets”. The discussion of sectoral context for water services in the ResOrgs report is very brief, especially the section on *Utility or Sector Attributes* (p23), and does not cover all three waters.

Figure 2.2 (paragraph 2.8) introduces terminology, such as hazard intensity, that are not explained or used elsewhere. The figure seems to be directing users to a particular methodology and tool.

The example in paragraph 2.10 refers to a range of natural hazards. Although the National Policy Statement for Natural Hazards 2025 (NPSNH 2025) does not apply to infrastructure, for reasons of standardisation it may be better to use natural hazard types identical to those in the NPSNH 2025 (e.g. coastal inundation rather than storm surge) and the Planning Bill.

The “what we would expect to see” in paragraph 2.13 (p12) seems to be directing the infrastructure provider to do what is the role of CDEM Groups.

The statement in paragraph 2.17 that “*existing social inequities are not exacerbated*” needs explanation as it is not clear how investing to increase infrastructure resilience could exacerbate social inequities. Perhaps the guidance is referring to means of funding the investment that do not exacerbate social inequities (e.g. rates increases).

In paragraph 2.37 DAPP is referred to as Dynamic Adaptive Policy Pathways, consistent with the way Auckland Council has used the term in the example given. However DAPP is more usually the acronym for Dynamic Adaptive Pathways Planning. “Pathways” is a crucial word. It may be helpful to cite other uses of DAPP relevant to critical infrastructure, such as Lawrence and Allison (2024)⁴. Further it would be appropriate to explain the cyclic nature of adaptation and resilience planning and implementation and incorporate the figure below from Lawrence and Allison (2024) (or similar) as the tramways diagram on p24 of the guidance needs to be considered in conjunction with a diagram like this.

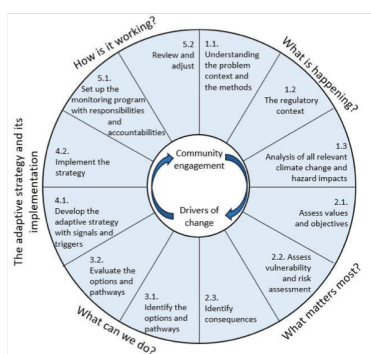


Figure 2. Steps for applying water infrastructure adaptation planning methodology. The seven elements of the guidance methodology set out in figure 1 occur during steps 1.1 - 3.2 in this figure. Source: Allison and Lawrence, 2023.

⁴ Lawrence, J., Allison, A. 2024. *Guidance on Adaptive Decision-making for Addressing Compound Climate Change Impacts for Infrastructure*. Deep South National Science Challenge, Wellington.

7. Are any principles missing? Are there areas of overlap where the principles could be simplified or streamlined?

The principles are very operational (e.g. Principle 6: Clearly defined asset criticality, and the example in paragraph 2.25) and they are structured as a workflow of risk-assessment actions rather than a set of principles. According to p27 of the ResOrgs report this seems to be intentional however it is not usual for principles to take the form of actions in this way. Alternative approaches to framing a set of principles are not described or evaluated and, as noted above, the linkage with ISO 22372:2025 is not clear. The rationale for selecting the principles framework is not fully explained and seems to be influenced by methods and tools.

Alternative or additional principles that could be considered include all or some of the following:

- Account for all events up to the maximum credible event.
- Investment proportionate to all relevant resilience threats.
- Alignment with national infrastructure resilience objectives.
- Delivery of risk reduction consistent with the NCCRA.
- Provide for future adaptation and for uncertainty in future demand.
- Reflect iwi, community and stakeholder risk tolerances.
- Criticality-based asset management.

Paragraph 2.7 seems to set out matters that are principles but these are not described as principles. Consideration should be given to presenting these as principles.

My comments specific to some of the principles proposed in the guidance are as follows.

Principles 1 and 2 could be combined, and explained more succinctly.

There are two places in the document where likelihood of floods are quantified (p12, p22) and seem to direct the use of the “1/100 yr” (1% Annual Exceedance Probability) event. Flood standards for flood schemes are not legislated in New Zealand⁵ and some types of infrastructure, such as large dams⁶, have specific likelihoods for floods and earthquakes against which they are assessed. It would therefore be better to present it as an example of the principle of assessing resilience across a range of event sizes without implying a particular standard to adopt.

