

Improving visibility of competition in the over-the- counter contract market: clause 2.16 information notice

Consultation paper

6 May 2025

Executive summary

As the electricity industry evolves, the Electricity Authority Te Mana Hiko (Authority) is also evolving its collection of information both in how we collect it and what we collect. This allows us to develop deeper insights and evidence-based market rules, and ensure the current market rules are working for consumers.

As part of this evolution, the Authority is seeking to improve the transparency of, and competition in, the over-the-counter (OTC) hedge market to drive greater retail and wholesale competition. Improved competition increases downward pressure on electricity prices and provides more choice to consumers.

To deliver on this outcome, the Authority is seeking stakeholder views and feedback on its preferred option to require all retailers (including gentailers) and large industrials (who buy electricity from the clearing manager) to regularly provide the Authority with information on OTC requests for buying contracts and responses to those requests.

We intend to use the proposed data collection, and data disclosed under the Hedge Disclosure Obligations in the Code, to monitor competition and provide better information to industry participants about the OTC market to increase transparency. We plan to publish aggregated (or non-identifiable) information such as offer rates, the proportion of requests that resulted in a trade, and offered prices and volumes.

The underlying concern

The Authority began closer scrutiny of the OTC market in 2022 in response to concerns raised by participants (including about their inability to access the Australian Securities Exchange futures market) and our own observations. This scrutiny was formalised into a targeted investigation about the availability and pricing of OTC hedge contracts – the Authority’s Risk Management Review – in late 2023.

The Authority’s November 2024 *Reviewing risk management options for electricity retailers – Update paper following submissions*¹ set out the investigation’s findings. While OTC baseload and peak hedge contracts were likely competitive, the investigation identified competition risks in relation to the availability and pricing of OTC super-peak hedge contracts, highlighting the importance of monitoring the OTC market.

The importance of monitoring this market was also raised by the Market Development Advisory Group (MDAG), in its final recommendations paper, *Price discovery in a renewables-based electricity system*.² That importance is likely to increase further in light of the growth in intermittent generation and increased spot market price volatility.

The need for this proposed disclosure requirement

The data used to analyse the OTC market (requests for contracts and their responses) in the Risk Management Review was gathered via section 46 of the Electricity Industry Act 2010 (Act) from those participants who agreed to disclose information (as part of the industry-led

¹ See: [EA. *Reviewing risk management options for electricity retailers \(Update paper following submissions\)*. Electricity Authority, 2025](#)

² See: [MDAG. *Price discovery in a renewables-based electricity system*. Electricity Authority, 2023](#)

OTC market working group). That section 46 notice only collected information until the end of 2024.

While the hedge disclosure obligations (HDOs) provide information about traded contracts, they do not capture the full data set necessary to properly analyse the OTC market, as reflected in the section 46 notice, eg, information on all bids and offers (both those that resulted in a successful trade and those that did not).

We are therefore now proposing to use clause 2.16 of the Electricity Industry Participation Code 2010 (Code) “*Regular and Event-Driven Provision of Information to the Authority*” to regularly collect comprehensive information on requests for contracts and responses to those requests. This information collection is for the purposes of monitoring competition in the OTC market in line with the Authority’s statutory functions (industry and market monitoring and market-facilitation measures) and will promote competition in the electricity industry for the long-term benefit of consumers in line with the Authority’s main statutory objective.

Through this clause 2.16 notice, we propose to include more market participants compared to that requested via the previous section 46 notice. We also propose to include smaller contract sizes, in line with the current HDOs. This expanded scope is consistent with feedback we have received from parties that have raised concerns about access to OTC hedge contracts.

The data will provide input to a [competition dashboard](#) to monitor indicators of competition in flexibility products.³ Amongst other things this monitoring will help to inform whether further intervention is needed, such as regulation of the standardised flexibility (super-peak) product that began trading in January 2025 (Energy Competition Task Force initiative 1B) and could help us to monitor the effectiveness of any level playing field measures (Task Force initiative 1D) that are implemented.⁴

Our current view is the benefits of increased transparency in the contracts market outweigh the costs. We welcome feedback on the proposed approach, including on the scope of the proposed collection, ie, which participants data is collected from. Your input is valuable as we work to enhance transparency and competition in the OTC market.

³ Refer to section 5 for more information on how we propose to publish information.

