

Information Disclosure for Water Services

Explanatory Paper: Supporting Information
for Draft Information Disclosure Decisions



Glossary

| Term/Abbreviation | Definition |
|-----------------------------------|---|
| Accountability documents | Means a water services strategy, water services annual budget and water services annual report required under Subpart 1 and Subpart 2 of Part 4 of the LGWS Act |
| AMP | Asset management plan |
| ADR | Annual delivery report |
| Capex | Capital expenditure |
| CCO | Council-controlled organisation |
| Commerce Act | Commerce Act 1986 |
| Commission | Commerce Commission |
| Commission-only disclosure | Refers to information that regulated suppliers would be required to disclose to the Commission only and are not required to publicly disclose |
| Consumer | Means a person who consumes, uses, is provided with, or benefits from the provision of a water service and includes a person who is liable to pay a serviceability charge under section 88 of the LGWS Act, as defined under Schedule 7, clause 2(1) of the Commerce Act |
| Customer | Means the person that is liable to pay for charges relating to the supply of water services |
| DIA | Department of Internal Affairs |
| Director | Means a person who, in the case of a company, is a director of that company; in the case of a local authority, a member of its governing body; and in the case of any other body, a person who occupies a position in the body that is comparable with that of a director of a company |
| Draft Determination | Means the Draft Water Information Disclosure Determination 2026, a draft of the document the Commerce Commission would publish as secondary legislation which (among other things) sets out the information that regulated suppliers must disclose to the public and the Commission |
| Economic regulation | Refers to a way of influencing the performance of suppliers in certain sectors (such as the water sector) which are important to people's lives, and where issues such as market power (including monopolies) may otherwise lead to outcomes that do not reflect the long-term interests of consumers, including in relation to the price and quality of products and services supplied |
| Enduring ID | Means a longer term form of information disclosure under Part 4 of the Commerce Act |
| Foundational ID | Means an early form of information disclosure under the WSPA Act |
| GAAP | Generally Accepted Accounting Practice in New Zealand |
| Geographic disaggregation | Means providing information separately for different geographic areas such as different local government areas |
| ID | Information disclosure |

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| IDP | Investment and delivery plan |
| IFF | Infrastructure Funding and Financing in relation to the Infrastructure Funding and Financing Act 2020 |
| Infrastructure Commission | The New Zealand Infrastructure Commission/Te Waihanga established under the New Zealand Infrastructure Commission/Te Waihanga Act 2019 |
| ISO | International Organization for Standardization |
| LGWS Act | Local Government (Water Services) Act 2025 |
| Local government water service supplier | Has the meaning as in Schedule 7, clause 2(1) of the Commerce Act |
| Network | Means the infrastructure and processes used to provide the regulated services |
| OAG | Office of the Auditor General |
| Opex | Operating expenditure |
| Regulatory requirement | Has the meaning as in section 4 of the LGWS Act |
| Regulated services | Water supply and wastewater services that our proposed ID requirements would apply to, consistent with section 57D of the Commerce Act |
| Regulated suppliers | Organisations that our proposed ID requirements would apply to, consistent with section 57D of the Commerce Act |
| SAMP | Strategic asset management plan |
| Split decision-making model | Means an arrangement for providing water services where a local government water service supplier makes one or more, but not all, decisions about capital and operating expenditure on a regulated water service or the level of charges or revenue recovery for a regulated water service, as defined under Schedule 7, clause 2(1) of the Commerce Act |
| Statement of expectations | Has the meaning as in section 220 of the LGWS Act |
| Transfer agreement | Has the meaning as in section 4 of the LGWS Act |
| Treaty settlement obligations | Has the meaning as in section 4 of the LGWS Act |
| Water organisation | Means a water organisation established under section 44 of the LGWS Act and includes for that purpose a council-controlled organisation |
| Water services | Services provided to consumers by water service providers including drinking water, stormwater and wastewater services as defined under section 4 of the LGWS Act |
| Water services annual budget | Has the meaning as in section 220 of the LGWS Act |
| Water services annual report | Has the meaning as in section 220 of the LGWS Act |
| Water Services Authority—Taumata Arowai | Means the Water Services Authority—Taumata Arowai, established under the Water Services Authority—Taumata Arowai Act 2020 |
| Water services delivery plans | Means the water services delivery plans required to be prepared by territorial authorities under section 8 of WSPA Act and Subpart 5 of Part 2 of the LGWS Act |

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| Water services strategy | Has the meaning as in section 220 LGWS Act |
| WSPA Act | Local Government (Water Services Preliminary Arrangements) Act 2024 |

Associated documents

| Publication date | Reference | Title |
|-------------------|------------------------|---|
| 12 February 2025 | ISBN 978-1-99-133225-7 | Economic Regulation of Water Services – Information Disclosure – Discussion Paper |
| 12 February 2025 | ISBN 978-1-99-133228-8 | Economic Regulation of Water Services – Information Disclosure – Technical Working Paper on the Accounting Basis for Regulatory Reporting |
| 28 May 2025 | ISBN 978-1-99-133251-6 | Economic Regulation of Water Services – Information Disclosure Discussion Paper - Summary of Responses |
| 12 August 2025 | ISBN 978-1-99-133286-8 | Wellington Water Foundational Information Disclosure – Final Decision |
| 12 August 2025 | ISSN: 1178-2560 | Wellington Water Foundational Information Disclosure Determination 2025 |
| 10 September 2025 | | Introducing Economic Regulation and Consumer Protection for Water Services in Aotearoa New Zealand |
| 11 September 2025 | ISBN 978-1-99-133299-8 | Information Disclosure for Water Services - Draft Regulatory Framework Paper |
| 11 September 2025 | ISBN 978-1-991414-00-7 | Draft Water Services Information Disclosure Determination 2026 |
| 11 September 2025 | ISBN 978-1-99-133298-1 | Information Disclosure for Water Services - Draft Decision Summary |

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Chapter 1 Introduction

Purpose of this paper

- 1.1 This paper provides additional explanations for some of our proposed information disclosure (**ID**) requirements and of how we have applied our decision-making framework to these. It focuses on areas where we consider additional information, clarification or feedback would be helpful and includes specific questions we want stakeholder feedback on.
- 1.2 Our analysis covers both the ‘basic disclosures’ and ‘additional disclosures’ described in the Draft Decision Summary. We welcome your feedback on the extent to which any of the disclosures may place undue cost on some or all regulated suppliers.¹

This paper is part of a package of documents

- 1.3 This paper is one part of a larger package that also includes the following documents:
- > **Draft Regulatory Framework Paper**—outlines the legal basis for our decisions and our decision-making framework for ID of water services. This is an enduring document that, once finalised, we will apply to all decisions on ID for water services.
 - > **Draft Determination**—a draft of the legal document that will set out the final ID requirements that will apply to all regulated suppliers of regulated water services. Attachment A in the Draft Decision Summary sets out how to read the Draft Determination.
 - > **Draft Decision Summary**—summarises our proposed ID requirements and the reasons why we decided on these, including how we applied our decision-making framework.
- 1.4 We also previously published a Summary of Responses showing what we heard from earlier public feedback on our ID Discussion Paper.² We have considered this feedback, where relevant, in our draft decision on our proposed ID requirements.

¹ The ‘How to have your say’ section of the Draft Decision Summary describes the ‘basic disclosures’ and ‘additional disclosures’, and other key areas that we want your feedback on.

² Commerce Commission “Economic Regulation of Water Services – Information Disclosure Discussion Paper – Summary of Responses” (28 May 2025); and Commerce Commission “Economic Regulation of Water Services – Information Disclosure – Discussion Paper” (12 February 2025). You can access both of these documents [here](#).

How to have your say

- 1.5 As set out in the Draft Decision Summary, we want your feedback on our proposed ID requirements set out in the Draft Determination. This will inform our decision on the requirements we include in our final determination. In relation to this Explanatory Paper, we are particularly interested in your answers to the specific questions we have posed in this paper (**in red boxes**).

Making a submission

- 1.6 Submissions are due by **5pm on 20 October 2025**. Our consultation timeline is driven by the legislative deadline to finalise our ID requirements.
- 1.7 Attachment 1 sets out how to make a submission including how to send your submission, how we handle confidential submissions, preferred file format and where to find our submission template.

Next steps

- 1.8 Table 1.1 sets out our indicative next steps, which are subject to change:

Table 1.1 Indicative next steps

| Step | Indicative Timing |
|-----------------|---------------------|
| Submissions due | 5pm 20 October 2025 |
| Final decision | By 26 February 2026 |

Structure of this paper

- 1.9 This paper is organised into the following chapters:
- > **Chapter 2 Asset management:** Outlines how we determined our proposed approach to asset management ID requirements, provides further information on our proposed key focus areas and what our proposed asset management ID requirements are intended to achieve.
 - > **Chapter 3 Financial Information:** Provides additional explanations and reasons for some of our proposed financial ID requirements.
 - > **Chapter 4 Implementation settings:** Provides further reasons for some of the implementation settings we are proposing to apply in relation to how our Draft Determination would operate in practice.
- 1.10 Some chapters include specific questions we want stakeholder feedback on (in red boxes). These feedback questions are also included in our submission template.³

³ You can download the submission template by accessing it [here](#).

Chapter 2 Asset management

- 2.1 This chapter provides additional information and reasons for the ID requirements we are proposing for asset management including:
- > how we determined our proposed approach, and
 - > our proposed key focus areas for asset management ID requirements.
- 2.2 While we do not have specific questions for feedback in this chapter, we are still seeking feedback on our proposed asset management ID requirements (as outlined in our Draft Decision Summary).

How we determined our proposed approach

- 2.3 In determining our proposed ID requirements for asset management, we applied our decision-making framework and considered three key aspects:⁴
- > What we should focus on.
 - > How the information should be presented.
 - > How the requirements should be structured.

What we should focus on

- 2.4 We identified the asset management focus areas that we consider are a high priority for regulated suppliers. The Draft Decision Summary sets out our reasons for selecting these focus areas. Paragraphs 2.9-2.92 provide further information on each of these areas.

How the information should be presented

- 2.5 We considered the most effective format for disclosing asset management information. This led to our proposal of three asset management planning documents (the Strategic Asset Management Plan (**SAMP**), Asset Management Plan (**AMP**), Investment and Delivery Plan (**IDP**), and a reporting document (Annual Delivery Report (**ADR**)). The Draft Decision Summary provides our proposed purpose and reasoning for each of these documents.

⁴ Commerce Commission “Information Disclosure for Water Services – Draft Regulatory Framework Paper” (11 September 2025), see [here](#).

How the requirements should be structured

2.6 We evaluated different options for how to set the asset management ID requirements. These included:

- > allowing regulated suppliers to publish the asset management documents following their existing practices (with no minimum requirements)
- > setting minimum requirements for each asset management document (our preferred approach), and
- > providing templated documentation regulated suppliers would be required to follow.

2.7 Of the options considered, we determined that setting minimum requirements was the preferred approach. This approach provides a clear and consistent baseline for disclosure, while allowing regulated suppliers to customise or combine their documentation to reflect their scale, complexity, and existing practices. It supports transparency and comparability across the sector without imposing the rigidity of prescriptive templates.

2.8 Minimum requirements have been used by the Commission in other regulated sectors, such as electricity and gas distribution, and have proven effective in supporting improvements in asset management practices. The New Zealand Infrastructure Commission/Te Waihanga (the **Infrastructure Commission**) report Taking Care of Tomorrow notes that these sectors demonstrate relatively strong asset management maturity.⁵ By focusing on what matters most, and enabling flexibility in how information is presented, this approach promotes meaningful disclosure and supports the long-term interests of consumers. It also ensures that stakeholders can access the information they need to assess regulated suppliers' performance, while giving regulated suppliers room to evolve and improve their practices.

Asset management key focus areas

2.9 The following sections provide further information on the key focus areas that we think are a high priority, and what our proposed ID requirements are intended to achieve.

⁵ New Zealand Infrastructure Commission/Te Waihanga "[Taking care of tomorrow today: Asset Management State of Play](#)" (November 2024).

Consumer demands

Draft Determination reference: clauses C2-C4, C7, C10, C15 and C17

- 2.10 Effective asset management begins with understanding who the customers are, what they expect, and how they interact with water and wastewater services. This includes identifying service gaps, incorporating feedback, and ensuring that asset decisions reflect a balanced consideration of diverse consumer needs.
- 2.11 Disclosing consumer-related information enables stakeholders to assess whether regulated suppliers are delivering services that meet consumer demands, engaging with consumers in a way that reflects those demands, and making decisions that reflect those needs. It supports transparency in how regulated suppliers engage with consumers, and allows for informed evaluation of service quality, responsiveness, and planning effectiveness.
- 2.12 The remainder of this section describes the different areas of ID requirements that we are proposing in relation to consumer demands.

