

19 March 2024

s9(2)(a)

s9(2)(a)

By email: s9(2)(a)

Tēnā koe s9(2)(a)

Thank you for your request, received on 28 February 2024, for the following information under the Official Information Act 1982 (the Act):

- *“The (voluntary) information requests in relation to the risk management review that was sent to Contact, Genesis, Mercury and Meridian.”*

While your request is for voluntary information requests in relation to the risk management review, we have also provided requests made under section 46 of the Electricity Industry Act 2010 so you have a fuller picture of the information the Authority has sought from participants. Therefore, the Authority has identified eight documents within scope of your request, which are attached to this letter.

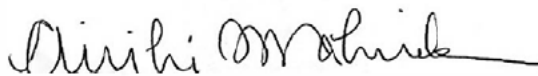
These documents will also shortly be published on the Authority’s website.

We note that we have redacted the names of the relevant employees at the participants that the requests were sent to pursuant to section 9(2)(a) of the Act.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

If you wish to discuss this decision with us, please feel free to contact us by emailing oia@ea.govt.nz.

Nāku noa, nā,



Airihī Mahuika
GM Legal, Monitoring and Compliance

From: [Julia Hall](#)
To: [s9\(2\)\(a\)](#)
Cc: [Jasper Eaton](#)
Subject: Voluntary request for risk management and OTC contract information
Date: Friday, 1 March 2024 7:47:00 am

Hi [s9\(2\)\(a\)](#),

The Electricity Authority is currently reviewing risk management options available to electricity retailers (see project page [here](#)). As part of this exercise, we are seeking to better understand the availability and accessibility of risk management solutions to non-integrated retailers through the over-the-counter (OTC) market, the pricing relationship between the ASX and OTC market, and the supply and pricing of shaped solutions.

This data request is a part of the review work programme as described in our Project Initiation Document (PID) which can be found on the project page.

To investigate the competitiveness of risk management practices, we need more information on how the OTC market is currently functioning, including the gentailers' approach to this market. We are therefore requesting the information set out in the "Risk management review (gentailers)" information provision portal data request. An automated email from the portal will follow with a link to the data request (to the principal respondent in your organization). If you have any problems accessing the data request, please let me know.

Where a timeline is not otherwise specified, we would like documentation and data spanning 1 November 2022 to 31 December 2023. That is, for methodology and process documents, please provide the documents that were applicable over this period. If the documents were changed during this period, please provide the old and new versions. For RFPs - if the date an RFP was initially received or being considered falls within this interval then all documentation associated with that RFP is requested.

After receiving this information we may ask to have a follow up conversation with the relevant people in your organisation.

Please let us know by **5pm Monday 4 March 2024** if you are able to send us the information on a voluntary basis. If you are able to provide it on a voluntary basis, we request that you please provide the information by **5pm 22 March 2024**. If you are unable to provide the information within this time frame, please get in contact with us.

If you have any questions for us feel free to email me or give me a call on the number below.

Many thanks,

Julia Hall

[s9\(2\)\(a\)](#)

From: [Julia Hall](#)
To: [s9\(2\)\(a\)](#) [@genesisenergy.co.nz](#)
Cc: [Jasper Eaton](#)
Subject: Voluntary request for risk management and OTC contract information
Date: Friday, 1 March 2024 7:49:00 am

Hi [s9\(2\)\(a\)](#),

The Electricity Authority is currently reviewing risk management options available to electricity retailers (see project page [here](#)). As part of this exercise, we are seeking to better understand the availability and accessibility of risk management solutions to non-integrated retailers through the over-the-counter (OTC) market, the pricing relationship between the ASX and OTC market, and the supply and pricing of shaped solutions.

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If you have any questions for us feel free to email me or give me a call on the number below.

Many thanks,

Julia Hall

[s9\(2\)\(a\)](#)

From: [Julia Hall](#)
To: [s9\(2\)\(a\)](#)
Cc: [Jasper Eaton](#); [s9\(2\)\(a\)](#) [@mercury.co.nz](#)
Subject: Voluntary request for risk management and OTC contract information
Date: Friday, 1 March 2024 7:51:00 am

Hi [s9\(2\)\(a\)](#),

The Electricity Authority is currently reviewing risk management options available to electricity retailers (see project page [here](#)). As part of this exercise, we are seeking to better understand the availability and accessibility of risk management solutions to non-integrated retailers through the over-the-counter (OTC) market, the pricing relationship between the ASX and OTC market, and the supply and pricing of shaped solutions.

This data request is a part of the review work programme as described in our Project Initiation Document (PID) which can be found on the project page.

