

22 August 2025

Westpower Limited
146 Tainui Street
Greymouth 7805
New Zealand

By e-mail only: [REDACTED]

Tēnā koe [REDACTED],

Conditional exemption from disclosure requirements regarding related party transactions under the Electricity Distribution Information Disclosure Determination 2012

1. In response to your letter dated 5 August 2025 on behalf of Westpower Limited (**Westpower**),¹ the Commerce Commission (the **Commission**) grants Westpower a conditional exemption from the related party transaction disclosure requirements under clauses 2.3.10 to 2.3.16 of the *Electricity Distribution Information Disclosure Determination 2012*, as amended, (the **ID Determination**) for disclosure year (**DY**) 2025.²
2. This exemption is granted on the condition that Westpower publicly discloses its related party transaction information required under clauses 2.3.10 to 2.3.16 for DY2025 at the same time as it publicly discloses its audited disclosures for DY2026.³
3. Notwithstanding this exemption, Westpower must disclose related party transaction information required by clause 2.3.8 for DY25 by 31 August 2025. Westpower must also comply with clause 2.8.3 by:
 - 3.1. no later than 31 August 2025, publicly disclosing a statement indicating that it will procure and publicly disclose an independent report in accordance with

¹ Westpower Limited, Westpower Exemption Application - Full Related Party Disclosure, dated 5 August 2025.

² Commerce Commission, *Electricity Distribution Information Disclosure Determination 2012* [2012] NZCC 22. The latest amendment determination can be found [here](#) on our website.

³ For the avoidance of doubt, this means the information required under clauses 2.3.10 to 2.3.16 for DY25 is due by 31 August 2026.

clause 2.8.4 at the same time it discloses its audited disclosure information for DY2026;⁴ and

- 3.2. procuring and publicly disclosing the independent report at the same time it discloses its audited disclosure information for DY2026.
4. The legal framework and additional information are detailed in the appendix.
5. A copy of this exemption letter will be published on our website.
6. If you have any questions regarding this matter, please contact Frankie Toland at infrastructure.regulation@comcom.govt.nz.

Nāku iti noa, nā



Vhari McWha
Commissioner

⁴ Westpower stated in their exemption request letter that per clause 2.8.3 it will publicly disclose a statement by 31 August 2025 indicating that it will procure and publicly disclose an independent report in accordance with clause 2.8.4 for the disclosure year ended 31 March 2026.

Appendix: Legal Framework and Exemption Rationale

Legal framework

- A1. Under Part 4 of the Commerce Act 1986 (the **Act**), electricity distribution businesses (**EDBs**) are subject to information disclosure (**ID**) regulation.⁵ EDBs are required to comply with the related party transaction disclosure requirements set out under clauses 2.3.10 to 2.3.16 of the ID Determination, provided the expenditure thresholds specified in clause 2.3.9 are met.
- A2. Clause 2.11.1(1) of the ID Determination allows the Commission to, by written notice to an EDB, grant an exemption from any requirement of the ID Determination, for a period and on such terms and conditions as the Commission specifies in that notice. Furthermore, clause 2.11.1(2) gives the Commission the power to amend or revoke any such exemption.

Exemption request

- A3. Westpower requested an exemption from the related party transaction disclosure requirements under clauses 2.3.10 to 2.3.16 of the ID Determination for the year ending 31 March 2025 (ie, DY2025), after exceeding the \$20 million expenditure threshold in clause 2.3.9. Westpower stated that it only became aware of exceeding the threshold and resulting disclosure obligations during its audit process, and that Audit New Zealand advised it cannot complete the required audit work by the disclosure due date of 31 August 2025.

Conditional exemption granted

- A4. Using the exemption powers under clause 2.11.1(1) of the ID Determination, the Commission grants Westpower a conditional exemption from the requirement to disclose its related party transaction information under clauses 2.3.10 to 2.3.16 of the ID Determination for DY2025. The exemption conditions are detailed in paragraph 2.
- A5. We consider it is reasonable to grant this exemption for the following reasons.
 - A5.1 The limited time available to prepare and audit the additional disclosure requirements under clauses 2.3.10 to 2.3.16 for DY2025 would impose a significant compliance burden on Westpower. However, we note that as a regulated business, Westpower is expected to be aware of its ongoing disclosure obligations and plan accordingly.
 - A5.2 Westpower is consumer-owned through the West Coast Electric Power Trust. Its subsidiary, Electronet Services Limited (**Electronet**), delivers most of the operational and capital work on its distribution network. Surplus profits from Electronet are returned to consumers via annual

⁵ Commerce Act 1986, Section 54F.

discounts, ensuring aligned interests and reducing the risks typically associated with related party transactions.

- A5.3 The additional disclosure requirement was partly triggered by a one-off storm event in South Westland, which led to approximately \$1 million in extra expenditure. Without this event, the increase in Westpower's expenditure from the previous year would have been less significant.
- A5.4 We acknowledge that Westpower's disclosure of its DY2025 related party transaction information will be delayed. However, this does not reduce the total amount of information that will be made publicly available, and Westpower is still required to comply with the related party disclosure requirements in clause 2.3.8. We consider that Westpower's consumer ownership and Electronet's role in returning surplus profits to consumers helps mitigate any risks associated with the delay. Interested persons will still be able to assess whether the s 52A purpose of the Act is being met.