Identifying consumer needs and expectations

- 2.13 We are proposing that regulated suppliers disclose how consumer expectations are identified, how current expectations are being met, and how future expectations have shaped the asset management plan. This includes describing any gaps between expectations and delivery, and the actions proposed to address them.

Embedding consumer perspectives

- 2.14 Once consumer needs and expectations are identified, we believe there will be interest in how these are incorporated into various aspects of the asset management framework. To support this, we are proposing that regulated suppliers disclose:
- > How consumer perspectives are incorporated into the risk framework.
 - > The methodology used to assess criticality, which could include how assessments reflect varying levels of service reliance by different consumer groups.
 - > How service equity is measured (if at all), including indicators of accessibility and consistency across consumer groups and geographical areas.
 - > Metering strategies, which may include whether specific consumer groups or areas are prioritised and why.
 - > How any innovation practices may improve outcomes for consumers.

Measuring satisfaction and informing decisions

- 2.15 The Draft Determination proposes to require regulated suppliers to include information on how consumer satisfaction is measured. Regulated suppliers would be required to describe any practices they use to measure satisfaction, including the methodology and performance indicators where applicable. Over time, we may consider evolving the disclosure requirements to include more prescriptive approaches to measuring satisfaction, such as requiring specific performance indicators to support consistency and comparability across the sector.

Stakeholder engagement in asset management

- 2.16 Disclosure proposed in this area is intended to show if and how stakeholder engagement informs asset management practices. Our proposed requirements do not include how regulated suppliers undertake consultation and obtain feedback from their stakeholders, as we consider that this is sufficiently covered in the requirements of the water services strategy. We are proposing that regulated suppliers disclose whether, and if so, how:

- > stakeholder analysis has been used to shape asset management objectives
- > competing interests have been addressed, and
- > the regulated supplier has balanced the diverse range of stakeholder needs.

Customer service and connection practices

- 2.17 This part of the AMP is intended to provide visibility into how regulated suppliers manage their interactions with consumers. We are proposing that regulated suppliers disclose their customer services practices, including call centre operations and complaint resolution processes. It also covers how new and altered connections are managed, how costs to consumers are minimised, and how communication is handled regarding timelines, responsibilities, and any relevant network constraints.

Capability and planning improvements

Draft Determination reference: clauses C5, C15 and C23

- 2.18 Strong asset management depends on having the right capability, governance, and systems in place. We are proposing that regulated suppliers disclose their current asset management improvement assessment (if they have one) and identify areas for improvement. Regulated suppliers would also be required to disclose how their governance and leadership structures support delivery.

- 2.19 Disclosing capability, governance, and improvement planning enables stakeholders to determine whether regulated suppliers have the organisational structures and capacity needed to deliver on their asset management plans. It supports transparency around decision-making and ensures that regulated suppliers are accountable for building and maintaining the capability required to deliver reliable and resilient services.
- 2.20 The remainder of this section describes the different areas of ID requirements that we are proposing in relation to capability and planning improvements.

Assessing organisational capability and maturity

- 2.21 Understanding the current state of asset management maturity and capability is an important part of long-term planning and continuous improvement. For example, in a number of other infrastructure sectors we regulate, we ask suppliers to undertake a self-assessment using the Asset Management Maturity Assessment Tool, a subset of the PAS 55 methodology, which in turn is a predecessor to ISO 55000.⁶
- 2.22 We are proposing that regulated suppliers disclose the results of their most recent asset management maturity assessment (if they have one), including the criteria used, whether it was conducted internally or externally, and how their current practices compare to the desired level of maturity. In addition, disclosures would include the skills, resources, and capabilities required to meet asset management objectives, along with an overview of the current capability and capacity across governance, leadership, internal teams, and the supply chain.
- 2.23 This approach is intended to reduce regulatory burden in the short-term by relying on existing assessments, while still offering valuable insights into current capability levels. Looking ahead, we may consider introducing a more comprehensive and sector-specific assessment framework, in alignment with ISO standards.

Governance and leadership structures

- 2.24 In the SAMP we are proposing that regulated suppliers provide information on their governance and organisational structure, the roles and responsibilities for asset management at all levels, and how governance structures enable effective oversight and delivery. Regulated suppliers would also be required to identify any known constraints in governance, leadership or delivery capability, and the mitigation strategies in place to address them.

⁶ ISO 55000:2024: Asset management — Vocabulary, overview and principles.

Planning and tracking improvements

- 2.25 An asset management improvement plan provides a structured approach for strengthening asset management practices over time. It should reflect improvements identified through any maturity and capability assessment (if one is available), and any gaps the regulated supplier has identified in achieving its asset management objectives. The improvement plan must include a list of improvements, how they are prioritised, any performance indicators for tracking progress, implementation timelines, and required resources. Progress against the plan would be reported annually in the Annual Delivery Report, including any measurable improvements achieved and how challenges are being addressed.

Asset performance and criticality

Draft Determination reference: clauses C3-C4, C8, C14, and C17

- 2.26 Understanding how assets are performing, the condition that the assets are in, and which assets are most critical to service delivery, is essential for effective asset management. These insights inform decisions about maintenance, renewals, risk mitigation, and investment prioritisation. Without a clear view of asset performance, condition and criticality, regulated suppliers may find it difficult to allocate resources efficiently or respond effectively to service disruptions, and so the price and quality of water services will be less likely to represent value for money for consumers.
- 2.27 We are proposing disclosure requirements that provide visibility into how regulated suppliers assess asset condition and performance, determine criticality, and use this information to inform planning and investment decisions. This information would help stakeholders understand whether regulated suppliers are maintaining their assets appropriately and whether they have the information needed to make informed investment decisions. This would support transparency around how regulated suppliers prioritise their efforts to maintain service continuity and manage risk and would help enable stakeholders to assess whether regulated suppliers are delivering services in a way that reflects the long-term interests of consumers.
- 2.28 The remainder of this section describes the different areas of ID requirements that we are proposing in relation to *asset performance and criticality*.

Assessing asset condition and performance

- 2.29 We are proposing that regulated suppliers explain how they assess the condition and performance of their assets. This could include how they identify any systemic issues and how these are being addressed. While our current proposal focuses on transparency of existing practices, we may explore the use of standardised condition and performance measures in the future to support more consistent planning, risk management and resilience-building across regulated suppliers.

Identifying critical assets

- 2.30 Approaches to identifying asset criticality vary across the sector, from simple assessments to complex modelling. Some regulated suppliers may not have undertaken an assessment at all. We propose that regulated suppliers disclose whether a criticality assessment has been undertaken, and if not, explain why. Where assessments exist, regulated suppliers should identify critical assets, describe the criteria used (eg, consequence of failure, redundancy), and outline any mitigation strategies. This supports transparency and recognises criticality as a key input into risk and resilience planning. In future, we may consider a standardised framework to support consistency.

Using criticality to inform planning

- 2.31 We are proposing that regulated suppliers describe how criticality assessments are used to inform broader asset management decisions. This includes the extent to which criticality influences maintenance prioritisation, renewal planning, and emergency preparedness.

Risk and resilience

Draft Determination reference: clauses C3 and C14

- 2.32 Risk and resilience are closely linked concepts in water service planning. Risk refers to the potential for events or conditions to disrupt service delivery, while resilience is about the ability of a system to withstand, respond to, and recover from those disruptions.
- 2.33 Our proposed ID requirements relating to risk and resilience shine a light on whether, and, if so, how regulated suppliers are planning for uncertainty, protecting critical infrastructure, and are able to maintain reliable services under a range of conditions.
- 2.34 To support visibility into how these issues are managed, we are proposing a set of disclosure requirements focused on risk identification, resilience planning, and emergency preparedness.
- 2.35 The remainder of this section describes the different areas of ID requirements that we are proposing in relation to risk and resilience.

How risk is assessed and managed

- 2.36 Effective risk management starts with a clear framework and the tools to support it. We are proposing that regulated suppliers disclose their current risk management framework and how this framework informs decision-making and the policies that guide its approach.
- 2.37 The framework could also include information on whether—and if so, how—specific types of risk are addressed across different aspects of service delivery, including:
- > asset performance, through the identification of critical assets and assessment of their vulnerability
 - > service continuity, through emergency and contingency planning and resilience strategies, and
 - > long-term investment needs, through the integration of risk assessments into strategic planning and investment prioritisation.

- 2.38 We assume that many regulated suppliers use some form of risk assessment tool that considers likelihood and consequence to identify risks to their networks or assets, as prudent risk management is required under the Local Government Act.⁷ We are proposing that regulated suppliers disclose whether they use such a tool and the tool they use. We also propose that regulated suppliers disclose any significant risks, the critical assets most vulnerable to those risks, and the mitigation strategies in place.
- 2.39 We acknowledge that there are alternative approaches that could support greater consistency and comparability. For example, regulated suppliers could be asked to report against a standardised risk assessment tool such as ISO 31000,⁸ or the risk assessment matrix proposed in the draft National Policy Statement for Natural Hazards. In the future, we may consider whether requiring standardised risk reporting would better support the purpose of ID regulation by enabling a more consistent assessment of risk and resilience across the sector.
- 2.40 Our proposal includes a requirement for regulated suppliers to disclose whether, and if so, how they have integrated other specific regulatory risk management plans into their asset management practices. This includes source water risk management plans, drinking water safety plans, and wastewater network risk management plans. While these documents may not always be publicly available, it is important that regulated suppliers demonstrate how they are considered and incorporated into their overall asset management approach.

Embedding resilience into asset planning

- 2.41 We are proposing that regulated suppliers disclose whether, and if so, how resilience is integrated into asset management practice. Regulated suppliers would also be required to explain whether—and if so, how—risk and resilience performance is monitored and lessons learned from past events or reviews are used to improve future planning.
- 2.42 In considering future enhancements to this disclosure, we could consider prescribing reporting against a defined set of resilience indicators or measures aligned with national climate adaptation frameworks, for example, the New Zealand Resilience Index. While our current proposal focuses on transparency of existing practices, we may explore the use of standardised frameworks or indicators in the future.

⁷ Section 101(1) of the Local Government Act 2002 requires local authorities to manage their revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

⁸ ISO 31000:2018: Risk management — Guidelines.

Identifying major asset-related risks and preparing for them

- 2.43 We are proposing that regulated suppliers disclose what emergency and contingency plans that they have in place. The Network Environmental Performance Measures (set by the Water Services Authority—Taumata Arowai) require simple evidence of the existence of a plan, when it was last reviewed and when the last exercise was carried out.⁹ We propose to complement this factual information by also asking for more detail on the types of events these plans are intended to address, and how lessons learned from prior events inform future planning.
- 2.44 Regulated suppliers would also be required to disclose whether—and if so, how—they have integrated the longer-term impacts of climate change into their risk management framework.

Considering system-wide impacts

- 2.45 We are proposing that regulated suppliers disclose whether—and if so, how—interdependencies and cascading impacts are considered in risk and resilience planning. This would include how disruptions in one part of the network could affect other parts, and how these risks are factored into planning.

Focusing on natural hazards

- 2.46 Given New Zealand’s exposure to earthquakes, floods, and other natural hazards, we are proposing that regulated suppliers disclose whether—and if so, how—these risks are identified and managed. This includes how hazard-related risks are prioritised, and what mitigation strategies are in place. Emphasising natural hazards helps ensure that regulated suppliers are planning for events that could have widespread and long-lasting impacts on consumers.

Compliance

Draft Determination reference: clauses C4, C5, C11, C17 and C18

- 2.47 Compliance with regulatory requirements and Treaty settlement obligations can be a key driver of investment for regulated suppliers and it also impacts on financial sustainability. Our proposed ID requirements aim to shine a light on whether regulated suppliers are investing enough to meet regulatory requirements and Treaty settlement obligations. Many submitters to our ID Discussion Paper suggested including a ‘statement of compliance’ as part of the ID requirements. We have not proposed this, as we consider it is not the role of ID to assess compliance with other legislation directly; that responsibility sits with the relevant regulators. Instead, our proposed ID requirements focus on how regulated suppliers align their planning, investment, and operations with their compliance obligations.

⁹ See: Water Services Authority—Taumata Arowai “[Drinking Water Regulation Report 2024](#)” (30 June 2025), p. 60.

- 2.48 The remainder of this section describes the different areas of ID requirements that we are proposing in relation to compliance.

Clarifying regulatory requirements

- 2.49 In the SAMP we are proposing that regulated suppliers disclose how regulatory requirements are identified and embedded into their asset management practices.