To investigate the competitiveness of risk management practices, we need more information on how the OTC market is currently functioning, including the gentailers' approach to this market. We are therefore requesting the information set out in the "Risk management review (gentailers)" information provision portal data request. An automated email from the portal will follow with a link to the data request (to the principal respondent in your organization). If you have any problems accessing the data request, please let me know.

Where a timeline is not otherwise specified, we would like documentation and data spanning 1 November 2022 to 31 December 2023. That is, for methodology and process documents, please provide the documents that were applicable over this period. If the documents were changed during this period, please provide the old and new versions. For RFPs - if the date an RFP was initially received or being considered falls within this interval then all documentation associated with that RFP is requested.

After receiving this information we may ask to have a follow up conversation with the relevant people in your organisation.

Please let us know by **5pm Monday 4 March 2024** if you are able to send us the information on a voluntary basis. If you are able to provide it on a voluntary basis, we request that you please provide the information by **5pm 22 March 2024**. If you are unable to provide the information within this time frame, please get in contact with us.

If you have any questions for us feel free to email me or give me a call on the number below.

Many thanks,

Julia Hall

[s9\(2\)\(a\)](#)

From: [Julia Hall](#)
To: [s9\(2\)\(a\)@meridianenergy.co.nz](#)
Cc: [Jasper Eaton](#)
Subject: Voluntary request for risk management and OTC contract information
Date: Friday, 1 March 2024 7:48:00 am

Hi [s9\(2\)\(a\)](#),

The Electricity Authority is currently reviewing risk management options available to electricity retailers (see project page [here](#)). As part of this exercise, we are seeking to better understand the availability and accessibility of risk management solutions to non-integrated retailers through the over-the-counter (OTC) market, the pricing relationship between the ASX and OTC market, and the supply and pricing of shaped solutions.

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Where a timeline is not otherwise specified, we would like documentation and data spanning 1 November 2022 to 31 December 2023. That is, for methodology and process documents, please provide the documents that were applicable over this period. If the documents were changed during this period, please provide the old and new versions. For RFPs - if the date an RFP was initially received or being considered falls within this interval then all documentation associated with that RFP is requested.

After receiving this information we may ask to have a follow up conversation with the relevant people in your organisation.

Please let us know by **5pm Monday 4 March 2024** if you are able to send us the information on a voluntary basis. If you are able to provide it on a voluntary basis, we request that you please provide the information by **5pm 22 March 2024**. If you are unable to provide the information within this time frame, please get in contact with us.

If you have any questions for us feel free to email me or give me a call on the number below.

Many thanks,

Julia Hall

[s9\(2\)\(a\)](#)

Information Provision

[Make a submission](#) / Risk management review (gentailers)

[Dataset definition](#)

Risk management review (gentailers)

The Electricity Authority Te Mana Hiko is currently reviewing risk management options available to electricity retailers (see project page [here](#)). As part of this exercise, we are seeking to better understand the availability and accessibility of risk management solutions to non-integrated retailers through the over-the-counter (OTC) market, the pricing relationship between the ASX and OTC market, and the supply and pricing of shaped solutions.

This data request is a part of the review work programme as described in our Project Initiation Document (PID) which can be found on the project page.

To investigate the competitiveness of risk management practices, we need more information on how the OTC market is currently functioning, including the gentailers' approach to this market. We are therefore requesting the following information from you. Where a timeline is not otherwise specified, we would like documentation and data for the below points spanning 1 November 2022 to 31 December 2023. That is, for methodology and process documents, please provide the documents that were applicable over this period. If the documents were changed during this period, please provide the old and new versions. For RFPs - if the date an RFP was initially received or being considered falls within this interval then all documentation associated with that RFP is requested.

Please exclude contract requests that had a response time of less than 1 day or, were for a transaction that was for less than 1MW or, were a non-written request.

[You can find additional guidance here](#) ↗

If you have any questions about this request or encounter any issues, please contact Info.Provision@ea.govt.nz

Credit approach and consistent treatment of participants

All documents referring or related to credit assessment policies and processes, including your approach to: assessing the credit strength of a prospective counterparty, setting counterparty credit risk limits, measuring the potential credit exposure with respect to both individual deal structures and a portfolio of trades (e.g. netting), the treatment of credit enhancements e.g. letters of credit, guarantees

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All documents referring or related to credit assessment scores and limits carried out during the timeframe specified above (including how the assessment followed the framework or guidelines) applied to non-integrated retailers, other gentailers, and large energy users regardless of whether the other party entered into an agreement with you. Please also note the type of counterparty and whether you have a current ISDA with the counterparty