⁴ See: [EA. “Energy Competition Task Force”. Electricity Authority, 2025](#)

Contents

Executive summary	3
Contents	5
1. What you need to know to make a submission	6
What this consultation is about	6
How to make a submission	7
When to make a submission	7
2. Objectives and outcomes	7
3. Issues the Authority would like to address	8
The existing arrangements are not enduring and do not cover many participants	8
Why the Authority is addressing these issues now	9
4. Support for the Authority's approach	10
Signatories to the Voluntary Code of Conduct recognise the Authority may have an interest in monitoring compliance with the Code	10
Several submissions received on the risk management review suggested there is value in collecting more data	11
There were mixed opinions received during the consultations for the updated HDOs, but objections were more about pre-negotiation bids and offers and contracts being submitted in their entirety	11
5. The Authority's preferred option is an enduring solution for increased disclosure and publication	13
We propose issuing a notice under clause 2.16 of the Code for the information we need	14
The proposed clause 2.16 notice would be to all retailers and large industrials	14
By collecting information from the requestors, we avoid duplication of effort	17
Our preferred option is for the information notice to cover written requests	17
6. Requirements could be in place to provide information from the third quarter of 2025	21
7. Benefits, costs and alternatives to the proposed clause 2.16 notice	21
The Authority's preliminary view is that the proposed clause 2.16 notice benefits are expected to outweigh the costs	22
The proposed clause 2.16 notice is preferred to other options	23
Appendix A Proposed Clause 2.16 notice: OTC bids and offers data	25
Appendix B Format for submissions	34
Appendix C Glossary of abbreviations and terms	37

1. What you need to know to make a submission

What this consultation is about

- 1.1. This consultation proposes to improve the monitoring and transparency of the over-the-counter (OTC) hedges market. Enabling access to comprehensive, reliable and regular information about what types of contracts are being requested and the responses received to those requests promotes competition for the long-term benefit of consumers. This would improve transparency and a level playing field for access to information that informs risk management. This in turn would improve retail and wholesale competition, which increases downward pressure on electricity prices and provides more choices for consumers.
- 1.2. To achieve this outcome, we are consulting with interested parties on the Authority's proposed information gathering notice under the *Regular and Event-Driven Provision of Information to the Authority* sub-part of the Code (clauses 2.16-2.24) to collect information on OTC requests for contracts and responses to those requests.
- 1.3. This consultation is consistent with the options proposed by the Market Development Advisory Group (MDAG) under recommendation 2, which identified the importance of improved transparency of hedge information in its final recommendations paper, *Price discovery in a renewables-based electricity system*.⁵ The paper recommended the Authority improve the transparency of contract information, especially for non-baseload products, covering offers, bids and agreed prices. This work is also consistent with MDAG recommendation 9 which seeks to increase transparency of behaviour by parties seeking to agree OTC contracts.
- 1.4. The information sought by the proposed clause 2.16 notice will enhance transparency in the OTC hedges market for market participants, improve the monitoring of the OTC market, and promote competition in the electricity industry for the long-term benefit of consumers, in line with the Authority's main statutory objective. It also aligns with the Authority's functions to: (i) undertake industry and market monitoring and carry out and make publicly available reviews, studies, and inquiries into any matter relating to the electricity industry; (ii) and to undertake and monitor the operation and effectiveness of market facilitation measures.
- 1.5. Clause 2.18 of the Code requires the Authority to consult on the proposed notice before publishing it. Specifically, the Authority must provide the proposed notice, the Authority's purpose in setting the information requirements, and the Authority's assessment of the likely benefits of the Authority obtaining the information and whether the benefits are expected to outweigh the potential costs. The proposed clause 2.16 notice is set out in Appendix A and the Authority's preliminary assessment of costs and benefits is in Part 7.

⁵ See: [MDAG. *Price discovery in a renewables-based electricity system*, Electricity Authority, 2023](#)

How to make a submission

- 1.6. The Authority's preference is to receive submissions in electronic format (through the Authority's information provision platform info.ea.govt.nz) using the questions in Appendix B. Submissions in electronic form should be uploaded to <https://info.ea.govt.nz/sl/c497b9>.
- 1.7. If you cannot send your submission electronically or would prefer to send a Microsoft Word submission, please contact the Authority (info@ea.govt.nz or 04 460 8860) to discuss alternative arrangements.
- 1.8. Please note the Authority intends to publish all submissions it receives. If you consider that the Authority should not publish any part of your submission, please:
 - (a) indicate which part should not be published,
 - (b) explain why you consider we should not publish that part, and
 - (c) provide a version of your submission the Authority can publish (if we agree not to publish your full submission).
- 1.9. If you indicate part of your submission should not be published, the Authority will discuss this with you before deciding whether to not publish that part of your submission.
- 1.10. However, please note all submissions received by the Authority, including any parts the Authority does not publish, can be requested under the Official Information Act 1982. This means the Authority would be required to release material not published unless good reason existed under the Official Information Act to withhold it. The Authority would normally consult with you before releasing any material you said should not be published.