Demonstrating how Treaty settlement obligations are upheld

- 2.50 In the proposal regulated suppliers would show how they have embedded meeting Treaty settlements obligations across governance, risk management, and planning processes. This includes how relationships with hapū, iwi, and Māori organisations are reflected in decision-making and how obligations are integrated into investment and delivery strategies.

Material projects and programmes

- 2.51 In the proposal, regulated suppliers would have to identify their material projects and programmes and include the relevant performance indicators on which each project or programme is expected to have an effect. These may include performance indicators relating to compliance where relevant.

Compliance improvements

- 2.52 In the AMP we are proposing that regulated suppliers would be required to identify any asset improvements needed to meet regulatory requirements or Treaty settlement obligations. Regulated suppliers would then have to identify which of these improvements they are funded in the IDP, and how they would manage any risks if the improvements were not funded.

Maintenance and renewals

Draft Determination reference: clauses C4, C12 and C18

- 2.53 Maintenance and renewals are common activities undertaken by regulated suppliers. Maintenance is activities that keep assets in working order to prevent failure, while renewals are activities that replace or refurbish assets that have reached the end of their useful life. These practices are closely linked: effective maintenance can maximise the life of an asset, while timely renewals reduce the risk of reactive maintenance. There is a widely held view across the sector that historical underinvestment by many councils in both maintenance and renewals has had a negative impact on asset performance and service delivery. We also assume, based on informal engagement with the sector, that current approaches to maintenance and renewals vary considerably across the country. For example, some regulated suppliers operate predominantly reactive renewals programmes, responding to asset failures as they occur, while others plan renewal projects in advance based on condition assessments and lifecycle planning.

- 2.54 Transparent disclosure of each regulated supplier's approach to maintenance and renewal planning enables stakeholders to understand the rationale behind decisions for different asset types. It also supports long-term planning by making visible the assumptions, priorities, and strategies that underpin investment decisions, helping stakeholders assess whether regulated suppliers are anticipating future needs and managing infrastructure sustainably.
- 2.55 The remainder of this section describes the different areas of ID requirements that we are proposing in relation to maintenance and renewals.

Planning for maintenance and replacements

- 2.56 To assist stakeholders in understanding if regulated suppliers are making informed and efficient decisions about where and when to invest, we are proposing to require regulated suppliers to explain how they identify the assets that need to be maintained or replaced. This includes how the regulated suppliers prioritise different types of work, and how they use information about asset condition and performance to guide their decisions.
- 2.57 We are also proposing that regulated suppliers describe how they manage the interdependencies between maintenance and renewals, including their approach to balancing short-term operational performance with long-term asset sustainability. These approaches could reflect each regulated supplier's unique context, including factors such as resource availability, asset data quality, condition assessments, risk appetite, and financial constraints.

Maintenance programmes

- 2.58 We are proposing that regulated suppliers disclose maintenance activities on a standardised basis, including condition and performance monitoring and the extent of planned, predictive and unplanned (reactive) maintenance works. Standardising these disclosures is important because it enables stakeholders to compare maintenance practices across regulated suppliers in a consistent way. In the AMP this disclosure relates to a description of activities, without financial constraint. The funded value of the works, and identification of any unfunded activity would be included in the IDP. This information provides insight into how regulated suppliers manage asset performance and reliability on a day-to-day basis, and whether their practices reflect a proactive or reactive approach. Understanding the balance between different types of maintenance helps stakeholders assess whether regulated suppliers are investing appropriately to prevent failures, extend asset life, and optimise long-term costs.
- 2.59 Regulated suppliers would also be required to identify any recurring issues across their networks. We believe that, combined with disclosure of the maintenance programmes, this will assist stakeholders in determining how well regulated suppliers are maintaining their assets and whether they are addressing underlying causes of asset failure or service disruption.

Forecasts for renewing ageing infrastructure

- 2.60 We propose that regulated suppliers disclose their future renewal requirements that they have already identified through their existing planning processes, whether funded or not, in their AMP. This includes the kilometres of pipe to be replaced, the timing of renewal activities, and associated expenditure forecasts in the IDP. Regulated suppliers must also explain how these forecasts were developed, including their confidence in the estimates and any key assumptions or limitations. These disclosures help stakeholders assess whether regulated suppliers are keeping pace with asset deterioration, identify the approach taken for renewals (eg, planned or reactive) and if the regulated supplier is investing appropriately to maintain service levels. We may complement these disclosures with additional measures and metrics in future.

Managing any renewal backlog

- 2.61 Where regulated suppliers have identified a backlog of renewals, we are proposing that they must disclose the size of the backlog, the risks it poses, and how they plan to manage those risks until the backlog is resolved. For some regulated suppliers the management of renewal backlog will have a significant impact on their decision-making. We are also looking to understand the risk of an increasing renewal backlog. Therefore, we are proposing that regulated suppliers disclose the extent to which the investment forecasts are sufficient to meet the required renewal requirements. In the future we may also consider complementing these disclosures with additional measures and metrics.

Asset enhancements – demand, growth and levels of service

Draft Determination reference: clauses C4, C11 and C18

- 2.62 We have used the term asset enhancement in the AMP, this term is used nationally in other infrastructure regulation and internationally in the water sector to describe what the New Zealand water sector has traditionally referred to as demand, growth and levels of service. It refers to activities that increase the value, capacity or performance of assets, including physical improvements (such as capacity upgrades or extensions to networks), operational improvements (such as demand management, efficiency gains), sustainability enhancements (such as resilience, climate adaptation) and service-level improvements (reliability, quality, accessibility).
- 2.63 We consider that stakeholders will be interested in understanding how regulated suppliers plan for and respond to demands associated with growth and service levels, including how demand forecasts influence infrastructure planning and investment decisions. To support this, we are proposing a set of disclosure requirements that improve transparency around asset enhancement, planning assumptions, and delivery strategies.

- 2.64 While growth pressures are often associated with urban centres, we recognise that many regulated suppliers operating in smaller or rural districts are also experiencing significant demand challenges. These may arise, for example, from seasonal population changes, tourism, industrial development, or infrastructure deficits inherited from historical underinvestment. Our proposal that disclosure is required of how regulated suppliers assess and respond to growth, we aim to ensure that stakeholders can understand whether infrastructure planning is keeping pace with demand across all contexts, not just in cities, and whether investment decisions are aligned with long-term service needs.
- 2.65 The remainder of this section describes the different areas of ID requirements that we are proposing in relation to *asset enhancements—demand, growth and levels of service*.

Forecasting and managing demand

- 2.66 We are proposing that regulated suppliers disclose how any demand forecasts are developed and used to inform asset management decisions. This includes the tools, methods, and assumptions used to forecast utilisation, capacity, and demand, as well as the regulated supplier's confidence in those forecasts. Regulated suppliers would be required to also explain how they assess and manage the timing and uncertainty of demand changes. We may complement these disclosures with additional measures and metrics at some point in the future.

Responding to growth and identifying constraints

- 2.67 To support transparency in how regulated suppliers plan for and respond to growth, we are proposing that they must describe the processes they use to prioritise network development and align this with asset management objectives. Regulated suppliers would also be required to disclose how they identify any network constraints arising from forecast demand growth and describe the mitigation options considered.

Water demand management

- 2.68 To support the efficient use of resources and align with the water efficiency objectives in the Local Government (Water Services) Act 2025, we are proposing that regulated suppliers disclose whether, and if so, how they monitor and manage water demand and water loss across their networks.¹⁰ This includes strategies, technologies, and operational practices used to improve water use efficiency and minimise non-revenue water.

¹⁰ Section 17 and Schedule 3, clause 2 of the Local Government (Water Services) Act 2025 require water services strategies to include objectives for water efficiency and demand management.

Metering

- 2.69 We are also proposing to require regulated suppliers to disclose their metering strategy. Not all regulated suppliers currently meter their customers, and approaches to metering vary across the sector. As technology shifts towards smart metering, which enables more granular and real-time data collection, it is increasingly important that regulated suppliers have a clear strategy for how they manage and use meter data.

Achieving and maintaining service levels

- 2.70 In the AMP, we are proposing that regulated suppliers identify the asset improvements, whether funded or not funded, that are required to achieve, maintain or enhance levels of service. For each improvement, we are also requiring regulated suppliers to specify the level of service outcome and the benefits the improvement would be expected to have. In the IDP, regulated suppliers would have to identify which improvements are funded or not (in the expenditure forecasts that are part of the financial disclosures) and provide justification for this. This supports transparency around service quality and ensures that investment decisions are clearly linked to performance outcomes.

Performance management

Draft Determination reference: clauses C10, C18, C21 and C22

- 2.71 Performance indicators are essential for assessing whether asset management objectives are being achieved. To date, many councils have primarily relied on the mandatory non-financial performance measures set by the Department of Internal Affairs (**DIA**) as proxies for service levels. While these indicators provide a useful baseline, they do not fully capture achievement of asset management objectives, community outcomes, or the benefits of investment.
- 2.72 The Network Environmental Performance Measures developed by the Water Services Authority—Taumata Arowai have helped address some of these gaps.¹¹ However, regulated suppliers are not currently required to publicly disclose their performance against these measures, limiting transparency and leaving stakeholders reliant on reporting by the Water Services Authority—Taumata Arowai.
- 2.73 A more comprehensive and consumer-focused approach to performance measurement would provide stakeholders with clearer insights into how well services are being delivered and whether investments are achieving their intended objectives.
- 2.74 The remainder of this section describes the different areas of ID requirements that we are proposing in relation to *performance management*.

¹¹ See: Water Services Authority—Taumata Arowai “[Network Environmental Performance Report 2023/24](#)” (3 June 2025), for the latest report.

Performance indicators across key dimensions

- 2.75 We are proposing that regulated suppliers disclose, in their AMP, any performance indicators that reflect service quality, network performance, asset condition, service efficiency, and investment outcomes. Indicators should include annual performance targets (where appropriate) and disclose the extent to which they are informed by consumer expectations, regulatory requirements, and strategic objectives. This disclosure would enable stakeholders to assess how well the regulated service is being delivered and track progress towards meeting the asset management objectives.

Linking performance to investment

- 2.76 To support alignment between planning and delivery, we are proposing that regulated suppliers disclose links between material projects and programmes (disclosed in the IDP) and the performance indicators they are expected to influence. This helps stakeholders assess whether investments are targeted appropriately and likely to deliver the intended outcomes.

Annual reporting on delivery

- 2.77 The ADR provides a platform for regulated suppliers to report performance against performance indicators (identified in the AMP and IDP), enabling stakeholders to observe trends over time and assess delivery progress. It supports transparency by tracking capital and operational delivery against the AMP and IDP, including analysis of historical performance, explanations for variances, and lessons learned. This helps stakeholders understand how well regulated suppliers are delivering on their plans and meeting the asset management objectives.

Understanding investment decision-making

Draft Determination reference: clauses C2-C5, C7, C9, C11-13, C17-C18

- 2.78 Transparency around how regulated suppliers make investment decisions helps stakeholders assess whether services are being delivered efficiently and sustainably. This includes visibility into how infrastructure needs are identified, how priorities are balanced, and how decisions are made about where and when to invest. To support this, the proposed ID requirements cover the full investment lifecycle, from planning and prioritisation through to delivery and performance tracking. These disclosures are intended to show whether investment decisions are well-justified, aligned with long-term service outcomes, and contribute to effective planning for future service delivery.
- 2.79 The remainder of this section describes the different areas of ID requirements that we are proposing in relation to *understanding investment decision-making*.

Governance, strategies, and policies that support decision-making

- 2.80 We are proposing that regulated suppliers disclose how governance structures, organisational strategies, and asset management policies support consistent and balanced decision-making. This includes how these elements reflect diverse stakeholder needs and align with strategic objectives.

Consumer perspectives in decision-making

- 2.81 Another important aspect of asset management is whether—and if so, how—consumer perspectives are incorporated into decision-making processes, including how engagement activities and complaints analysis inform asset management practices and help address competing interests.

Foundational data

- 2.82 Reliable information is essential for sound investment decisions, and stakeholders need visibility into any limitations or gaps that may affect investment planning. We are proposing that regulated suppliers describe the systems they use to manage asset-related data and the confidence they have in that data to support transparency around the quality of the evidence underpinning key decisions.

Linking asset-related needs to investment planning

- 2.83 We are proposing that regulated suppliers use the AMP to identify material asset improvements (whether these are funded or not) that are required to address growth, levels of service, renewals, and maintenance. For each improvement, regulated suppliers would be required to explain the underlying requirement, such as a regulatory obligation, service-level target, or resilience need, how the improvement would address it, and the options that the regulated supplier considered when determining the most appropriate improvement.