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If not covered above, all documents referring or related to policies and procedures for determining whether to offer an ISDA to counterparties (by counterparty type, if applicable), and policies and procedures deciding on the terms to be offered and the process for executing an ISDA

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Pricing contract methodologies

All documents referring or related to the determination and calculation of your organisations methodologies (but not the application of those methodologies). This includes baseload, shaped, FPVV, option and cap contracts, as well as contracts with any other structures you are presented with or have offered or traded (but excluding PPAs). Please include at least one recent worked example for each contract type. This includes baseload, shaped, FPVV, option and cap contracts, as well as contracts with any other structures you are presented with or have offered or traded. Please include at least one recent worked example for each contract type. Please note: If there is differentiation in pricing methodologies for each of the contract types between non-integrated retailers, inter-generator and industrial customers (please include at least one worked example for each differentiation), How you assess credit exposure for each of the contract types, and how you price for counterparty credit, if at all

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[+ Add another](#)

RFP responses and FPVV contracts

Please fill in the attached spreadsheet (see below 'sample csv') for: a. all OTC RFPs or requests received that resulted in a signed contract (excluding requests from non-integrated retailers) b. Your ten largest (where size is based on GWh/year) FPVV (144 price schedule) contracts signed over the period (excluding those where the counterparty was a non-integrated retailer). (Please ignore irrelevant columns, and please note that one FPVV contract will require multiple rows filled in – please refer to the guidance attached). Please ensure prices entered are energy only prices. 

[? File definition](#)

[Sample CSV](#)

Drag and drop a CSV file, or [select a CSV file](#)

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For any RFP you received and priced (this time including those received from non-integrated retailers) that did not follow the pricing methodologies supplied above. Please provide supporting evidence to show how the final price was reached.

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Please provide all documents referring or related to methodologies or factors considered when deciding whether to respond to an RFP.

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[+ Add another](#)

For any RFPs you received but did not respond to, the reason and evidence to support the decision to not respond, including any correspondence with the requestor in relation to the reasons for the decision.

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Expectations on the OTC market to provide risk solutions for non-vertically integrated retailers

What other risk management options have you been investigating or implementing beyond ASX or OTC options? For each option please provide your observations on the relative substitutability, efficiency, and cost for your organisation (versus OTC and ASX)



If you have investigated investing in batteries, please provide details of estimated or actual (where possible) development costs of such investment

Any associated documents

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What other risk management options do you believe non-integrated retailers have beyond ASX and OTC options? For each option you identify, please provide your observations on the relative substitutability, efficiency, and cost of these options for non-integrated retailers (versus OTC and ASX)

What are some of the information and incentive challenges you have with contracting and pricing deal structures for different contract types with counterparties (in contrast with providing it to an internal party)? Please provide this information by type of counterparty (gentailer, non-integrated retailers, industrial customers). Do you consider the risk /cost of supplying an internal retail business unit the same as a third party (ignoring credit risk)? Why/why not?

Innovations that impact the risk management market

Please list all innovations have you been investigating or implementing that may change the landscape for risk management? (Innovations could include such things as demand response initiatives, investment in batteries or other new technologies, different retail offerings, ways of making more flexible generation available for risk management, different contract types offered etc). Please provide details of what the innovations entail and their timelines (eg, when the project was first considered, when the first trial began, etc)

Any associated documents

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Cancel



[Copyright, disclaimer and privacy policy](#)

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Te Kāwanatanga o Aotearoa
New Zealand Government

Guidance on columns in csv templates – “Risk management review (gentailers)” information provision portal form

Column in csv template	Guidance
Contract ID	The internal identification given to a unique contract
Tranche	<p>Where multiple products have been included in the same contract, the tranche indicates each unique product.</p> <p>Where quantity is specified in the contract for multiple nodes, please include each node as a separate tranche/row.</p> <p>Where two or more distinct periods are specified in the contract, please enter these as separate tranches/rows (eg the contract includes quantity for trading periods 14-20 AND trading periods 30-48).</p> <p>An FPVV contract (144 price schedule) will require 144 rows per year to be filled in, for example for an FPVV contract for 2025:</p> <p>One row for trading periods 1-8, for business days, for January (enter effective date 1/1/2025, end date 31/1/2025)</p> <p>One row for trading periods 9-16, for business days, for January</p> <p>One row for trading periods 17-24, for business days, for January</p> <p>One row for trading periods 25-32, for business days, for January</p> <p>One row for trading periods 33-40, for business days, for January</p> <p>One row for trading periods 41-48, for business days, for January</p> <p>One row for trading periods 1-8, for non-business days, for January</p> <p>One row for trading periods 9-16, for non-business days, for January</p> <p>One row for trading periods 17-24, for non-business days, for January</p> <p>One row for trading periods 25-32, for non-business days, for January</p> <p>One row for trading periods 33-40, for non-business days, for January</p> <p>One row for trading periods 41-48, for non-business days, for January</p> <p>One row for trading periods 1-8, for business days, for February (enter effective date 1/2/2025, end date 28/2/2025)</p> <p>Etc</p>
Counterparty	Who the contract was signed with

