

We need to work together with stakeholders to ensure water infrastructure is developed, maintained and operated for the long-term benefit of consumers. At this initial stage of economic regulation of water in New Zealand, we are looking for your feedback on our discussion paper to make sure the regime is flexible, workable and effective.

What is happening? He aha ngā mahi kei te haere?

The Government has stated the Commission will be the economic regulator for water services under Local Water Done Well.

Economic regulation is a way of influencing the behaviour of suppliers in sectors which are important to people's lives and where there are issues with market power (eg, monopolies), including the price and quality of products and services supplied.

We are responsible for the transitional economic regulation regime and expect to put in place a long-term regime once the Local Government Water Services Bill passes. This is subject to any changes made during the Bill's progress through Parliament.

In our capacity as economic regulator for Local Water Done Well, we'll be able to shine a light on the performance and practices of your local water service provider to incentivise it to act in your long-term interest.

We'll do this through something called information disclosure – a form of economic regulation that promotes transparency by requiring service providers to publicly disclose certain information about their performance. This means everyone can see how they spend the money they charge for their services. We would then publish our analysis of that information.

We are at the start of the process and taking our first steps in engaging with the water sector on what the regime could look like. We want to hear from stakeholders on a range of topics, including what aspects of the performance of your water service are most important to you.

We already successfully use information disclosure in other industries, including for electricity lines companies, fibre, broadband, airports (Auckland, Wellington and Christchurch), fuel, and gas.

For water, the types of information we could ask for could relate to service quality, asset management, financial performance and pricing. This could include, for example, information on leakage / water loss, asset condition, forecast spend and investment, development contributions, and prices for residential customers.

By shining a light on what's going well and clearly identifying and monitoring areas for improvement, we can encourage your local water service provider to improve efficiency and quality and incentivise them to innovate and invest for your long-term benefit.

Who is the Commerce Commission? Ko wai rā te Komihana Tauhokohoko?

We are an independent competition, fair trading, consumer credit, and economic regulator. We have regulatory responsibilities in telecommunications, energy networks, transport fuel, the retail payment system, groceries, dairy, airports, and now water.

Who are water service providers? Ko wai rā ngā kaituku ratonga wai?

Your water service providers can include:

- territorial authorities (like your local city council)
- water organisations, which can include council-controlled organisations, and
- regional councils (if they provide any water services).

What is next? He aha ngā mahi e whai mai ana?

We are seeking your feedback and have provided prompts throughout our discussion paper, outlining some of the areas we are particularly interested in your views on. Visit our webpage [here](#) to find out how you can provide feedback, which is due by 4pm on Wednesday, 26 March.

You can keep up to date on the development of the information disclosure regime by joining our mailing list. Sign up by emailing us at wai@comcom.govt.nz.