When to make a submission

- 1.11. Please deliver your submission by 5pm on Monday 26 May 2025 (fifteen working days from the date of submissions opening).
- 1.12. Authority staff will acknowledge receipt of all submissions electronically. Please contact the Authority info@ea.govt.nz or 04 460 8860 if you do not receive electronic acknowledgement of your submission within two business days.

2. Objectives and outcomes

- 2.1. The Authority's main statutory objective is to promote competition in, reliable supply by, and the efficient operation of, the electricity industry for the long-term benefit of consumers.⁶
- 2.2. The Authority's statutory functions include:

⁶ Electricity Industry Act 2010 – section 15(1)

- (a) To undertake market facilitation measures (for example, providing education, guidelines, information, and model arrangements), and to monitor the operation and effectiveness of market facilitation measures
 - (b) 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.
- 2.3. Monitoring whether outcomes in the OTC market are consistent with competition, and providing information to the industry on the outcomes of that monitoring, falls under these statutory functions and aligns with our main statutory objective. Enabling access to comprehensive, reliable and regular information about what types of contracts are being requested and the responses received to those requests promotes competition for the long-term benefit of consumers through transparency and a level playing field for access to information that informs risk management.

3. Issues the Authority would like to address

- 3.1. Overall, the Authority is seeking to improve monitoring of the OTC market to assess market competition and provide better information about the OTC market to increase transparency for market participants. The OTC market is an alternative to trading standardised electricity futures and options contracts on the ASX. It allows for more flexible contracts than those traded on the ASX.
- 3.2. We focus on the OTC market for this consultation since the Authority already has visibility on ASX contracts, bids, and offers. We also note that ASX trades are exempt from hedge disclosure obligations due to this visibility, and the information is accessible on the Authority's EMI website, as described in a decision paper published in June 2024, *Improving Hedge Disclosure Obligations*.⁷
- 3.3. This consultation is consistent with the options proposed by the MDAG under recommendation 2, which identified the importance of improved transparency of hedge information in its final recommendations paper, *Price discovery in a renewables-based electricity system*.⁸ The paper recommended the Authority improve the transparency of contract information, especially for non-baseload products, covering offers, bids and agreed prices. This work is also consistent with MDAG recommendation 9 which seeks to increase transparency of behaviour by parties seeking to agree OTC contracts.

The existing arrangements are not enduring and do not cover many participants

- 3.4. The existing arrangements were set up through the industry-led OTC market working group, which was established in 2023 to develop a voluntary Code of Conduct for the OTC market. The Code of Conduct was created to support an

⁷ See: [EA. *Improving Hedge Disclosure Obligations*. Electricity Authority, 2024](#)

⁸ See: [MDAG. *Price discovery in a renewables-based electricity system*. Electricity Authority, 2023](#)

efficient and competitive OTC market. By signing up for the voluntary Code of Conduct, signatories committed to a number of underlying principles and behaviours when participating in the OTC market.

- 3.5. The Authority worked with the group's members to establish monitoring arrangements to give all parties confidence that signatories are keeping the commitments made to one another. The working group decided to have volunteer "disclosing parties" to provide the data for monitoring. These "disclosing parties" send to the Authority on a quarterly basis the requests they sent out during that quarter and the responses they received to those requests. Four non-integrated retailers agreed to be disclosing parties.
- 3.6. The working group decided to exclude requests that:
- (a) Had a response time of less than one day or
 - (b) Were for a transaction of less than 1MW or
 - (c) Were a non-written request.
- 3.7. The disclosing parties asked the Authority to use its section 46 powers for these requests. As discussed in meetings between the OTC working group and the Authority, this provided the simplest approach to providing data that is confidential and commercially sensitive. The Authority therefore issued a section 46 notice that covered data collection until the end of Q4 2024, with the expectation it would review the data collection after that time.
- 3.8. The Authority also collected information from three more non-integrated retailers (who were either not on the OTC working group or who were on the working group but had not agreed to be a disclosing party), to inform its Risk Management Review.⁹ This covered all non-integrated retailers with greater than 1,000 ICPs as of 30 October 2023. However, this data collection was a one-off, and all data was provided voluntarily.