Trade date	The date the contract was signed
Credit requested amount (\$)	Please specify (in \$) the amount of credit that you requested (enter N/A if none was requested)
Conforming response flag	Was the response conforming with the requested contract tranche or a non-conforming offer? Please enter "Yes" or "No"
Buy/Sell	Whether you were the buyer or the seller of the contract tranche. Please enter "Buy" or "Sell"
Contract type	Instrument type, eg CFD, Option, C300 etc
Contract price (\$/MWh)	Strike price of the contract. If this differs by time period, please enter each strike price in different tranches/rows.
Premium	Option premium (\$/MWh)
Options style	American or Asian. Please enter "American" or "Asian"
Option type	Call or Put. Please enter "Call" or "Put"
Effective date	Date of the first trading period to which the tranche of the risk management contract applies (ie, term start)
End date	Date of the final trading period to which the tranche of the risk management contract applies (ie, term end)
Trading period start	The first trading period for which the contract applies (for each tranche – see Tranche above for more guidance)
Trading period end	The last trading period for which the contract applies (for each tranche – see Tranche above for more guidance)
Day type	Eg Business days, weekend days etc
Location	Please specify the node(s) at which prices are set. See Tranche for more guidance
Contract profile	Whether the contract tranche is for baseload or shaped. Please enter "Baseload" or "Shaped"
Fixed or variable	Whether the contract tranche has fixed or variable volume. Please enter "Fixed" or "Variable"
Minimum volume requested	Where the contract has variable volume, please enter the minimum quantity (MW) for each tranche. Where the contract has fixed volume, please enter the fixed amount (MW).
Maximum volume requested	Where the contract has variable volume, please enter the maximum quantity (MW) for each tranche. Where the contract has fixed volume, please enter the fixed amount (MW).

Total volume requested	Please enter the total volume for each tranche (MWh)
Exchange for physical	Whether the contract tranche is an exchange for physical supply. Please enter "Yes" or "No"
Following	Whether the contract tranche price is linked to consumption or generation of electricity. Please enter "Load" or "Generation"
Firming	Whether the contract tranche price is linked to firming load or generation. Please enter "Load" or "Generation"
Knock out clause	Whether the contract tranche has a knock out clause. Please enter "Yes" or "No"
Description of knock out clause	Please enter a description of the knock out clause
Exercise defined by electricity price	If the exercise of the contract tranche is defined by the electricity price, please enter "Yes". Else enter "No"
Description of what exercise is defined by	Please provide an explanation of what the exercise of the contract tranche is defined by. For example, is it defined by hydro storage or other fuel type.
Reference price	Does the contract tranche use a certain price as a reference price. For example, the spot price, the ASX price, or a modelled price.
Annual price indexing	Is the contract tranche indexed to an annual price – for example, the ASX, CPI or PPI, or other (custom) – please specify if possible.
ASX reference node	If the contract tranche price is referenced to the ASX price, which ASX node?
ASX last date	If the contract tranche price is referenced to the ASX price, which is the last ASX date specified for the referencing
ASX last price	If the contract tranche price is referenced to the ASX price, which is the last ASX price specified for the referencing
Any other relevant detail	Please give details of any other clauses in the contract tranche that may be relevant for assessing the contract (for example, whether there is an adjustment, suspension, force majeure or special credit clause, or other clauses providing for the pass-through of certain costs)

