

NOTICE OF INTENTION

25 June 2025

Potential amendments to Input Methodologies for Electricity Distribution Services

1. The Commerce Commission (**Commission**) gives notice under section 52V(1) of the Commerce Act 1986 (**Act**) that it is beginning work on potential amendments to the *Electricity Distribution Services Input Methodologies Determination 2012* [2012] NZCC 26 (**IMs**).
2. In accordance with section 52V of the Act, this notice outlines the general scope of the potential IM amendments under consideration, and the proposed process and indicative timeframes for considering and consulting on the potential amendments.

Scope of potential IM amendments under consideration

3. In the course of preparing for potential customised price-quality path (CPP) applications during the 2025-2030 default price-quality path (DPP4), we have identified a potential CPP IM amendment:
 - 3.1 When setting a DPP, we may determine “alternate X-factors” to defer revenue from earlier years of the DPP to the later years for the purpose of mitigating price shocks to consumers.¹ Under the current IMs, this DPP deferred revenue is permanently foregone should an EDB transition to a CPP from a DPP.
 - 3.2 A potential IM amendment would explicitly provide EDBs an avenue to recover revenue deferred under a DPP when they move to a CPP.
4. We consider it appropriate to address this issue now as opposed to waiting for the statutory review of the IMs under section 52Y of the Act.

¹ Commerce Act 1987, section 53P(8).

Proposed process and indicative timeframes for potential IM amendments described above

	Process	Indicative timeframe
1.	Draft decision by the Commission Draft decision on potential IM amendments	August 2025
2.	Submissions due from interested persons on potential IM amendments	September 2025
3.	Cross-submissions due from interested persons on potential IM amendments	September 2025
4.	Final decision by the Commission Final decision on potential IM amendments	December 2025

Updates and any process refinements will be published on the Commission's [website](#).