Why the Authority is addressing these issues now

- 3.9. In 2024 the Authority published a review of risk management options for electricity retailers (*Risk Management Review*)¹⁰ which included an extensive review of the OTC contracts based on the data provided by market participants between the last quarter of 2022 and the second quarter of 2024. The review looked at whether the availability and pricing of risk management contracts were creating a barrier to retail competition.
- 3.10. The findings from the Risk Management Review suggest it is important to collect data on OTC bids and offers. The review found the market for shaped cover is neither deep nor liquid, with over a third of the time retailers only receiving one offer to requests for shaped hedges. The findings using the bids and offers data are being used to shape policy options under the Energy Competition Task Force (Task

⁹ See: [EA. "Risk management review", Electricity Authority, 2024.](#)

¹⁰ See: [Electricity Authority. Reviewing risk management options for electricity retailers \(Issues paper\), 2024](#)

Force), such as informing the product to be used as a standardised flexibility contract.¹¹

- 3.11. The Authority's view is that it is necessary to continue to collect this data to cover such things as (including but not limited to):
- (a) Continue monitoring the voluntary OTC Code of Conduct, as risk management products become increasingly important in light of the growth in intermittent generation and increased price volatility
 - (b) Providing input to a "flexibility dashboard" (MDAG Recommendation 12) to monitor competition in flexibility products; this monitoring will, for example, inform whether further intervention is needed such as regulating standardised flexibility products (Task Force initiative 1B)
 - (c) Monitoring uptake, availability, and pricing of emerging contract types (eg. firming contracts for retailers) as the electricity market changes
 - (d) Monitor whether non-price terms offered are reasonable, as per the MDAG recommendation 9.
- 3.12. To obtain adequate information on the above uses, we need:
- (a) an enduring solution to monitor outcomes in the OTC market as the electricity market changes
 - (b) To collect data from retailers who are growing
 - (c) To request information on smaller contract sizes also (consistent with the new hedge disclosure obligations (HDOs) and the new standardised flexibility product).

4. Support for the Authority's approach

Signatories to the Voluntary Code of Conduct recognise the Authority may have an interest in monitoring compliance with the Code

- 4.1. As previously mentioned, in 2023 an industry-led working group developed a voluntary OTC Code of Conduct¹², to support an efficient and competitive OTC market that serves the long-term interests of New Zealand electricity consumers. The Authority facilitated this working group but did not lead or run it.
- 4.2. By signing up to the voluntary Code of Conduct, signatories committed to some underlying principles and behaviours when participating in the OTC market. The Code of Conduct also specified the "Signatories recognise that the Authority may have an interest in monitoring participants' uptake and compliance with this Code...". As such, initial monitoring was set up through "disclosing parties" (as set out in paragraph 3.5 above).

¹¹ The Authority has recently published a response to submissions received on the Risk Management Review issues paper. Submissions have not caused us to change our preliminary findings set out in the issues paper.

¹² For more information see <https://www.ea.govt.nz/news/general-news/voluntary-code-of-conduct-for-over-the-counter-market-participants/>

Several submissions received on the risk management review suggested there is value in collecting more data

- 4.3. In its submission on the Risk Management Review, Meridian is supportive of the MDAG recommendations relevant to the issues of price discovery of and access to shaped forward contracts (recommendations 2, 8 and 9).¹³ It notes “recommendation 9 (contract process disclosure rules) could be broader than framed by MDAG (or the Voluntary Code of Conduct) and could cover all OTC engagement between participants and address matters such as how requests should be made, record keeping, response times and response requirements.”
- 4.4. MEUG submitted the Authority did not gather all the necessary information for the Risk Management Review, which may limit the development of solutions. It suggested issues facing industrial customers when seeking risk management contracts should also be explored.
- 4.5. Paua to the People was disappointed the review did not cover the needs of small, micro and community retailers. It argued these retailers cannot access appropriate risk management options. It also mentioned gentailers are the sole source of appropriate risk products and refuse to supply them to more than a few selected independent retailers.
- 4.6. In its submission, Mercury “supports actions that focus on understanding better potential issues in the provision of super-peak hedge contracts, including measures that provide greater price transparency for super-peak hedge contracts in actively traded, liquid markets. Mercury also supports greater transparency of trade in super-peak hedge contracts, including where it doesn’t align with expected behaviours under the recently established voluntary OTC Code of Conduct.”
- 4.7. Mercury further states “it is important for the Authority to understand why firms sometimes elected not to respond to requests, or sometimes provided non-confirming responses,...”. “In order to better understand why firms sometimes elected not to respond to requests or provide non-confirming responses, we suggest that the Authority assess behaviour against the voluntary code of conduct, using targeted information requests coupled with the information provided by the recently introduced changes to the Hedge Disclosure Obligations.”
- 4.8. No other submissions commented on data collection or monitoring specifically.