Frequently asked questions

Question	Answer
<p>Could you please clarify: Whether there is a gap in the information request that we have received. From what we can tell the request includes in scope information about RFPs or requests received that resulted in a signed contract as well as information about RFPs received but which we did not respond to. However, there does not seem to be an ask for any information about RFPs or requests that we responded to with offers but which did not result in contracts for whatever reason. We just wanted to check that is deliberate</p>	<p>I expect the pricing contract methodology questions and Q6 to cover this. (while reducing the burden of filling out details of all responses to requests)</p> <p>Q6: For any RFP you received and priced (this time including those received from non-integrated retailers) that did not follow the pricing methodologies supplied in (Q4) please provide supporting evidence to show how the final price was reached.</p>
<p>RFP responses and FPVV contracts</p>	
<p>Could you please clarify: Whether FPVV contract information is definitely in scope. The request states: "Please fill in the attached CSV file for all OTC market RFPs or requests received that resulted in a signed contract (excluding requests from non-integrated retailers). Your ten largest (where size is based on GWh/year) FPVV (144 price schedule) contracts signed over the period (excluding those where the counterparty was a non-integrated retailer). Please ignore irrelevant columns, and please note that one FPVV contract will require multiple rows filled in? please refer to the guidance attached. Please ensure prices entered are energy only prices?" We don't consider FPVV contracts to be OTC contracts and it seems only OTC contracts are requested. The reference to FPVV contracts is a statement and doesn't actually ask for anything but this may be an error?</p>	<p>This looks like a formatting issue when we've put the question into the information provision portal. The question should read:</p> <p>Please fill in the attached spreadsheet (see below) for:</p> <ol style="list-style-type: none"> a. all OTC RFPs or requests received that resulted in a signed contract (excluding requests from non-integrated retailers) b. Your ten largest (where size is based on GWh/year) FPVV (144 price schedule) contracts signed over the period (excluding those where the counterparty was a non-integrated retailer). (Please ignore irrelevant columns, and please note that one FPVV contract will require multiple rows filled in – please refer to the guidance attached). Please ensure prices entered are energy only prices. <p>[this has been fixed in the information provision portal form]</p>

<p>Reading your response [above], is it the Authority's intent to:</p> <ul style="list-style-type: none"> a) rely on the information provided by small retailers to understand those requests and responses that did not result in contracts and assume application of pricing methodologies (unless there is deviation or non-response, which is captured by other questions); or b) collect information on requests and responses that did not result in contracts but do so indirectly under question 4 as any document that involves application of our pricing methodologies to a specific request will be deemed to be a document "referring or related to" the pricing methodologies? <p>The part of question 4 that requests we "include at least one recent worked example for each contract type" seems to suggest a narrower interpretation and that not all documents that apply our pricing methodologies will be deemed to be "referring or related to" our pricing methodologies.</p>	<p>The Authority's intent is set out in (a) - the original intent of the OTC code of conduct monitoring was to reduce burden by having only one party provide the information, and I have tried to stick to that here where possible. I will assume application of the pricing methodologies unless you point out otherwise in Q6 or Q8. (b) was not our intent.</p> <p>I agree with the statement that "the part of question 4 that requests we "include at least one recent worked example for each contract type" seems to suggest a narrower interpretation....." - the documents referring or related to the methodologies should not include each document from negotiations that refers to the pricing methodologies. Rather, the documents referring to the methodologies would be documents where you may be discussing e.g. changing the methodologies, how the methodologies should be calculated, what parameters to use etc.</p> <p>I will change the question to read "All documents referring or related to the determination and calculation of your organisations methodologies (but not the application of those methodologies) ..." Then the recent worked example will be the application of those methodologies.</p> <p>[this has been changed in the information provision portal form]</p>
<p>This relates to question 5:</p> <p>"Please provide all documents referring or related to methodologies or factors considered when deciding whether to respond to an RFP."</p> <p>Is the intention of this to capture:</p> <ul style="list-style-type: none"> (a) documents that contemplate not responding to an RFP at all; or (b) methodologies or factors considered when responding to an RFP? 	<p>Yes (a) – the initial decision on whether to respond to it or not. The methodologies or factors considered when responding to an RFP are covered by the other questions</p>

<p>the EA has asked information about OTC RFPs, please clarify if this relates specifically to financial “hedge” products only or includes RFP’s for FPVV physical supply to TOU metered consumers. We note the request for details on the 10 largest FPVV contracts.</p>	<p>All FPVV contracts (physical supply or CfD) should be included (where they are in scope for the RFPs – see next row). However:</p> <p>Q5 – only the 10 largest FPVV physical supply contracts need to be reported. So (a) in that question excludes FPVV physical supply contracts.</p> <p>Q6 – for any contract (including FPVV physical supply) IF your response did not follow your pricing methodologies. We list FPVVs under Q4 for the methodologies.</p> <p>Q7 – if FPVV physical supply RFPs are covered by the scope of RFPs (see below)</p> <p>Q8 – if FPVV physical supply RFPs are covered by the scope of RFPs (see below)</p>
<p>Please also clarify what constitutes an RFP in this context, given the bespoke/bilateral or broker led nature of the market engagements can informal. We would appreciate some guidance on what is relevant here. RFP requests</p>	<p>I’m using the same scope for RFPs as used in the OTC Code of Conduct monitoring, so EXCLUDING any contract requests that:</p> <ol style="list-style-type: none"> 1. Had a response time of less than 1 day OR 2. Were for a transaction that was for less than 1MW; or 3. Were a non-written request <p>Apologies for not including this scope in the form originally.</p> <p>[this has been added at the top of the information provision portal form]</p>