Prioritising and justifying investment

- 2.84 Investment decisions often involve balancing competing priorities across growth, levels of service, renewals, and maintenance. To support transparency, we are proposing that regulated suppliers disclose how investments are prioritised, and the criteria used to assess and rank them. These criteria should reflect asset management objectives and may include considerations such as consumer expectations, asset requirements, risk, growth, compliance, and financial requirements.
- 2.85 In addition, regulated suppliers would also provide a clear rationale for their investment decisions, including how proposed improvements address identified needs and align with asset management objectives. This includes describing the extent to which investment needs have been met, identifying any gaps, and outlining the associated risks and how these will be managed. These disclosures help stakeholders understand whether planned investment is sufficient (and likely to deliver long-term service outcomes), a key component of financial sustainability.

How the IDP supports financial disclosures

- 2.86 In addition, we are proposing that regulated suppliers provide qualitative information in the IDP that supports the financial disclosures required under Part 6 of the Draft Determination. This includes providing context and justification for capital and operational expenditure forecasts.

Linking investment to outcomes and performance indicators

- 2.87 Finally, we are proposing that each material project or programme disclosed in the IDP is linked to relevant performance indicators, and asset management objectives. This ensures that each investment has a clear purpose and measurable impact.

Delivery of work programmes

Draft Determination reference: clauses C19, C21, and C22

- 2.88 Disclosing programme and project delivery information enables stakeholders to assess whether regulated suppliers are delivering planned investments efficiently and effectively. It supports transparency around delivery capability, helps identify risks to timely implementation, and ensures that investments are delivering the intended outcomes for consumers.
- 2.89 The remainder of this section describes the different areas of ID requirements that we are proposing in relation to *delivery of work programmes*.

Tracking physical delivery performance

- 2.90 Regulated suppliers would be required to set out any performance indicators they intend to use to monitor and report on the delivery of capital and operational investments. These indicators may relate to outputs (such as completion of works, delivery progress on material projects and programmes, or expenditure against budget) or outcomes (such as improvements in levels of service, resilience or environmental performance), depending on what the regulated supplier has committed to. We are proposing that the IDP would include these indicators and any associated annual performance targets, and then the ADR would assess the actual delivery against these indicators. The ADR would also include explanations for any significant variances, and lessons learned to inform future planning.

Demonstrating benefit realisation

- 2.91 Each material project or programme would be linked to specific asset management objectives and intended levels of service. The IDP would describe the expected benefits and how they align with strategic outcomes. The ADR would then report on early evidence of benefits realised and outline how benefits will be tracked over time where they are expected to accrue gradually.

Managing procurement and delivery risks

- 2.92 We are proposing that regulated suppliers describe their procurement and delivery strategies in the IDP, including how internal and external resources will be used to implement the plan. This includes an assessment of delivery capability and supply chain capacity, identification of material risks, and the strategies in place to manage them. The ADR would then evaluate the effectiveness of these strategies and report on supply chain performance, including any planned changes based on delivery experience.

Chapter 3 Financial information

3.1 This chapter provides additional explanations and reasoning about aspects of some of the ID requirements we are proposing for:

- > expenditure and other items
- > asset values
- > revenue and other income
- > financing and funding arrangements
- > pricing
- > financial sustainability indicators, and
- > ring-fencing and related parties.

3.2 We are also seeking feedback on some of what we are proposing and have highlighted specific questions we would particularly like feedback on in relevant parts of this chapter.

Expenditure and other items

3.3 In our Draft Determination we are proposing that regulated suppliers disclose specific information about their capital and operating expenditure and other items, as well as information about how they allocate costs between regulated and non-regulated activities.¹²

3.4 In this section, you will find further explanations and reasons for the following topics:

- > Capital expenditure.
- > Operating expenditure.
- > Expenditure on changes to entities.

¹² Attachment A of the Draft Decision Summary contains a table summarising all of the financial ID requirements we are proposing. See [here](#) to access this document.

Capital expenditure

3.5 Our overall reasoning for proposing disclosure of capital expenditure (**capex**) information is outlined in the Draft Decision Summary. However, we consider that further explanation may be helpful for the following aspects of what we are proposing for the ID requirements related to capital expenditure:

- > Specified categories for capex.
- > Apportioning of capital expenditure (on network assets) between the specified categories.
- > Disclosure of 30-year capital expenditure forecasts alongside the water services strategy.
- > Disclosure of specific capital expenditure 'components'.

Capital expenditure is to be reported in specified categories

Draft Determination reference: clauses 3.1-3.3, 6.15-6.18, B4-B6

3.6 We are proposing that capex is reported in specific categories.¹³ For capex on network assets, we have specified categories within three main capex drivers: growth, levels of service, and renewals. We have also specified categories for non-network capex and components of capex.

¹³ As well as reporting expenditure in specified categories, we are proposing that regulated suppliers must disclose expenditure information at the single service level (for each regulated service) and the combined services level (for all regulated services): *Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX]*, clause 3.1(3), 3.2(4), 3.3(3).

Table 3.1 Proposed capex categories

| Network capex | | | Non-network capex | Components |
|---------------------------|---|--|-------------------|--|
| Growth | Levels of service | Renewals | | |
| Network expansions | Regulatory requirements and Treaty settlement obligations | Raw water assets | IT | Value of assets acquired under a lease |
| Capacity upgrades | Resilience and risk | Water treatment facilities | Property | Consideration paid for vested assets |
| New connections | Enhancements to levels of service | Treated water pumping stations | Vehicles | Cybersecurity (Commission-only) |
| Other | Meeting current levels of service | Treated water storage | Consents | |
| | Environmental improvement and efficiencies | Treated water reticulation assets | Other | |
| | Other | Water monitoring and control | | |
| | | Water supply – other | | |
| | | Wastewater reticulation assets | | |
| | | Wastewater pumping stations | | |
| | | Wastewater storage facilities | | |
| | | Wastewater treatment facilities and outfalls | | |
| | | Wastewater monitoring and control | | |
| | | Wastewater - other | | |

3.7 Reporting capex at a more detailed level and using consistent categories across regulated suppliers would provide transparency and enable clearer insights into the areas and activities in which regulated suppliers are spending. It would also facilitate comparative analysis of regulated suppliers' performance and help us to better understand and assess whether they are spending the right amount, on the right things, at the right time, to best benefit consumers in the long run. That said, we acknowledge that reporting capex information at this level of detail may impose a greater burden on regulated suppliers than their current reporting requirements, particularly for smaller regulated suppliers.

Request for feedback

1. Do you think the proposed categories are appropriately defined and sufficiently detailed to capture the key aspects of regulated suppliers' capex? If not, what changes to the definitions do you think we should make, and why?
2. Do you think there are instances where multiple categories should be combined into one? If so, which categories, and why?
3. Do you think we should add any additional categories of capital expenditure? If so, what and why?
4. Do you think certain regulated suppliers should only need to report expenditure in the high-level categories—growth, levels of service, and renewals? If so, please explain.

Capital expenditure on network assets must be apportioned between categories

Determination reference: clause 6.16

- 3.8 We understand that most regulated suppliers will record capex at a project level, and that individual projects may span across more than one of the capex categories that we are proposing. For example, a project to renew a water treatment plant may also involve increasing its capacity to accommodate population growth. In such cases, for ID, regulated suppliers would be required to apportion the project's capex to the relevant categories (such as those within 'renewals' and 'growth') based on the reasons for the expenditure. For example, if 70% of the project is driven by asset renewal and 30% by growth, the capex should be apportioned accordingly to the categories within 'renewals' and 'growth'. We propose that regulated suppliers must also provide a clear explanation of the methodology used to determine these portions.
- 3.9 This apportionment approach differs from the treatment in the water services annual report, where capex may be assigned entirely to the category that represents the primary purpose of the expenditure.¹⁴ While we considered adopting this approach for water ID regulation (ie, assignment of capex entirely to the category that represents the primary reason for the expenditure), we concluded that it may obscure important insights. For example, under a primary driver allocation approach, a project with 70% of its cost driven by renewals and 30% to growth would be reported entirely as 'renewals', thereby concealing the growth-related component of the investment.
- 3.10 Apportioning of expenditure is particularly important in assisting stakeholders to understand the extent to which growth-driven investment is being funded by the customers who are expected to benefit most from that investment (such as new customers whose demand for water service is driving the need for network extensions or capacity upgrades).

¹⁴ Local Government (Water Services) Act 2025, sch 4 cl 4(3).

Request for feedback

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5. **Do you consider this approach (apportionment of expenditure) to be practical and implementable? If not, please explain the specific challenges regulated suppliers may face in complying with this requirement, including the likely cost of any required changes to regulated suppliers' existing practices, and any potential difficulties in auditing the information. We also welcome suggestions for alternative approaches that could provide adequate transparency of regulated suppliers' capital expenditure.**
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We are proposing to require disclosure of 30-year capital expenditure forecasts alongside the water services strategy

Determination reference: clauses 3.3, 6.15-6.18

- 3.11 In addition to the 10-year forecast requirement, we are proposing that regulated suppliers disclose 30-year capex forecasts in conjunction with each disclosure of a water services strategy, so that disclosure would effectively be at least once every three years. These longer-term forecasts will be required on a nominal basis only, and regulated suppliers would have the option to choose between two forecasting approaches: (1) apportionment of expenditure to relevant categories, consistent with the approach used for actual and 10-year forecast capex, or (2) assignment of the expenditure amount entirely to the category that represents the primary reason for the expenditure. These 30-year capex forecasts (and the 10-year opex forecasts, in the years where both 30-year forecasts and 10-year forecasts are disclosed) will be supported by the narrative information in the regulated suppliers' IDP.¹⁵
- 3.12 We do not propose to require that the first 10 years of the 30-year forecast align exactly with the annually disclosed 10-year forecast. We consider that enforcing such alignment could result in artificial year-to-year variances (particularly in the eleventh year) in cases where regulated suppliers opt, in their 30-year forecast, to allocate expenditure entirely to the category that represents the primary reason for the expenditure.

¹⁵ *Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], cl C18.*

- 3.13 We understand that in their water service strategies, where regulated suppliers are required to estimate capex associated with managing water services infrastructure assets for a period of at least 30 years, they must provide estimates for each of the first ten financial years of the strategy, and then in each subsequent period of five financial years covered by the strategy. We are proposing that the 30-year capex forecast required under ID must cover each financial year in the 30-year period (including the financial years after the first ten years of the forecast). This will provide increased transparency of regulated suppliers' longer-term capital investment planning, particularly in the years immediately following the first 10 years of the forecast. We acknowledge that this is more detail than regulated suppliers are currently required to disclose in the existing accountability documents.¹⁶ Regulated suppliers may use reasonable estimation techniques to spread their forecast expenditure (which may currently exist only in 5-year periods) over time, for the 30-year capex forecasts proposed under ID.

Capital expenditure components

Determination reference: clauses 6.18, B6

- 3.14 We have proposed some components of capex for which regulated suppliers will be required to disclose actual and forecast expenditure. These are specific components of capex that may span across multiple categories within both network and non-network capex and as such, their values will already be included within the categories and totals reported for network capex and non-network. Accordingly, the total capex for a disclosure year should equal the sum of network capex and non-network capex.

Value of assets acquired under a lease

- 3.15 This component is intended to capture leased assets for which the regulated supplier has the right to control the use of the asset. Given the differing accounting treatments under Generally Accepted Accounting Practice (**GAAP**) for public benefit entities and for-profit entities, we clarify the following:
- For public benefit entities, this component should include assets acquired under a finance lease, in accordance with NZ PBE IPSAS 13.
 - For for-profit entities, it should include right-of-use assets, in accordance with NZ IFRS 16.

Consideration paid for vested assets

- 3.16 We understand that in most situations, consideration paid for vested assets will be nil. In cases where a nominal amount is paid in exchange for the assets, we are proposing that regulated suppliers must disclose this as a component of the capital expenditure.

¹⁶ Our Draft Decision Summary (Table 2.1) includes further information on the accountability documents regulated suppliers are required to publish under the Local Government (Water Services) Act 2025. See [here](#) to access this document.

- 3.17 We are proposing that regulated suppliers must separately disclose the value of any vested assets acquired during the disclosure year. This value will not be included in capital expenditure disclosed under ID.¹⁷

Request for feedback

6. Will there be regulated suppliers reporting under the for-profit accounting standards? If so, which ones?

Operating expenditure

- 3.18 Our overall reasoning for proposing operating expenditure (**opex**) information to be disclosed is outlined in the Draft Decision Summary. However, we consider that further explanation may be helpful for the following aspects of what we are proposing for the ID requirements related to opex:

- > Exclusion of some expense types from ‘operating expenditure’ for regulatory purposes.
- > Specified categories for operating expenditure.
- > Annual disclosure of 10-year operating expenditure forecasts.

