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11 July 2014

Brett Woods Senior Analyst Regulation Branch Commerce Commission Wellington

Sent by email to: regulation.branch@comcom.govt.nz

Dear Brett,

Information Disclosure amendments process

- Vector welcomes the opportunity to provide a submission on the Commerce Commission's (Commission) consultation paper *Proposed process – Amendments to information disclosure requirements*, dated 23 June 2014.
- 2. Vector supports the Commission's aim of resolving the outstanding issues with the information disclosure determinations that apply to electricity distribution and gas pipeline businesses. We also welcome the early and helpful engagement with the Commission on how this workstream should be structured and prioritised.
- 3. Vector has participated in the ENA process and the GPB process that have sought to prioritise selected items in the issues register. Therefore we will not provide views on prioritisation of individual issues in this submission – we support the submissions of the ENA and Powerco on prioritisation.
- 4. Although we have participated in the prioritisation process so far, on reflection it is now Vector's view that seeking to prioritise certain issues and address those before any others is a step that increases the subjectivity and complexity of the process and is probably not the optimal process to take. In particular, we understand that due to other priorities the Commission is unlikely to be able to address complex policy issues relating to the disclosures before 2015. But the more minor technical issues are, in general, not causing significant problems given the guidance provided in the issues register. A push to resolve some of the non-complex issues urgently is therefore unlikely to deliver great value.

- 5. Therefore, Vector **recommends** the Commission adopt the following process:
 - a. The issues register remains key guidance for EDBs and GPBs on the ID requirements until the amendments are completed.
 - b. The Commission issues exemptions to address items where compliance is simply not feasible (e.g. the requirement for GDBs to disclose telephone answering times by sub-network).
 - c. The Commission works through a process to resolve all issues and makes a single amendment to the IDDs to resolve them all. Our suggested high-level process is:
 - i. A one-stage consultation on the "non-complex" changes the Commission has already identified. One stage should be sufficient as resolving these should be a case of straightforward drafting changes. Where submitters disagree that items are "non-complex" they can then be moved into the "policy" consultation process below.
 - ii. A two-stage consultation on the "policy" issues where the Commission first consults on whether and how the IDs should be amended to resolve the more complex or controversial issues and then issues a technical drafting consultation to implement its decisions.
 - iii. Once all consultations are complete, the Commission makes all amendments to the IDDs at once in one determination for each sector.
- 6. While this process would take some time, it would reduce confusion as there would be only one set of amendments for regulated suppliers to seek to understand. It also removes the complexity and debate regarding where items might sit on the complexity – impact framework suggested in the consultation paper.

Contact details

 If you require any further information please contact me in the first instance on 09 978 8277 or at <u>ian.ferguson@vector.co.nz</u>

Kind regards,

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Ian Ferguson
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