<p>PPAs – are these included?</p>	<p>Please include these under the later questions (“What other risk management options have you been investigating or implementing beyond ASX or OTC options?” and “What other risk management options do you believe non-integrated retailers have beyond ASX and OTC options?”), but not for other the other questions. If we have further questions after we see your answers to those questions we may ask for some more details at a later stage.</p> <p>[this scope exclusion will be added to Q4]:</p> <p>All documents referring or related to your organisation’s methodologies for pricing various types of contract structures through OTC instruments. This includes baseload, shaped, FPVV, option and cap contracts, as well as contracts with any other structures you are presented with or have offered or traded (but excluding PPAs). Please include at least one recent worked example for each contract type.</p>
<p>Working out the size of FPVVs to get the largest 10</p>	<p>Please base the size on estimated consumption at the time the contract was signed</p>

Risk management review (gentailers) CSV

Question	Data type
Contact ID	String
Tranche	Numeric
Counterparty	String
Trade date	Date
Credit requested amount (\$)	Numeric/NA
Conforming response flag	Y/N
Buy/Sell	Buy/Sell
Contract price (\$/MWh)	Numeric
Contract type	String
Premium	Numeric
Options style	American/Asian
Option type	Call/Put
Effective date	Date
End date	Date
Trading Period start	Numeric 1-48
Trading Period end	Numeric 1-48
Day type	String
Location	String
Contract profile	Baseload/Shaped
Fixed or variable	Fixed/Variable
Minimum volume (MW)	Numeric
Maximum volume (MW)	Numeric
Total volume (MWh)	Numeric
Exchange for physical	Y/N
Following	Load/Gen/NA
Firming	Load/Gen/NA

Knock out clause	Y/N
Description of knock out clause	String
Exercise defined by electricity price	Y/N/NA
Description of what exercise is defined by	String
Spot reference price	Y/N
ASX reference price	Y/N
Model reference price	Y/N
ASX annual price indexing	Y/N
CPI/PPI annual price indexing	Y/N
Custom annual price indexing	Y/N
ASX reference node	String
ASX last date	Date/NA
ASX last price	Numeric/NA
Any other relevant detail	String

Requirement to provide information/documents pursuant to s46 of the Electricity Industry Act 2010 – to gentailers

11 March 2024

s9(2)(a)

Genesis Energy Limited

s9(2)(a)

Requirement to provide information under section 46(2)(a) and section 46(2)(c) of the Electricity Industry Act 2010

1. The Authority is requiring Genesis to provide information under section 46(2)(a) and 46(2)(c) of the Electricity Industry Act 2010 (the Act), for the purposes of undertaking industry and market monitoring pursuant to section 45(a)(iii) and section 16(1)(g) of the Act.

Authority's power to require information

2. Under section 46(2)(a) of the Act, the Authority may require an industry participant to provide, within any reasonable time specified by the Authority, any information, papers, recordings, and documents that are in the possession, or under the control, of the participant and that are requested for the purpose.
3. Under section 46(2)(c) of the Act, the Authority may require an industry participant to give all other assistance that may be reasonable and necessary to enable the Authority to carry out its functions and exercise its powers.
4. The Authority may exercise its section 46 powers for a purpose described in section 45. The purpose for which this section 46 request is being made, is pursuant to section 45(a)(iii), to undertake industry and market monitoring, and carry out any other function referred to in section 16(1)(g). The section 16(1)(g) functions are: *to undertake industry and market monitoring, and carry out and make publicly available reviews, studies, and inquiries into any matter relating to the electricity industry.*

Reasons for requirement

5. The Authority is conducting a review of risk management options for electricity retailers (Review). As part of the Review, the Authority is seeking to better understand the availability and accessibility of risk management solutions to non-integrated retailers through the over-the-counter (OTC) market, the pricing relationship between the ASX and OTC market, and the supply and pricing of shaped solutions. This letter is a request by the Authority for information for the purposes of the Review.
6. To investigate the competitiveness of risk management practices, we need more information on how the OTC market is currently functioning, including the gentailers

approach to this market. We would therefore like to gather information under the following themes:

