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[Submission on change event reopener with quality impacts](#)

Transpower welcomes the opportunity to submit further on the proposed drafting for the change event reopener in Transpower's input methodologies. This submission proposes a slight amendment to the proposed drafting, to ensure the rule application meets the policy intent.

[Change events affecting quality standards and grid output measures](#)

In our previous submission¹ we raised that Transpower and EDBs each have a different trigger (or threshold) for being able to apply for a change event reopener – "for EDBs, the trigger is a percentage change (5%) to the quality standard; for Transpower, the trigger is a revenue impact (which is calculated through the proposed formula)."

Our prior understanding for how the proposed rule would operate has since been updated and with our revised understanding of how the threshold rule applies, we consider the proposed drafting could be clearer.

In the appendix we outline how the proposed drafting could cause us to breach a quality standard before any change event application would be made and show how the drafting could be amended to give better effect to the policy intent. We note the change threshold for Transpower's grid output measures can reach 50%. This is significantly higher than the proposed 5% threshold for EDBs. This does not appear to be in keeping with the Commission's intent.

Yours sincerely

Joel Cook

Head of Regulation

¹ Transpower submission [Further amendments to IMs](#)

Appendix: Testing the proposed drafting on our grid output measures

Below we have set out how we understand the proposed drafting would work using our Grid Output Measures. The Commission's proposed drafting at clause 3.7.5 (2A)² creates the following values at column 4 below.

For GP1A, the proposed formula indicates that the regulatory or legislative change would need to increase/ decrease our performance by 6. The target (i.e. no out- or under-performance) is 4 interruptions, and the collar (quality limit) is 8.³ Therefore, if the regulatory/ legislative change resulted in an increase of 5 we would breach the quality limit without triggering the reopener. We do not consider this is in line with the Commission's intent.

If the drafting is amended as at column 5, then for GP1A the movement is now 2, and the grid output target changes from 4 to 6. We consider this clarification better aligns with the Commission's intent.

1	2	3	4	5	6
Grid Output Measures	Grid output target	Collar	Threshold grid output target – (grid output target – collar) / 2	Threshold (collar - grid output target) / 2	Percentage change (column 5 cf. column 2)
GP1A	4	8	6	2	50%
GP1B	21	38	29.5	9	40%
GP1C	2	4	3	1	50%
GP1D	15	26	20.5	6	37%
GP1E	9	14	11.5	3	28%
GP1F	7	10	8.5	2	21%
AP1	98.00%	97.00%	97.50%	-0.5%	-0.5%
AP2	98.25%	97.87%	98.06%	-0.2%	-0.2%
GP2A	73	123	98	25	34%
GP2B	74	121	97.5	24	32%
GP2C	66	117	91.5	26	39%
GP2D	104	208	156	52	50%
GP2E	225	420	322.5	98	43%
GP2F	123	246	184.5	62	50%

² Refer [Transpower Input Methodologies Reopeners and Other Matters Amendment Determination](#)

³ The Grid Output Measures are in table 4.2 of the [2025 - 2030 Transpower IPP determination](#)