Operating expenditure under ID excludes some expenses that would ordinarily be included under GAAP

Determination reference: clause 1.6 (definition of ‘operating expenditure’)

- 3.19 For the purposes of ID, we consider that it is important to note that opex is defined differently from its meaning under GAAP. Specifically, opex under ID excludes certain expenses that would typically be included as opex under GAAP, such as depreciation and interest expense.¹⁸
- 3.20 From a regulatory perspective, opex is interpreted more narrowly than in general purpose financial reporting and excludes specific items, such as those treated as investing or financing costs which would likely be separately accounted for (or excluded) if calculating a regulatory return on investment. Therefore, expenses like depreciation (which is treated as a cost of investment for regulatory purposes) and interest expense are excluded from opex under ID.

¹⁷ Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], cl 6.22.

¹⁸ Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], cl 1.6 (definition of ‘operating expenditure’).

- 3.21 Although these excluded items do not form part of opex for ID purposes, we propose that some of these items must still be disclosed, separately. The Draft Determination outlines the specific disclosure requirements for depreciation, financing costs, and impairment losses.¹⁹

Operating expenditure is to be reported within specified categories

Draft Determination reference: clauses 3.1-3.2, 6.7-6.10

- 3.22 We are proposing that opex is reported in specific categories which are outlined in Table 3.2.²⁰

Table 3.2 Proposed opex categories

| Network opex | Non-network opex | Components |
|---------------------------------------|--|---|
| Energy | System operations and network support | Direct billing |
| Chemicals | Business support | Salaries, consultants, and professional services |
| Condition and performance assessments | Rates and levies | Management support from shareholding Council |
| Planned maintenance | Insurance | Cybersecurity |
| Predictive maintenance | Fines and penalties | Consequential operating expenditure driven by capital expenditure |
| Unplanned maintenance | Impairment of receivables and recoverables | |
| Disposals (by-products/biosolids) | Community and iwi engagement and education | |
| Compliance | Treaty settlements | |
| Other | IT | |
| | Consents | |
| | Other | |

- 3.23 We consider that reporting opex at a more detailed level than is typically reported in general purpose financial statements, and using consistent categories across regulated suppliers would provide transparency and enable clearer insights into the areas and activities in which regulated suppliers are spending. It would also facilitate comparative analysis of regulated supplier performance and helps us and other stakeholders to better understand and assess whether regulated suppliers are spending the right amount, on the right things, at the right time, to best benefit consumers in the long-term.

¹⁹ *Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX]*, cls 6.12, 6.13, and 6.14.

²⁰ As well as reporting expenditure in specified categories, we are proposing that regulated suppliers must disclose expenditure information at the single service level (for each regulated service) and the combined services level (for all regulated services): *Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX]*, cls 3.1(3), 3.2(4), and 3.3(3).

Request for feedback

7. Do you think the categories are appropriately defined and sufficiently detailed to capture the key aspects of regulated suppliers' opex? If not, what changes to the definitions do you think we should make, and why?
8. Do you think we should add any additional categories of operating expenditure? If so, what and why?
9. Do you think the proposed maintenance categories (planned, predictive, unplanned) are appropriate for the water sector and can they be reported on? If not, what changes should we make, and why? What, if any, additional costs would this reporting impose on regulated suppliers?
10. Do you think there are categories of expenditure that regulated suppliers should be able to combine if the amounts are below a certain materiality threshold, particularly for expenditure forecasts? If so, what would be an appropriate materiality threshold, and why?

10-year operating expenditure forecasts are required to be disclosed annually

Draft Determination reference: clauses 3.1, 6.7–6.10

- 3.24 In addition to actual opex values, we are proposing that regulated suppliers are required to disclose 10-year opex forecasts, using the same categorisation framework applied to actual opex. We are proposing that these forecasts be disclosed annually prior to the start of each disclosure year and must be provided on both a real and nominal basis.
- 3.25 For opex forecasts only, we are proposing an additional opex component: consequential operating expenditure driven by capital expenditure. This category is defined as forecast opex relating to new assets forecast to be commissioned in the future that would otherwise be avoidable.²¹ For clarity, regulated suppliers would be required to forecast this opex within the specified opex categories (within 'network' and 'non-network' opex), and also report the full amount of 'consequential operating expenditure driven by capital expenditure' forecast, as an opex component.

²¹ *Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], cl B3(d).*

Expenditure on changes to entities

This expense component is intended to capture capex and opex relating to the transfer of water services to a new or different entity

Draft Determination reference: clause 6.26

- 3.26 We are proposing that capex and opex on changes to entities (such as forming a water organisation) is disclosed annually. We consider that the separate reporting of these costs would enhance transparency around the financial impact of structural changes to water service organisations. We expect that it would also allow these one-off restructuring costs to be identified and excluded from ongoing expenses, where appropriate, when analysing regulated suppliers' financial performance.
- 3.27 The Draft Determination outlines the types of costs that we expect to be included under this disclosure item. These include, for example, costs for activities such as establishing a water organisation and costs directly associated with merging with or acquiring another water service provider.
- 3.28 We note that some costs relating to the transfer of water services to a new or different entity may not be captured in this disclosure requirement if they are incurred by a separate entity (such as a shareholding council) rather than the regulated supplier itself.

Request for feedback

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11. **Do you think the 'expenditure on changes to entities' category is adequately defined to capture the range of costs regulated suppliers will incur? If not, what changes do you think we should make, and why?**
12. **Do you see any practical challenges involved in preparing, or auditing the disclosure of 'expenditure on changes to entities'? If so, please explain these and how we might change the proposed requirement to address these.**
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Asset values

- 3.29 In our Draft Determination we are proposing that regulated suppliers disclose information about the value of their network assets, in specified asset classes.

3.30 Our overall reasoning for requiring information about asset values to be disclosed is outlined in the Draft Decision Summary. However, we consider that further explanation may be helpful for the following aspects of our proposed ID requirements related to asset values:

- > Disclosure in the financial statements contained in the water services annual report, of the following:
 - > asset values (including reconciliation of opening to closing carrying value), in specified asset classes
 - > carrying values of network work in progress assets, in specified asset classes, and
 - > annual disclosure of asset value information from disclosure year 2026-2027.
- > Our consideration of the capital maintenance approach options.

Information about asset values and movements in asset values will be required in the financial statements in regulated suppliers' water services annual reports, for specified network asset classes

Draft Determination reference: clause 5.2

- 3.31 In relation to asset values, the information of interest under ID closely aligns with the disclosures already required in general purpose financial statements prepared by regulated suppliers. In particular, we are focused on the disclosures required under GAAP for property, plant and equipment, including the opening and closing carrying amounts of assets and the reconciliation of asset values over the reporting period (ie, asset value roll-forward information).²²
- 3.32 Under ID, we are proposing that regulated suppliers disclose this asset value roll-forward information for specified network asset classes. This represents a departure from GAAP requirements, which mandate disclosure by asset class, where regulated suppliers have discretion in how they group individual assets. The asset classes we are proposing for ID purposes align with those used for the renewals capex disclosure.²³ We are proposing that this information be included in the financial statements within regulated suppliers' water services annual reports.²⁴

²² Public Benefit Entity International Public Sector Accounting Standard 17 Property, Plant and Equipment, para 88(d) and 88(e); New Zealand Equivalent to International Accounting Standard 16 - Property, Plant and Equipment, para 73(d) and 73(e).

²³ *Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], cl B4(6).*

²⁴ *Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], cl 5.1.*

- 3.33 We are proposing to allow regulated suppliers the flexibility to choose how to incorporate this information in their financial statements. Given the required information is a subset of the existing property, plant and equipment financial statement disclosures, we consider it would be appropriate for regulated suppliers to present the ID-specific information in an additional table within the property, plant and equipment note, following the GAAP reconciliation of the carrying amounts at the beginning and end of the period.
- 3.34 In the future, we may move to a regulated asset base (**RAB**) approach for the economic regulation of water services for some or all regulated suppliers. This would likely require regulated suppliers to establish an initial value for the RAB as at a particular date, maintain separate records for the RAB, and apply new ID requirements for RAB roll-forward disclosures, replacing the currently proposed asset value roll-forward. In the interim, detailed information about the value of network assets (such as current-year additions, disposals, and depreciation) provides insight into how the value of network assets is changing over time and how regulated suppliers are managing and investing in these long-term assets. As the GAAP disclosures for property, plant and equipment are already well understood by regulated suppliers, we believe it will be more practical to extend these disclosures to the specified asset categories, rather than introduce a new and separate ID reporting requirement now.
- 3.35 While the proposed ID requirement generally follows the GAAP disclosure format,²⁵ we are proposing refinement in the presentation of ‘additions’. Under GAAP, a single value is typically disclosed for additions to each asset class. Under ID, we are proposing that additions be disaggregated into the following components:
- > additions relating to completed assets transferred from work in progress (**WIP**) assets in the network asset class, and
 - > additions excluding those relating to completed WIP assets in the network asset class (ie, the acquisition of assets that are ready for use).
- 3.36 We are also proposing that the net movement in WIP assets in the network asset class is disclosed (that is, the sum of expenditure on assets in the course of their construction, transfers out of WIP when assets are completed, and any other movements).
- 3.37 This disaggregation would provide transparency regarding the movements through the WIP accounts and allows stakeholders to reconcile their assessment of capital expenditure with the asset value information. Detailed information about WIP signals the level of future asset additions and can provide information about the costs to date or completed costs of key construction projects.

²⁵ Public Benefit Entity International Public Sector Accounting Standard 17 Property, Plant and Equipment, para 88(d) and 88(e); New Zealand Equivalent to International Accounting Standard 16 - Property, Plant and Equipment, para 73(d) and 73(e).

Request for feedback

13. To what extent do regulated suppliers currently maintain the necessary asset information at the proposed level of disaggregation?
14. If regulated suppliers do not already maintain the necessary asset information, what would be involved in changing the way asset information is recorded in order to comply with the proposed ID requirements, and what is the likely cost of these changes?

Carrying value of network work in progress assets (in specified classes) will be required in regulated suppliers' water services annual report financial statements

Draft Determination reference: clause 5.3

- 3.38 As outlined in the preceding section, we are proposing that the net movement through the WIP accounts for network assets are disclosed through an additional reconciliation table within the property, plant and equipment note in regulated suppliers' financial statements (in their water services annual report). To provide stakeholders with a more complete picture of network WIP assets, and a clearer indication on expenditure to date on assets that will be commissioned in the future, we are also proposing that the closing carrying value of network WIP assets, disaggregated by specified network asset classes, is disclosed in the same financial statements.

Disclosure of asset value information is required from disclosure year 2026-2027

Draft Determination reference: clause 5.1

- 3.39 In cases where a regulated supplier does not prepare a water services annual report, for example the 2026-2027 disclosure year as the first water services annual report is not due until the period ending on 30 June 2028, we are proposing that regulated suppliers must disclose the proposed asset value information with their annual disclosure of actual information under ID. The effect being that the asset values information must be first disclosed for the 2026-2027 disclosure year, alongside the other annual disclosures of actual information, under ID.²⁶

We are not giving effect to a particular capital maintenance approach at this stage

- 3.40 We previously published a technical working paper on the accounting basis for regulatory reporting, which outlined some key areas of accounting that we could require for ID that differ from regulated suppliers' current practices.²⁷ This included consideration of two main approaches to capital maintenance.

²⁶ Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], cl 5.1(2).

²⁷ Commerce Commission "Economic Regulation of Water Services – Information Disclosure – Technical Working Paper on the Accounting Basis for Regulatory Reporting" (12 February 2025), see [here](#).

- 3.41 At this stage, our proposed ID requirements do not include giving effect to a specific capital maintenance approach for the regulatory regime. However, this is an area that we will revisit in due course.

Actual revenue and other income

- 3.42 In our Draft Determination we are proposing that regulated suppliers disclose specific information about revenue.

- 3.43 In this section, you will find further explanations and reasons for the following ID topics:

- > Actual revenue and other income.
- > IFF levies.

Actual revenue and other income

- 3.44 Our overall reasoning for proposing disclosure of information about revenue and other income is outlined in the Draft Decision Summary. However, we consider that further explanation may be helpful for the following aspects of the proposed ID requirements:

- > Specified categories for revenue and other income.
- > Disclosure of a detailed breakdown of revenue from usage charges and rates.
- > Disclosure of total revenue from non-standard charges.
- > Disclosure of revenue from connection charges.
- > Disclosure of IFF funding received.