- a. Credit approach and consistent treatment of participants
- b. RFP responses and pricing
- c. Expectations on the OTC market to provide risk solutions for independent retailers

Information required to be provided

7. The Authority requires you to provide written answers to the questions set out in the "Risk management review (gentailers)" information provision portal data request.
8. The Authority also requires you to produce documents that support the approaches and methodologies asked about in the data request, where such documents exist.
9. Where a timeline is not otherwise specified, we would like documentation and data spanning 1 November 2022 to 31 December 2023. That is, for methodology and process documents, please provide the documents that were applicable over this period. If the documents were changed during this period, please provide the old and new versions. For RFPs - if the date an RFP was initially received or being considered falls within this interval then all documentation associated with that RFP is requested.
10. At this stage our focus for the data requests is on understanding whether the availability of OTC contracts, in the context of other risk management options, is creating a barrier to entry or expansion in the retail electricity market. If the scope of the Review widens then additional information may be required. The Authority is cognisant of the potential administrative costs of further information requests. We will endeavour to ensure that any additional information requests are appropriately targeted.

Response to requirement to provide information

11. The Authority requires Genesis to answer all questions and provide supporting documentation as set out in the attached questionnaire.
12. Please provide the information by **5pm on 5 April 2024**.
13. The Authority will only extend the deadline in exceptional circumstances. If you wish to seek an extension of time, please apply for one in writing no later than 5pm two working days before the deadline outlined above and include your reasons for seeking the extension.
14. Please identify as part of your response any information that you consider to be confidential, including the reasons why you consider the information is confidential. The Authority will not disclose confidential information except to the extent that disclosure is required to enable the Authority to carry out its obligations and duties under the Act (including but not limited to carrying out and making publicly available

reviews under section 16(g) of the Act), the regulations or Code, or is otherwise compelled by law.

15. In accordance with section 47A of the Act the information and documents we receive in response to this request may be provided to other public service agencies, statutory entities, the gas industry body and overseas regulators, where the Authority considers the information may assist those entities in the performance of their functions, powers and duties under any legislation. The Authority will only share this information if it is satisfied that appropriate protections are or will be in place for the purpose of maintaining the confidentiality of anything provided.

16. The Authority may be requested to release the information under the Official Information Act. The Authority needs to consider each request on a case by case basis. If the Authority receives a request, staff will endeavour to consult with you before the Authority makes a final decision as to whether to release any of the information.

Compliance with requirement to provide information

17. Failure to comply with a requirement under section 46 of the Act is treated as if it were a breach of the Code. In the event of such failure to comply, the Authority may apply to the Rulings Panel for any order under section 54 of the Act (under section 46(4) of the Act).

Further information

18. If you have any questions about this letter, please contact: Julia Hall Electricity Authority Telephone: 04 462 0612 Email: Julia.Hall@ea.govt.nz.

Yours sincerely

A handwritten signature in black ink, appearing to read 'SGW', with a long horizontal flourish extending to the right.

Sarah Gillies

Chief Executive

Requirement to provide information/documents pursuant to s46 of the Electricity Industry Act 2010 – to gentailers

11 March 2024

s9(2)(a)

Mercury NZ Limited

s9(2)(a)

Requirement to provide information under section 46(2)(a) and section 46(2)(c) of the Electricity Industry Act 2010

1. The Authority is requiring Mercury to provide information under section 46(2)(a) and 46(2)(c) of the Electricity Industry Act 2010 (the Act), for the purposes of undertaking industry and market monitoring pursuant to section 45(a)(iii) and section 16(1)(g) of the Act.

Authority's power to require information

2. Under section 46(2)(a) of the Act, the Authority may require an industry participant to provide, within any reasonable time specified by the Authority, any information, papers, recordings, and documents that are in the possession, or under the control, of the participant and that are requested for the purpose.
3. Under section 46(2)(c) of the Act, the Authority may require an industry participant to give all other assistance that may be reasonable and necessary to enable the Authority to carry out its functions and exercise its powers.
4. The Authority may exercise its section 46 powers for a purpose described in section 45. The purpose for which this section 46 request is being made, is pursuant to section 45(a)(iii), to undertake industry and market monitoring, and carry out any other function referred to in section 16(1)(g). The section 16(1)(g) functions are: *to undertake industry and market monitoring, and carry out and make publicly available reviews, studies, and inquiries into any matter relating to the electricity industry.*

Reasons for requirement

5. The Authority is conducting a review of risk management options for electricity retailers (Review). As part of the Review, the Authority is seeking to better understand the availability and accessibility of risk management solutions to non-integrated retailers through the over-the-counter (OTC) market, the pricing relationship between the ASX and OTC market, and the supply and pricing of shaped solutions. This letter is a request by the Authority for information for the purposes of the Review.