Further, the document is silent on the importance of considering overdesign situations. Resilience should be considered across the full range of plausible scenarios (e.g. up to Probable Maximum Flood) even if there are limits to what is designed-out. This could be achieved by adding a principle such as “*account for all events up to the maximum credible event*”, as suggested above. This would be consistent with the expectations of NZS 9401:2008⁷.

⁵ Palmer, G.N. 2026. *The Origin and Use of the “100-Year Flood Protection Standard” in New Zealand*. Stormwater Conference 2026, Water New Zealand. 12-14 May 2026, Auckland.

⁶ New Zealand Society on Large Dams. 2024. *New Zealand Dam Safety Guidelines 2024*. Wellington.

⁷ Standards New Zealand. 2008. *NZS 9401:2008. Managing Flood Risk – A Process Standard*. Wellington, p19.

The Foreword states (p3) “we expect effective collaboration between infrastructure providers, relevant local authorities and Lifelines Groups”. However the principles do not fully reflect this expectation, simply requiring accounting for interdependencies (Principle 3). Principle 3 and the rationale in paragraph 2.14 are important but should be strengthened. Cascading impacts are mentioned in paragraph 2.15 and it is stated “*understanding these dependencies may be important ...*”. It would be better to state that understanding such dependencies is important.

The “what we expect to see” in paragraph 2.16 (p14) refers to “*impact to other interdependencies*”. That should extend to impact of other interdependencies too.

One of the indicators of what good looks like for Principle 8 is “*impacts to other lifeline assets are considered*” (p29). It is inadequate for a utility to simply “consider” impacts to other lifeline assets. Resilience investments should seek to increase resilience of all interdependent utilities, individually and as a whole. The indicator should be strengthened to “*resilience of other critical infrastructure is enhanced*”. To help achieve this the guidance document should more strongly promote active participation in lifelines groups and implementation of the resilience improvement actions determined by those groups.

The “what we expect to see” in paragraph 2.18 (p15) includes “*the infrastructure provider takes on leadership and coordination*”. This does not recognise that others fulfil these roles through CDEM Groups and community adaptation planning. The leadership expectations of others is being strengthened through the proposed Emergency Management Act and the proposed amendments to the Climate Change Response Act 2002. The guidance should not be encouraging alternative processes.

8. Are there any missing frameworks or evaluation tools that should be included or referenced?

The overview of decision-making frameworks and tools presented in Chapter 4 is helpful but would be enhanced by providing commentary or guidance to assist with selecting a framework or tool to use.

Your current approach and experience

9. To what extent do you already apply these principles in your resilience-related decision-making processes? If not, what currently guides your resilience-related investment decisions?

No comment.

10. Do you have practical examples of applying these principles - in a specific sector, or cross-sector - that could be shared to support other users of the guidance?

No comment.

Community, Māori and place-based considerations

11. How should the framework recognise and reflect iwi, hapū, and Māori perspectives, including capability, resources, and relationships that support resilience, particularly in smaller or more isolated communities?

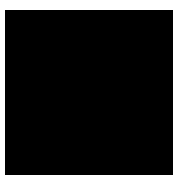
No comment.

12. Which cross-sector vulnerabilities and interdependencies should the framework place the greatest emphasis on, and expect infrastructure providers and the Commission to pay closest attention to?

All utilities have some level of interdependency with one or more other utilities. Resilience of a particular utility can often be enhanced by the actions and investment decisions of another utility. The commission is in the unique position of being able to see across utility sectors and, without cutting across NEMA, provide a holistic view and expectations regarding resilience improvement. Rather than focus on certain types of vulnerability or dependency the commission should consider paying closest attention to the quality of interdependency planning undertaken by all utilities, in particular their individual contributions to resilience at a lifelines group level, and whether resilience actions agreed to at a lifelines group level are being acted on in a timely way, for the benefit of consumers.

I hope these comments are helpful and am happy to elaborate on them if that would be useful.

Yours sincerely



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