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Powerco Limited (Powerco) welcomes the opportunity to provide a submission on the Commerce Commission's issues and process paper for the targeted information disclosure review for electricity distribution businesses (EDBs).

Powerco supports the Commission's initiative to review the EDB information disclosure (ID). Our views on the Commission's review and its proposed changes are:

- **It is an appropriate time to review the information disclosure requirements.** A lot has already changed in the electricity industry since the ID regime came into effect. And a significant amount of change is likely to occur soon as the country decarbonises and adopts new technologies. We support the review of ID to reflect this changing environment and ensure it remains fit for its purpose.
- **Reviewing the ID will benefit consumers.** Strengthening the disclosure requirements and shining the light on EDB activities in areas of increasing importance, like low voltage networks and new technologies, will incentivise EDBs to improve their performance and services.
- **A targeted review with two tranches is a sensible and efficient approach to making ID changes.** The Commission has identified the most urgent and highest value focus areas.
- **The proposed changes are, for the most part, reasonable.** We can understand why stakeholders could value the suggested information. But there needs to be more, and careful thought put into the value of the outcomes and how it would assist stakeholders. Essentially a qualitative cost-benefit assessment. For information where the value of the data (or cost to provide) is unclear, a temporary opt-in approach with low audit threshold could be a pragmatic approach to test proof of concept before including as a formal disclosure requirement.
- The proposals we have specific suggestions on are:
  - D2: More thought is needed about EDBs disclosing information about large new loads on their networks. This information doesn't appear to help stakeholders understand how EDBs are preparing for decarbonisation. Additionally, a requirement for EDBs to identify and

report on the top 10 fossil-fuel loads on their network assumes that customers are willing to share their energy supply information. Our experience is that some do not.

- D3: We can see the benefit of improving EDB disclosure of network constraints, but we think it is only part of the information that stakeholders would find valuable. Instead of requiring disclosure of constraints, we believe it would be more helpful for stakeholders to focus on market opportunities. For example, EDBs could describe where and when investment is planned and what the nature of the non-network options could be to solve the investment need. The Commission could amend the non-network disclosure requirements in asset management plans (AMPs) to provide a consolidated location for this information. We have commented on this to the Electricity Authority's work in this area.<sup>1</sup>
- Q2: The introduction of power quality reporting would be helpful. Unfortunately, our understanding is that most EDBs cannot systematically assess power quality on their distribution or sub-transmission networks. So measuring and reporting power quality is impractical right now.
- Q8: We do not support MAIFI reporting because of its complexity and limited comparability.
- **We think in-person conversations with stakeholders are an essential next step.** Not all stakeholder groups will submit on the Commission's process and issues paper. So the Commission must engage in conversation with stakeholders to understand what information would be helpful to them and what decisions it would inform. This exercise will also help with the prioritisation of information/issues given it's not a costless exercise.
- **Asset management plans will lose value if the disclosure requirements become too prescriptive.** Additionally, we think prescriptive requirements are unnecessary because the existing regulatory requirements mapping in the appendix of AMPs works well. One area which could be monitored and potentially expanded is the treatment of non-network alternatives (D3).
- **The Commission should review and remove ID requirements that do not add value.** For example
  - the requirements to publish notifications in newspapers could be generalised to allow alternative mediums which ensure customers are informed.
  - The requirements for AMP updates could be reduced (which wouldn't prevent EDBs from providing information if it was cost-effective or meaningful to do so).

We look forward to engaging with the Commission over the coming months to support this review. If you have any questions about this submission, please contact Nathan Hill ([Nathan.Hill@powerco.co.nz](mailto:Nathan.Hill@powerco.co.nz)).



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<sup>1</sup> See pages 9-11 here <https://www.ea.govt.nz/assets/dms-assets/29/Powerco-Updating-the-Regulatory-Settings-for-Distribution-Networks.pdf>