6. To investigate the competitiveness of risk management practices, we need more information on how the OTC market is currently functioning, including the gentailers approach to this market. We would therefore like to gather information under the following themes:
 - a. Credit approach and consistent treatment of participants
 - b. RFP responses and pricing
 - c. Expectations on the OTC market to provide risk solutions for independent retailers

Information required to be provided

7. The Authority requires you to provide written answers to the questions set out in the "Risk management review (gentailers)" information provision portal data request.
8. The Authority also requires you to produce documents that support the approaches and methodologies asked about in the data request, where such documents exist.
9. Where a timeline is not otherwise specified, we would like documentation and data spanning 1 November 2022 to 31 December 2023. That is, for methodology and process documents, please provide the documents that were applicable over this period. If the documents were changed during this period, please provide the old and new versions. For RFPs - if the date an RFP was initially received or being considered falls within this interval then all documentation associated with that RFP is requested.
10. At this stage our focus for the data requests is on understanding whether the availability of OTC contracts, in the context of other risk management options, is creating a barrier to entry or expansion in the retail electricity market. If the scope of the Review widens then additional information may be required. The Authority is cognisant of the potential administrative costs of further information requests. We will endeavour to ensure that any additional information requests are appropriately targeted.

Response to requirement to provide information

11. The Authority requires Mercury to answer all questions and provide supporting documentation as set out in the attached questionnaire.
12. Please provide the information by **5pm on 5 April 2024**.
13. The Authority will only extend the deadline in exceptional circumstances. If you wish to seek an extension of time, please apply for one in writing no later than 5pm two working days before the deadline outlined above and include your reasons for seeking the extension.
14. Please identify as part of your response any information that you consider to be confidential, including the reasons why you consider the information is confidential. The Authority will not disclose confidential information except to the extent that disclosure is required to enable the Authority to carry out its obligations and duties

under the Act (including but not limited to carrying out and making publicly available reviews under section 16(g) of the Act), the regulations or Code, or is otherwise compelled by law.

15. In accordance with section 47A of the Act the information and documents we receive in response to this request may be provided to other public service agencies, statutory entities, the gas industry body and overseas regulators, where the Authority considers the information may assist those entities in the performance of their functions, powers and duties under any legislation. The Authority will only share this information if it is satisfied that appropriate protections are or will be in place for the purpose of maintaining the confidentiality of anything provided.

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Compliance with requirement to provide information

17. Failure to comply with a requirement under section 46 of the Act is treated as if it were a breach of the Code. In the event of such failure to comply, the Authority may apply to the Rulings Panel for any order under section 54 of the Act (under section 46(4) of the Act).

Further information

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Yours sincerely

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Sarah Gillies

Chief Executive

Requirement to provide information/documents pursuant to s46 of the Electricity Industry Act 2010 – to gentailers

11 March 2024

s9(2)(a)

Meridian Energy Limited

s9(2)(a)

Requirement to provide information under section 46(2)(a) and section 46(2)(c) of the Electricity Industry Act 2010

1. The Authority is requiring Meridian to provide information under section 46(2)(a) and 46(2)(c) of the Electricity Industry Act 2010 (the Act), for the purposes of undertaking industry and market monitoring pursuant to section 45(a)(iii) and section 16(1)(g) of the Act.

Authority's power to require information

2. Under section 46(2)(a) of the Act, the Authority may require an industry participant to provide, within any reasonable time specified by the Authority, any information, papers, recordings, and documents that are in the possession, or under the control, of the participant and that are requested for the purpose.
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Reasons for requirement

5. The Authority is conducting a review of risk management options for electricity retailers (Review). As part of the Review, the Authority is seeking to better understand the availability and accessibility of risk management solutions to non-integrated retailers through the over-the-counter (OTC) market, the pricing relationship between the ASX and OTC market, and the supply and pricing of shaped solutions. This letter is a request by the Authority for information for the purposes of the Review.

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 - c. Expectations on the OTC market to provide risk solutions for independent retailers

Information required to be provided

7. The Authority requires you to provide written answers to the questions set out in the "Risk management review (gentailers)" information provision portal data request.
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Response to requirement to provide information

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Further information

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Yours sincerely

A handwritten signature in black ink, appearing to read 'SGillies', with a long horizontal flourish extending to the right.

Sarah Gillies

Chief Executive