We are proposing regulated suppliers' actual revenue and other income is reported within specified categories

Draft Determination reference: clauses 6.1–6.5

- 3.45 We are proposing that regulated suppliers report revenue (and other income) within specified categories. This includes total revenue collected from charges to customers for water services, as well as a breakdown of the different types of charges that contribute to this total.

- 3.46 In addition to usage and other charges, we expect that regulated suppliers will have other income sources. Some of these are covered by the proposed categories. Where a regulated supplier receives revenue or income from a source which is not covered by the categories provided (for example, foreign exchange gains/(losses) or insurance proceeds), we expect that this should be reported under the 'other' category. If the revenue or income in this category is material, we propose also that the regulated supplier must provide an explanation of the sources included.

Request for feedback

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15. **Do you think the proposed revenue and other income categories are appropriately defined and sufficiently detailed to capture the range of regulated suppliers' revenue sources associated with regulated services? If not, what changes to the definitions or level of detail do you think we should make, and why?**
-

Regulated suppliers would be required to disclose detailed information about revenue from usage charges and rates

Draft Determination reference: clause 6.2

- 3.47 'Usage charges' refers to charges levied on customers based on their use of the water network. These may include standard charges (either fixed or volumetric) as well as non-standard charges, which are applied under individual agreements with specific customers. We are interested in regulated suppliers' revenue from both standard and non-standard usage charges.
- 3.48 We are proposing that regulated suppliers must disclose a detailed breakdown of all charges or rates applied. We expect that this breakdown should separately cover revenue from residential and non-residential customers, and should include:
- > the charge amount
 - > the charge type
 - > billed service quantities, and
 - > total revenue.

Separate disclosure of residential and non-residential charges

- 3.49 We are proposing that regulated suppliers separately disclose usage charge revenue from residential and non-residential customers. We consider that the distinction is important, as the pricing structure (and the resulting charges) are likely to differ between these customer groups. We have not provided a particularly narrow definition for 'residential' and 'non-residential' as we recognise that regulated suppliers may record this information in varying ways. In future we could consider adopting a narrower definition to support standardised reporting and more accurate comparison between regulated suppliers.

Standardised charge types

- 3.50 To support consistency in reporting, we are proposing a set of standard charge types for regulated suppliers to select from:
- > usage charges excluding rates (broken down into fixed, volumetric, and contaminant-based)
 - > usage charges that are rates (broken down into fixed, volumetric, and contaminant-based)
 - > connection charges
 - > development contributions
 - > serviceability charges, and
 - > other charges.
- 3.51 If a regulated supplier applies a charge that does not fit within these categories, they may describe an alternative charge type and disclose information relative to that type accordingly.
- 3.52 Regarding revenue from more general charge types, such as general rates and a uniform annual general charge, we note we have proposed that regulated suppliers must explain the approach and methodology they have used to allocate revenue to the provision of the water service.²⁸
- 3.53 We consider that disclosure of the charge type would help stakeholders better understand each regulated supplier's charging scheme. Further to that, standardised charge types will also support comparisons of performance across regulated suppliers.

²⁸ Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], cl 6.24.

Service quantity information

- 3.54 We are proposing that service quantity information is disclosed alongside each charge amount. For fixed charges, this refers to the number of connections subject to the charge; for volumetric charges, it refers to the billed quantity (eg, water consumed). This information is essential for understanding the scale of application of each charge and for calculating the total revenue generated.

Request for feedback

-
16. **Do regulated suppliers currently maintain the necessary information to support detailed disclosure of revenue from usage charges and rates? What, if any, additional costs would this reporting impose on regulated suppliers?**
17. **For regulated suppliers operating under a split decision-making model, is the proposed detailed disclosure of revenue from usage charges and rates workable, given collaboration with related organisations (eg, shareholding Councils) may be required to complete a consolidated disclosure, where water services are funded from rates? If not, what changes should we make, and why?**
-

Regulated suppliers would be required to disclose information about connection charges

Draft Determination reference: clause 6.3

- 3.55 We are interested in regulated suppliers' revenue from connection-related charges. This includes amounts paid by customers in relation to establishing new connections to the water network (and altering existing connections), as well as charges associated with increased demand on the network, and development contributions.
- 3.56 We are proposing that regulated suppliers disclose both the total revenue from these charges, and the number of instances in which a charge was applied. For clarity, where instalments are paid towards a single charge, this should be counted as one instance. We consider that reporting the number of instances will help stakeholders understand the average cost to connect to the network.
- 3.57 We are also proposing that regulated suppliers provide clear explanations of connection-related charges, including the basis for the fee or charge (for example, whether it is a fixed amount or includes variable components).

Any IFF funding received should be reported under the 'IFF income' category

Draft Determination reference: clause 6.5

- 3.58 We are proposing that any Infrastructure Funding and Financing (IFF) funding received should be reported under the 'IFF income' category. For clarity, this disclosure requirement applies to grant funding received from an IFF project special purpose vehicle (SPV). IFF levies collected from customers on behalf of the IFF project SPV must not be included in the regulated supplier's reported revenue or other income. We are proposing a separate ID requirement for reporting any IFF levies collected.

IFF levies

- 3.59 We are proposing that regulated suppliers disclose information about IFF levies they collect. The following paragraphs provide further explanation for this proposal.

We are proposing that regulated suppliers disclose the amount of IFF levies collected

Draft Determination reference: clause 6.6

- 3.60 Under the IFF model, regulated suppliers provide levy collection services to the IFF project SPV. Where a regulated supplier is involved in an IFF project and collects IFF levies on behalf of the responsible IFF project SPV, we are proposing that the regulated supplier disclose information about the levies collected.
- 3.61 Although we acknowledge that these levies do not constitute revenue for the regulated supplier (as they are revenue of the SPV), we consider that they are still charges imposed on customers to fund capital investment in water infrastructure. Accordingly, we consider that disclosure of this information is important for understanding the overall cost of water services to customers.

Financing and funding arrangements

Draft Determination reference: clause 6.36

- 3.62 In our Draft Determination we are proposing that regulated suppliers disclose information about financing and funding arrangements including specific information on debt and internal borrowing arrangements. Our overall reasoning for requiring disclosure of these arrangements is outlined in the Draft Decision Summary. However, we are seeking specific feedback on the requirements here.
- 3.63 We have proposed a requirement to disclose a range of information on financing and funding arrangements. This is intended to support stakeholders to fully understand the financial sustainability of the regulated suppliers. By doing so, this proposed ID requirement promotes the purpose of ID by enabling stakeholders to assess whether the regulated suppliers are using financing efficiently to the long-term benefit of consumers.

Request for feedback

-
18. **Do you think that the disclosure requirements relating to financing and funding arrangements could be reduced or streamlined while still providing sufficient information for stakeholders to understand the financial sustainability of the regulated supplier? If so, what changes to the disclosure requirements do you think we should make, and why?**
-

Pricing

3.64 In our Draft Determination we are proposing that regulated suppliers disclose specific information about the prices they charge to customers for water services.

3.65 In this section, you will find further explanations and reasons for the following topics:

- > Charges payable by consumers.
- > Regulated suppliers' approach to funding growth.

Charges payable by consumers

Draft Determination reference: clauses 4.8–4.9

3.66 Our overall reasoning for proposing this information is outlined in the Draft Decision Summary. However, we consider that further explanation may be helpful for the following:

- > Disclosure of non-standard charges and charges with small numbers of customers.
- > Our consideration of a normalised measure for residential charges.

Regulated suppliers would be required to disclose information about all charges, including non-standard charges and charges with small numbers of customers

Draft Determination reference: clauses 4.8–4.9

3.67 In our Draft Determination we are proposing that regulated suppliers must disclose information about all charges payable by consumers, including non-standard charges (charges that the regulated suppliers consider to be customised or otherwise unusual) and charges with small numbers of customers.

3.68 The requirement to disclose information about non-standard charges and charges with small numbers of customers extends to the proposed ID requirement for revenue information, including the detailed information about revenue from usage charges.²⁹

3.69 We consider that transparency of these non-standard charges and charges with small numbers of customers will be important for the regulated suppliers' customers.

²⁹ *Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], cl 6.2.*

- 3.70 Our view is that the risk of commercial sensitivity with respect to this information is reasonably low, because we consider that water services will generally not be such a significant input cost to a business that it would allow competitors to meaningfully respond. However, we acknowledge that some regulated suppliers may be concerned about disclosing this information if they consider it to be commercially sensitive. An alternative to public disclosure is to require this information to remain confidential and be disclosed to the Commission only.

Request for feedback

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- 19. Do you have concerns about the proposed requirement to disclose information about non-standard charges and charges applied to a small customer base, because of commercial sensitivity? If so, please describe the nature of your concerns.**
-

We considered introducing a normalised measure for residential charges

- 3.71 Under the Revenue and funding indicators topic, we have proposed to carry forward the following measures from the water services delivery plans: ‘average residential drinking water bill’ and ‘average residential wastewater bill’.³⁰ In addition to this, one of the requirements we considered introducing was an alternative measure under the pricing topic, which would require regulated suppliers to calculate an average residential charge (for each of water supply and wastewater services) based on an annual consumption volume of 200m³.
- 3.72 We recognise the potential value of such a standardised measure, as it would enable more consistent comparisons of service pricing across regulated suppliers. However, we considered that this approach would be more prescriptive than the measures carried forward from the water services delivery plan. As a result, we have decided not to introduce the standardised consumption-based measure at this time. Instead, we propose to retain the existing average charge measures, supplemented by explanatory notes outlining the key assumptions, methodologies and data sources used by regulated suppliers in calculating these figures.

Approach to funding growth

- 3.73 Our overall reasoning for requiring disclosure of information about regulated suppliers’ approach to funding growth is outlined in the Draft Decision Summary. However, we consider that further explanation may be helpful for the following aspects of the proposed ID requirements:
- The disclosure relates to all costs that may be imposed on customers for attaining a new connection to the network.

³⁰ Our Draft Decision Summary (Attachment D) includes further information about the water services delivery plans that regulated suppliers are required to prepare. See [here](#) to access this document.

This proposed disclosure is intended to cover all costs that may be imposed on customers for attaining a new connection to the network

Draft Determination reference: clause 4.7

- 3.74 Parties seeking a new connection to the water network may be subject to a range of fees, charges, and contributions. We understand that these costs vary across regulated suppliers, depending on each regulated supplier's policies for pricing new connections.
- 3.75 Under the LGWS Act, regulated suppliers are required to publish their development contributions policy, however there is no requirement for them to disclose information about other charges that may be imposed on new connecting parties (such as infrastructure growth charges, financial contributions under the Resource Management Act 1991, and vesting of assets).
- 3.76 We are proposing that regulated suppliers must disclose their policy relating to funding growth, including information about all amounts that new connecting parties may be required to pay to regulated suppliers in order to connect to the water network. We expect that this disclosure should cover the total charges imposed on parties for obtaining a new connection (or preparatory activities that enable a new connection, such as those associated with sub-division developments) and include the rationale behind the policy. While this disclosure may reference the regulated supplier's published development contributions policy, it must also include any additional charges (such as infrastructure growth charges, financial contributions under the Resource Management Act 1991, self-payments and vesting of assets, connection fees and charges).

Financial sustainability indicators

- 3.77 In our Draft Determination we are proposing that regulated suppliers report against specific measures that can serve as financial indicators and support stakeholders to assess a regulated supplier's financial sustainability.
- 3.78 These measures have been carried forward from the water services delivery plans. Over time, we may evolve and expand the suite of financial indicators that are required to be reported under ID.
- 3.79 In this section, you will find further explanations, reasons, and feedback requests for the following topics:
- > Investment indicators.
 - > Revenue and funding indicators.
 - > Financing indicators.

- 3.80 For all financial sustainability indicators, we are proposing that forecasts are disclosed on a nominal basis.³¹

Request for feedback

- 20. Do you think it would be beneficial to also require any of the financial sustainability indicator forecasts to be reported in real terms. If so, which indicators and why?**

Investment indicators

- 3.81 Our overall reasoning for requiring disclosure of financial indicator information is outlined in the Draft Decision Summary. However, we consider that further explanation may be helpful for the following aspects of the proposed ID requirements:
- > Components, calculation, and reporting of the asset consumption ratio.
 - > Omission of ‘capital expenditure vs depreciation’ ratios from ID.

