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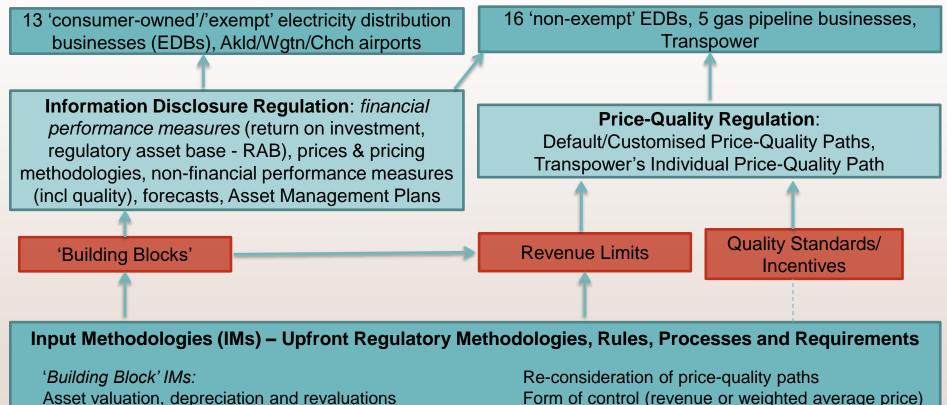
## **Overview of Part 4 Regulation and the** 'Building Blocks' Approach

## **Supplementary Slides for IPAG Meeting**

5 May 2022

## **Overview of Part 4 regulation**





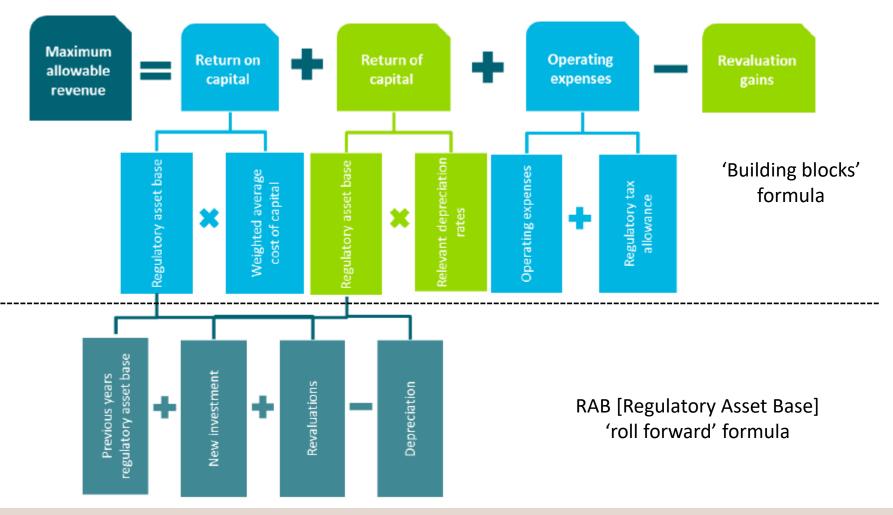
Cost of capital Tax

Cost allocation (regulated/regulated/unregulated)

Re-consideration of price-quality paths Form of control (revenue or weighted average price) Customised price-quality path proposals Transpower's capital expenditure proposals Incremental Rolling Incentive Scheme (IRIS)

## How 'building blocks' are used to calculate allowable revenue





Modified from MBIE: Regulating communications for the future, Review of the Telecommunications Act 2001, Figure 15