

Information Disclosure for Water Services

Submission Template

## How to make a submission

Our draft decision package for information disclosure in the water sector can be found [here](https://comcom.govt.nz/regulated-industries/water-wai/economic-regulation-of-water-services-information-disclosure/_nocache?target=documents&root=368682). Attachment C in the Draft Decision Summary sets out how to make a submission, including where to send your submission, how we handle confidential submissions and preferred file format.

Submissions are due by **5pm on 20 October 2025**.

## Submitter details

|  |  |
| --- | --- |
| Organisation or individual name: |  |
| Confidentiality status of submission (tick either option): | This is a public submission that does NOT contain confidential information, and I consent to it being published on the Commerce Commission website. | [ ]  |
| This is a confidential submission that contains confidential information highlighted yellow. | [ ]  |
| Reasons for any confidential information:  |  |

To check the boxes below: double click on the box, then select ‘checked’ under default value.

## Section 1: Feedback on Draft Regulatory Framework Paper

This document can be found [here](https://comcom.govt.nz/regulated-industries/water-wai/economic-regulation-of-water-services-information-disclosure/_nocache?target=documents&root=368682). Please insert more rows if necessary.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | Paragraph #(s) | Feedback | Suggested changes (if any) | Reason(s) |
| 1 |  |  |  |  |
| 2 |  |  |  |  |
| 3 |  |  |  |  |
| 4 |  |  |  |  |
| 5 |  |  |  |  |

## Section 2: Feedback on proposed ID requirements

### Draft Determination

The Draft Determination can be found [here](https://comcom.govt.nz/regulated-industries/water-wai/economic-regulation-of-water-services-information-disclosure/_nocache?target=documents&root=368682).

As outlined in the ‘How to have your say’ section of the Draft Decision Summary, to make more targeted feedback easier, we have grouped our proposed ID requirements into two categories in the Draft Determination:

* **Basic disclosures**—information that we think is essential to support a basic understanding of our initial focus areas (asset management, financial sustainability and ring-fencing), and to identify issues that may need further scrutiny.
* **Additional disclosures** (shaded grey)—information that would provide deeper insight. We will consider not including these in our first set of ID requirements (and potentially introducing them later as sector capability improves), only applying them to certain regulated suppliers where needed, or giving all or some regulated suppliers more time to comply (eg, a delayed start). We are interested in your views on these options.

We are also particularly interested in your feedback on:

* **High-cost requirements**—which specific ID requirements would be costly to comply with, and why? If possible, please provide an indicative scale of effort and cost. Is there similar information that would be less costly to disclose?
* **Tailored requirements**—are there any specific ID requirements that should only apply to certain regulated suppliers? If so, which requirements, which regulated suppliers (based on scale, complexity or the risks they manage) and why?
* **Delayed implementation**—are there any specific ID requirements that should have a delayed start date? Why?
* **Value to stakeholders**—how would consumers, councils and other stakeholders use the disclosed information and are there any gaps that would be worth including new ID requirements on now or in the future?
* **Reporting frequency**—are there any ID requirements that we should change the reporting frequency of (for example, reporting annually compared to only if there is a material change) and why?
* **Efficiency**—are there any ID requirements that we could remove because the information is already readily available to stakeholders (eg, through another reporting requirement) or where we could better align with existing practices?

Please provide this feedback, and any other feedback on the Draft Determination, in the table below. Please insert more rows if necessary.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Clause #(s) | Feedback (eg, costs, tailored or delayed implementation, value to stakeholders, reporting frequency, efficiency) | Suggested changes (if any) | Reason(s) |
| 1. |  |  |  |  |
| 2. |  |  |  |  |
| 3. |  |  |  |  |
| 4. |  |  |  |  |
| 5. |  |  |  |  |

### Answer on question in Draft Decision Summary on support for implementation

The Draft Decision Summary paper can be found [here](https://comcom.govt.nz/regulated-industries/water-wai/economic-regulation-of-water-services-information-disclosure/_nocache?target=documents&root=368682).

As outlined in the ‘How to have your say’ section of the Draft Decision Summary Paper, we are particularly interested in your feedback on what we can do to support regulated suppliers as we implement ID for the water sector.

|  |
| --- |
| Draft Decision Summary - Support |
| What type of support would most help regulated suppliers comply with our ID requirements, and why? |
|  |

### Answers to the questions set out in the Explanatory Paper

The Explanatory Paper can be found [here](https://comcom.govt.nz/regulated-industries/water-wai/economic-regulation-of-water-services-information-disclosure/_nocache?target=documents&root=368682).

#### Explanatory paper – Financial questions

|  |
| --- |
| Capital expenditure: Capital expenditure is to be reported in specified categories |
| 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: Capital expenditure on network assets must be apportioned between categories |
| 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.** |
|  |

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

|  |
| --- |
| Operating expenditure: Operating expenditure is to be reported within specified categories |
| 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? |
|  |

|  |
| --- |
| 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 |
| 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. |
|  |

|  |
| --- |
| Asset values: 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 |
| 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? |
|  |

|  |
| --- |
| Actual revenue and other income: We are proposing regulated suppliers’ actual revenue and other income is reported within specified categories |
| 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? |
|  |

|  |
| --- |
| Actual revenue and other income: Regulated suppliers would be required to disclose detailed information about revenue from usage charges and rates |
| 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? |
|  |

|  |
| --- |
| Financing and funding arrangements |
| 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: Regulated suppliers would be required to disclose information about all charges, including non-standard charges and charges with small numbers of customers |
| 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. |
|  |

|  |
| --- |
| Financial sustainability indicators |
| 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? |
|  |

|  |
| --- |
| Revenue and funding indicators: Ratio of cost of water services as a proportion of household income |
| 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? |
|  |

#### Explanatory paper – Implementation settings questions

|  |
| --- |
| Director’s certification |
| 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? If so, please outline which disclosures would benefit from this approach and why, and describe any challenges regulated suppliers might face in meeting our proposed requirement (such as likely cost of any required changes to regulated suppliers’ existing practices) that could be better addressed through this level of certification. |
|  |

|  |
| --- |
| What can be kept confidential: Commission-only disclosures |
| 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 |
| 27. Do you prefer either Alternative 1 or Alternative 2 to the proposed ID requirement? If so, which alternative do you prefer, and why? |
|  |

### Other comments

In this section you can provide any general or specific comments you may have on our draft decision, that may not be covered by the previous sections above. We ask that you please reference the appropriate document, section and/or page number where possible.

|  |
| --- |
| Other comments  |
|  |