Components, calculation, and reporting of the asset consumption ratio for network assets

Draft Determination reference: clause 6.29

- 3.82 We are proposing that the asset consumption ratio is disclosed separately for each of our specified asset classes.³²
- 3.83 The asset consumption ratio essentially represents the remaining useful life of assets. If the ratio materially reduces over time (ie, because assets are not being renewed or replaced), then this may indicate that the burden on future consumers to replace those assets is increasing. We note that the asset consumption ratio does not consider the condition or performance of assets, so stakeholders would need to take these aspects into account when using the ratio as an indicator of the sufficiency of regulated suppliers’ investment.
- 3.84 Where regulated suppliers measure assets using the revaluation model, the asset consumption ratio is calculated by dividing the total carrying value of assets by their estimated replacement value. Where assets are measured using the cost model, the asset consumption ratio is calculated by dividing the total carrying value of assets by their undepreciated cost.³³

³¹ *Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX]*, cl 1.8.

³² We have specified asset classes in *Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX]*, cl B4(6).

³³ Under GAAP, regulated suppliers are required to choose either the revaluation model or the cost model for measuring assets: Public Benefit Entity International Public Sector Accounting Standard 17 Property, Plant and Equipment, para 42; New Zealand Equivalent to International Accounting Standard 16 - Property, Plant and Equipment, para 29.

- 3.85 For clarity, regarding the estimated replacement value of assets, we would not expect regulated suppliers to re-estimate this value for each disclosure year. Where assets are held at fair value, and under GAAP are required to be revalued with sufficient regularity to ensure their carrying amount does not differ materially from their fair value, we consider that the replacement value determined during the most recent revaluation would be sufficient for calculating the asset consumption ratio for ID.

Consideration of capex-to-depreciation ratios

- 3.86 The water services delivery plan includes investment sufficiency ratios that compare capital expenditure to depreciation expense, such as the asset sustainability ratio and the asset investment ratio. We have decided not to carry these measures forward into the proposed ID requirements.
- 3.87 For stakeholders who are interested in these ratios, the necessary data would still be available through the information collected under ID and from regulated suppliers' accountability documents.³⁴ These ratios can therefore still be calculated independently if desired.
- 3.88 The decision to omit these ratios from the investment indicators in ID reflects concerns that highlighting these ratios could lead to them being used out of context or considered in isolation rather than stakeholders assessing the full situation. For example, when comparing renewals capex to depreciation, depreciation may not be a good indicator of renewal needs as it fails to consider the condition or performance of assets, or cyclical replacement trends.

Revenue and funding indicators

- 3.89 Our overall reasoning for proposing disclosure of financial indicator information is outlined in the Draft Decision Summary.
- 3.90 However, we consider that further explanation and reasoning may be helpful for the following aspects of the proposed ID requirements:
- > Revenue and funding indicators have been carried forward from the requirements in suppliers' water services delivery plans.
 - > The carried-forward indicators include a ratio of cost of water services as a proportion of household income.

³⁴ Our Draft Decision Summary (Table 2.1) includes further information on the accountability documents regulated suppliers are required to publish under the Local Government (Water Services) Act 2025. See [here](#) to access this document.

These proposed revenue and funding indicators have been carried forward into ID from the water services delivery plans

Draft Determination reference: clauses 6.30-6.32

- 3.91 We are proposing to carry these measures forward from the water services delivery plan disclosure requirements, where the terms of the measures were not specifically defined. Where practical, we have sought to clarify and standardise the definition of these measures to enable consistent calculation and reporting by regulated suppliers. As a result, regulated suppliers may need to adjust their calculation methods from those used for their water services delivery plans.
- 3.92 One example of such clarification relates to the ratios that incorporate average household charges for water services. We have specified that this value should include any IFF levies charged to customers.

Ratio of cost of water services as a proportion of household income

Draft Determination reference: clause 6.30

- 3.93 We are proposing that the ratio of cost as a proportion of household income focus solely on residential charges, consistent with the approach taken in the water services delivery plans. We invite feedback on whether similar measures should be introduced to capture non-residential water service charges.
- 3.94 We are proposing that that median household income is used, however, we acknowledge that affordability challenges may be more acute in lower income brackets. We are therefore seeking feedback on whether this measure should also be reported using alternative income thresholds—such as the lowest decile (10th percentile) or the lowest quartile of household income—in addition to the median.
- 3.95 While councils may currently access some residential income data (eg, to support housing and building capacity assessments), some may not currently access all the income information required, including forecasts of household income. So we are interested in feedback on the feasibility of forecasting this measure and whether stakeholders (including the Commission) that carry out analysis of the disclosed information would be better placed to source their own income data.
- 3.96 Regulated suppliers would be required to provide explanatory notes on the key assumptions, methodologies and data sources used in calculating these measures. For example, regulated suppliers should explain how median household income was determined.
- 3.97 We are interested in your views on what we are proposing.

Request for feedback

-
21. Is there also non-residential data (instead of just household income) that you think we should require to create a similar but non-residential indicator? If so, which data?
 22. Do you think the measure expressing water service charges as a percentage of household income should also be reported using alternative income thresholds, such as the lowest decile (10th percentile) or the lowest quartile of household income, in addition to the median? If so, which thresholds?
-

Financing indicators

3.98 Our overall reasoning for proposing disclosure of financial indicator information is outlined in the Draft Decision Summary. However, we consider that further explanation may be helpful for the following aspects of the proposed ID requirements:

- > Reporting of financing ratios at the entity level (including non-regulated services).
- > Financing indicators have been carried forward from the requirements in regulated suppliers' water services delivery plans.

Reporting of financing indicators at the entity level

Draft Determination reference: clause 6.33

3.99 In addition to being reported at a single service level and combined services level, we are proposing that the financing indicators must be reported for the whole organisation, including unregulated activities. This is because the financing of these other unregulated activities can impact on a regulated supplier's ability to raise finance for regulated services.

These financing indicators have been carried forward into ID from the water services delivery plans

Draft Determination reference: clause 6.33

3.100 We are proposing to carry the financing ratios forward from the water services delivery plan disclosure requirements, where the terms of the measures were not specifically defined. Where practical, we have sought to clarify and standardise the definition of these indicators to enable consistent calculation and reporting by regulated suppliers. As a result, regulated suppliers may need to adjust their calculation methods from those used for their water services delivery plans.

Ring-fencing and related parties

- 3.101 In our Draft Determination we are proposing that regulated suppliers disclose information about ring-fencing, and financial or organisational ties they may have with other groups, including information about related party relationships and transactions, allocation of costs, revenue, assets and liabilities, and dividends.³⁵
- 3.102 In this section, you will find further explanations and reasons for the following ID topics:
- > Related party transactions.
 - > Ring-fencing.
 - > Dividends.
 - > Allocation of liabilities and assets.

Related party transactions

- 3.103 Our overall reasoning for proposing disclosure of information about related party transactions is outlined in the Draft Decision Summary.
- 3.104 However, we consider that further explanation may be helpful for the following aspect of the proposed ID requirements:
- 3.105 Disclosure of related party transaction values only for transactions that were not made on arm's-length terms.

We are interested in the related party transactions that were not made on arm's-length terms

Draft Determination reference: clause 6.27

- 3.106 Regarding the disclosure of detailed information about related party transactions, we clarify that this proposed requirement applies only to transactions that were not made on arm's-length terms.³⁶ This approach is consistent with disclosure requirements under GAAP (making the ID requirement less burdensome for regulated suppliers), although it differs from the related party transaction reporting obligations we have set for other regulated sectors.

³⁵ Our Draft Decision Summary (Attachment A) contains a summary of all of the financial ID requirements we are proposing. See [here](#) to access this document.

³⁶ *Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], cl 6.27(4).*

- 3.107 For completeness, we note that the other proposed related party disclosures under ID (including the diagram of related party relationships and the explanation of the approach to pricing transactions) are required for all related parties and transactions, regardless of whether they were conducted on an arm's-length basis.

Ring-fencing

- 3.108 Our overall reasoning for proposing disclosure of information about the ring-fencing principle is outlined in the Draft Decision Summary.
- 3.109 However, we consider that further explanation may be helpful for the following aspects of the proposed ID requirements:
- > Statement (and explanation) on regulated suppliers' ring-fencing position.
 - > Complexity that may arise for regulated suppliers operating under a split decision-making model.
 - > Disclosure on ring-fencing position for all regulated services.

The proposed ring-fencing disclosure would require regulated suppliers to clearly state and explain their ring-fencing position

Draft Determination reference: clause 6.28

- 3.110 Under the LGWS Act, regulated suppliers are required to demonstrate their compliance with the ring-fencing principle in their planning and reporting documents.³⁷ In addition to this, we are proposing a specific disclosure under ID, requiring regulated suppliers to provide a formal statement on their ring-fencing position (stating whether their financial arrangements are consistent with the ring-fencing principle) and to include an explanation and demonstration to substantiate that statement.
- 3.111 The information disclosed under this proposed ID requirement would need to explain and demonstrate how regulated suppliers are spending the revenue and funding they receive for providing water services, on the water services they provide. In future, we may consider setting ring-fencing rules in a determination, in addition to ID requirements.

³⁷ Commerce Act 1986, sch 7 cl 7(1)(b).

Preparing the proposed ring-fencing disclosure may be more complex for regulated suppliers operating under a split decision-making model

Draft Determination reference: clause 6.28

- 3.112 We acknowledge that preparing this proposed disclosure may be more complex in cases where water services are delivered under a split decision-making model (ie, where responsibilities such as operating, owning, funding, charging, decision-making are distributed across multiple entities).³⁸ In such cases, we are proposing that regulated suppliers must include a diagram illustrating the roles of the different organisations involved, along with an explanation of how this model has been considered in the regulated supplier's ring-fencing statement.
- 3.113 We also note that in cases where water services are delivered under a split decision-making model, and in which case a regulated supplier may be involved in part of a service area (and not the rest of the service area), for example a shareholding council in a multi-council council-controlled organisation (**CCO**), we are proposing that regulated suppliers must disclose information in respect of the part of the service area that the regulated supplier is involved (for example, the territory of the shareholding council).³⁹

We are proposing that the ring-fencing disclosure is completed for all regulated services

Draft Determination reference: clause 6.28

- 3.114 We are proposing that this ring-fencing disclosure is made for all regulated services (ie, water supply and wastewater services, together), rather than separately for each regulated water service.
- 3.115 Also, we consider that for these proposed initial ID requirements, making this disclosure for water services in aggregate may be simpler for regulated suppliers, and would allow for smoothing (of revenue, funding, expenditure) over time between the services, particularly as capital expenditure on infrastructure assets is likely to be incurred at different times. In future, we may consider requiring this disclosure separately for each regulated service.

³⁸ Commerce Act 1986, sch 7 cl (2)(1) defines a split decision-making model as an arrangement for providing water services where a local government water service supplier makes 1 or more, but not all, decisions about capital and operating expenditure on a regulated water service or the level of charges or revenue recovery for a regulated water service.

³⁹ *Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX]*, cl 2.4.

Dividends

- 3.116 We are proposing that regulated suppliers disclose their dividend policy. We are not proposing the disclosure of information on dividend amounts actually approved/paid, as this information will be visible in regulated suppliers' financial statements in their water services annual reports.
- 3.117 Our overall reasoning for proposing disclosure information about dividends is outlined in the Draft Decision Summary. However, we consider that further explanation may be helpful for the following aspect of the proposed ID requirement:
- > Exclusion from disclosure requirement for regulated suppliers that do not have a dividend policy.

Regulated suppliers that do not have a dividend policy will be excluded from this proposed ID requirement

Draft Determination reference: clause 4.6

- 3.118 We are proposing that regulated suppliers that do not have a dividend policy (ie, Council in-house suppliers) will be excluded from the dividend policy disclosure requirement. Watercare will also be excluded, as it is prohibited by statute from paying a dividend to Auckland Council.
- 3.119 However, if a regulated supplier does not have a dividend policy, we are proposing that it must disclose this fact.

Allocation of liabilities and assets

- 3.120 Our overall reasoning for proposing disclosure information about regulated suppliers' allocation of liabilities and assets is outlined in the Draft Decision Summary.
- 3.121 However, we consider that further explanation may be helpful for the following aspects of the proposed ID requirements:
- > Approach to calculating the value of assets and liabilities transferred to a new water organisation.
 - > Annual disclosure of allocation of assets and liabilities.

Regulated suppliers would be required to explain their approach to calculating the value of assets and liabilities transferred to a new water organisation

Draft Determination reference: clause 4.2

- 3.122 In addition to providing the Commission with a confidential version of a transfer agreement (a document which sets out the transfer of responsibilities for provision of water services), we are proposing that regulated suppliers disclose information explaining their approach to and methodology for calculating the value of any assets and liabilities transferred to a new water organisation.
- 3.123 For clarity, this disclosure requirement applies to all entities that are party to a transfer agreement and therefore we are proposing that this applies also to entities that may no longer be a regulated supplier following the transfer/transition.

Regulated suppliers will be required to disclose information about the allocation of assets and liabilities annually

Draft Determination reference: clause 6.25

- 3.124 We are proposing that regulated suppliers must disclose the amount of, and an explanation for, the allocation of any assets and liabilities (or groups of assets and groups of liabilities):
- > between the regulated supplier's regulated and non-regulated activities, and
 - > shared between the regulated supplier and any other entity (for example, its shareholders).
- 3.125 We consider that this information would help stakeholders to understand whether regulated suppliers are maintaining consistency with the ring-fencing principle. The disclosed information would help stakeholders to assess whether regulated suppliers are making allocation decisions that are appropriate and are in the long-term interests of their consumers.

Chapter 4 Implementation settings

4.1 This chapter provides further reasons for the implementation settings we are proposing to apply. These settings are key ID requirements relating to the practical aspects of how our Draft Determination would operate in practice. It includes information on the following:

- > Requirements to assure the quality of information, relating to our proposal to require assurance such as director's certification.
- > Retention of information requirements, relating to the retention of underlying information.
- > Requirements regarding what information can be kept confidential, relating to disclosures to the Commission only.
- > Geographic disaggregation.

4.2 We are also seeking feedback on what we are proposing and have highlighted where feedback would be helpful before we finalise the proposed implementation settings.

Requirements to assure the quality of information

Draft Determination reference: clauses 7.1-7.4

4.3 We are proposing to require two types of assurance regulated suppliers would be required to undertake over the information they disclose under ID. These are assurance reports and director's certification, which are both intended to assure the quality of information regulated suppliers would be required to disclose in accordance with the determination.

4.4 Certification of information is intended to provide governance-level accountability for the quality of certain information we are proposing to require to be disclosed. It certifies that the disclosed information has been endorsed at the governance level as being compliant with the determination in all material respects.

4.5 In this section, we provide additional reasoning for the following aspects of what we are proposing:

- > Director's certification.

Director's certification

Draft Determination reference: clauses 7.3–7.4

- 4.6 In the determination we are proposing to require a director's certificate (certification) for certain disclosed information. We consider that the level of assurance we are proposing promotes the purpose of ID by demonstrating to stakeholders that the disclosed information reflects a regulated supplier's performance, and in that respect builds stakeholders' confidence in that information when assessing the performance of a regulated supplier.
- 4.7 To demonstrate that the information disclosed under ID can be used with confidence by stakeholders, we are proposing that a director's certificate must be signed by two directors, which in the case of a water organisation (such as a CCO) means two directors of the company. Where the regulated supplier is a local authority (such as a council providing regulated services in house), "directors" means two members of the governing body of that local authority. For any other body, director is taken to mean any person occupying a position that is comparable with that of a director of a company.⁴⁰ We consider that this approach supports accountability for the quality of the disclosures and that the disclosures meet the determination in all material aspects.
- 4.8 In our Draft Determination, we are proposing to prescribe two forms of director certification, with the specific form depending on the type of information being disclosed:
- > **Actual or historic information**—We are proposing to require a Schedule D form of certification to certify that actual or historical information—such as on revenue, expenditure, ring-fencing and the IDP—is compliant with the determination, properly sourced or extracted, and supported by sufficient records retained. If records are not retained, we are proposing that the form identify the alternative systems or records used as a basis for the disclosed information.⁴¹
 - > **Forecast information**—A Schedule E form is proposed to be used to certify that forecast information (such as on opex, depreciation, financial indicators, the SAMP and the AMP) is compliant with the Draft Determination and is based on objective and reasonable assumptions aligned with the regulated supplier's water services strategy.⁴²

⁴⁰ Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], cl 1.6.

⁴¹ Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], Schedule D.

⁴² Commerce Act ([DRAFT] Water Services Information Disclosure Determination 2026) [2026] NZCC [XX], Schedule D.

- 4.9 To support the purpose of ID and promote transparency and accountability, we are also proposing that the director’s certificate is to be published concurrently with the disclosure information to which it relates.
- 4.10 As we noted in our Draft Decision Summary, we acknowledge that there may concerns about additional costs associated with our proposed ID requirements on assurance. In line with our decision-making framework on setting ID requirements,⁴³ we consider that requiring director certification is a relatively cost-effective means of obtaining assurance, with a significant benefit. This is based on the expectation that directors would be able to certify information given their knowledge of the business and that they would seek advice they deem necessary prior to signing the director’s certificate.

Request for feedback

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- 23. Do you think there are specific disclosure areas where the proposed ID requirements for assurance may not be necessary or may not provide additional value relative to the cost and effort it would take to implement? If so, please explain your reasons, including specific challenges in complying with these requirements such as likely cost of any required changes to regulated suppliers’ existing practices and how we might change the proposed requirement(s) to address these.**
- 24. We also invite comment on the appropriateness of the proposed certification criteria for the matters being certified, including whether the criteria are fit for purpose and aligned with the type of information being disclosed and certified.**
- 25. Do you think there are particular types of disclosures where Chief Executive level certification would be more appropriate than what we are currently proposing?**
-

Retention of information

Draft Determination reference: clause 2.7

- 4.11 We are proposing to require that regulated suppliers retain any information they are required to disclose or provide to the Commission as well as any information from which they derive information they disclose.
- 4.12 In this section we provide further explanations for the following aspect of what we are proposing for retention of information:
- Retaining the underlying information on which disclosed information is based.

⁴³ Commerce Commission “Information Disclosure for Water Services – Draft Regulatory Framework Paper” (11 September 2025), para 77, see [here](#).

Retaining underlying information on which disclosed information is based

- 4.13 We are proposing to require that regulated suppliers not only retain the information they are being required to disclose or provide to the Commission, but also, where reasonably practicable, the underlying information that their ID disclosures are derived from including associated documentation.
- 4.14 Retention of information, including underlying information, will support the ID disclosures, assurance processes as well as compliance monitoring.
- 4.15 We are proposing that retained information must be readily retrievable and that the requirement to retain information applies only where it is reasonably practicable to do so. We are also proposing that the requirement to retain underlying information applies only to the extent that the information is not otherwise retained by another regulated supplier. We consider that what we are proposing aligns with the purpose of ID and the decision-making framework for setting our requirements by minimising the regulatory burden on regulated suppliers.
- 4.16 We acknowledge that regulated suppliers may not consider it reasonably practicable to retain all underlying data. For example, there may be questions as to whether geographically disaggregated information such as expenses by council area is information that needs to be retained by regulated suppliers that are multi-council CCOs. We consider that if that information was used to create information that is subsequently disclosed by the regulated supplier, then that information would need to be retained. In other words, if this level of detail forms the basis for disclosed information, regulated suppliers would be required to retain the information for the time period prescribed in the Draft Determination. This allows for us to request this information at a later stage if we need it.
- 4.17 Otherwise, an alternative would be to introduce a mandatory requirement for some geographically disaggregated information to be retained by regulated suppliers that are CCOs similar to what we are proposing for regulated suppliers operating under a split decision-making model.
- 4.18 We also acknowledge that there may be situations where the underlying information which a regulated supplier would be required by the proposed requirements to retain has been disposed of or is no longer being retained before the end of the prescribed period. In such cases the regulated supplier is required to promptly notify the Commission.

What information can be kept confidential

Draft Determination reference: clauses 2.5, 4.1-4.5

- 4.19 In our Draft Determination we are proposing ID requirements prescribing what information can be kept confidential and provided to the Commission only.

4.20 In this section we provide further explanations and seek feedback on:

- > Commission-only disclosures.

Commission-only disclosures

Draft Determination reference: clause 2.5

- 4.21 Not all information which we are proposing to require for disclosure will be publicly disclosed. In the Draft Determination we are proposing that certain information that we consider to be confidential, commercially sensitive or only needed to monitor compliance with our ID requirements will not be subject to public disclosure. Instead, we are proposing to require disclosure of such information to the Commission on a Commission-only basis (ie, Commission-only disclosures).
- 4.22 We are proposing this limited disclosure to apply only to cybersecurity expenditure information, unredacted transfer agreements and information to support the Commission to monitor compliance with ID requirements (such as cost allocation methodologies). All other information we are proposing to require for disclosure would otherwise need to be publicly disclosed.
- 4.23 We are proposing these types of information for Commission-only disclosure having reviewed all our proposed ID requirements through a confidentiality lens. This included considering whether the nature of the information justifies limited disclosure to protect sensitive commercial, legal or operational details. In doing so, our aim is to strike an appropriate balance between transparency through public disclosure, legitimate concerns relating to publication of confidential and commercially sensitive information and regulatory oversight.

Request for feedback

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- 26. Are there other types of information proposed for public disclosure that you think should be disclosed to the Commission on a Commission-only basis because they are confidential, commercially sensitive or only relevant for compliance monitoring?**
If there are, please say what those types of information should be and explain why these should be disclosed to the Commission only.
-

Geographic disaggregation

Draft Determination reference: clauses 2.3-2.4

- 4.24 We are proposing to require geographically disaggregated information in relation to some of our proposed ID requirements where joint or multi-council CCOs are operating under a split decision-making model. We consider that doing so would provide transparency on performance differences between different council areas within a service area if the regulated supplier is operating under a split decision-making model. This would enable stakeholders to better understand whether the purpose of Part 4 is being met, because the performance may differ by council area if councils have direct influence in relation to their council areas, such as deciding expenditure levels or prices for their area.
- 4.25 Our proposed ID requirements in relation to regulated suppliers involved in part of a service area would apply to those regulated suppliers operating under a split decision-making model because of the additional level of influence that the councils would have concerning their area.
- 4.26 We are interested in views on possible alternatives to what we are proposing:
- 4.26.1 **Alternative 1**—apply the proposed geographic disaggregation to all multi-council CCOs so that any multi-council CCO, irrespective of whether it is operating under a split decision-making model, would be required to disclose information in respect of the part of the service area (or council area) for which it provides services. Under this alternative, where consolidated information is required to be disclosed because the multi-council CCO operates under a split decision-making model, then that information would also need to be disclosed in respect of each council area serviced by the participating council.
- 4.26.2 **Alternative 2**—we could consider exploring applying this proposed ID requirement only where there is a requirement for disaggregation of information by council area laid out by the shareholders in the transfer agreement or statement of expectations.

Request for feedback

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27. Do you prefer either Alternative 1 or Alternative 2 to the proposed ID requirement? If so, which alternative do you prefer, and why?
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Attachment A – Submission process

How you can provide feedback

- 4.27 Responses must be emailed to wai@comcom.govt.nz with ['Feedback on Economic Regulation of Water Services – Information Disclosure – Draft decision'] in the subject line. Please say in your email that you consent to your submission being made public, or, if not, why not (see the next section below).
- 4.28 Please state whether you are submitting as an individual or on behalf of an organisation.
- 4.29 To ensure we can consider your feedback, please provide this to us by **5pm on 20 October 2025**.
- 4.30 We prefer submissions in both a format suitable for word processing (such as Microsoft Word document) as well as a 'locked' format (such as a PDF) for publication on our website. Please ensure that any submitted documents are not 'password protected'.

Confidential submissions

- 4.31 We intend to publish your feedback on our website to ensure our process is transparent. However, we understand that it is important to parties that confidential, commercially sensitive, or personal information (confidential information) is not disclosed, as disclosure could cause harm to the provider of the information or a third party.
- 4.32 Where your feedback includes confidential information, we request that you provide us with a confidential and a public version. We propose publishing the public versions of your feedback on our website. We note that responsibility for ensuring that confidential information is not included in a public version rests on the party providing the feedback.
- 4.33 Where confidential information is included in feedback:
 - 4.33.1 the information should be clearly marked and highlighted in yellow, and
 - 4.33.2 both confidential and public versions of feedback should be provided by the due date.
- 4.34 All information we receive is subject to the principle of availability under the Official Information Act 1982 (**OIA**). There are several reasons that the Commerce Commission may withhold information requested under the OIA from disclosure. This includes, most relevantly, where:
 - 4.34.1 release would unreasonably prejudice the commercial position of the regulated supplier or subject of the information

- 4.34.2 withholding the information is necessary to protect the privacy of natural persons, and
 - 4.34.3 we received the information under an obligation of confidence, and if we were to make that information available it would prejudice the supply of similar information to us (by any person) where it is in the public interest that such information continues to be supplied to us.
- 4.35 We will not disclose any confidential or commercially sensitive information in a media statement, public report, or in response to a request, unless there is a countervailing public interest in doing so in a particular case. Such cases are likely to be rare and would be discussed with you in advance of any publication.

We have provided a template for submissions

- 4.36 We have provided an optional submission template to make it easier for stakeholders to give feedback and to help us process responses more efficiently. While use of the template is not required, we encourage you to use it. You can download the submission template by accessing it [here](#).