There were mixed opinions received during the consultations for the updated HDOs, but objections were more about pre-negotiation bids and offers and contracts being submitted in their entirety

- 4.9. The Authority decided in June 2024 to improve the HDOs scheme, following consultations on an earlier issues paper and subsequent options paper.¹⁴ As part of

¹³ Submissions and the Authority’s response to those submissions are published here: [Risk management options for electricity retailers | Our consultations | Our projects | Electricity Authority](#)

¹⁴ Both consultations and the decision paper can be found here: [Over-the-counter market | Our projects | Electricity Authority](#)

both the issues paper and the options paper, participants were asked for feedback on what contract information to collect, and whether information should also be collected on bids and offers (negotiation steps).

- 4.10. There was mixed feedback on how to improve the risk management information collected. Most submitters supported the changes proposed by the Authority for traded contracts, such as extending the disclosure requirements to capture all OTC contracts, disclosing node rather than grid zone area, and disclosing MW as well as MWh.
- 4.11. Most submissions, however, were not supportive of requiring participants to submit entire contracts nor to collect information on bids and offers (negotiation steps). Relative to disclosing entire contracts, they cited complexities, cost of compliance and burden on the Authority to extract meaningful information as primary concerns.
- 4.12. Regarding collecting data on bids and offers, they again raised concerns around compliance burden (as often there are several rounds of negotiation), possibly hindering market efficiency, and the associated challenges in providing this information. They suggested challenges stem from the informal nature of these negotiations (the negotiation process often include phone calls, informal discussions, etc) which would make it hard to reconcile the required data.
- 4.13. With this proposed clause 2.16 notice we aim to strike a balance between compliance burden and capturing enough information to make this data collection useful. We propose to exclude requests made via phone or text messages. For instance, emhTrade and Bold Trading pointed out in their joint submission that “While some of the pre-negotiation information can be captured relatively easily, some interactions occur over phone calls and instant messenger applications and are much more difficult to warehouse and share in a useful format. Disclosing all this data will impose significant costs and liability on participants.”
- 4.14. Further issues raised in the submissions on requiring participants to disclose bids and offers include:
 - (a) It could hamper productive/efficient negotiations or make participants reluctant to enter into negotiations
 - (b) The likely extra compliance burden (including recording multiple rounds of negotiations) may discourage new participants from entering the market or make generators reluctant to enter into negotiations.
- 4.15. Contact suggested an alternative could be to set up a centralised request for proposals (RFP) platform hosted by the Authority which allows for the submission of RFPs and responses. This is discussed further in section 7.
- 4.16. In summary, most objections stemmed from the requirement to provide all information (ie, all negotiation steps) on pre-negotiation bids and offers, and a view that the requirements in the HDOs were proportionate to the stated goal, and that the Voluntary Code of Conduct was sufficient for information sharing. However, the Risk Management Review showed the Authority requires more information on the OTC market for its monitoring purposes.
- 4.17. The Authority is now seeking to monitor the OTC market to inform its understanding of competition risks, and any potential regulatory intervention. We believe our

current proposal is still not overly onerous and averts most of these concerns by only requiring the initial request and final offer to be disclosed.

5. The Authority's preferred option is an enduring solution for increased disclosure and publication

- 5.1. To increase transparency for market participants and to promote effective competition in the sector, the Authority proposes improving the disclosure of information to the sector and the public on the OTC hedges market.
- 5.2. We propose to do this by requiring information to be provided to the Authority for assessing competition on the OTC hedge market, through issuing an information notice under clause 2.16 of the Code. It is proposed the Authority will publish and regularly update its analysis of the received information within a competition dashboard;^{15,16} anonymised and aggregated in a way to prevent the disclosure of confidential information (eg, to avoid identification of the participants involved in the trades/requests). The Authority may also publish analysis using the received information in other forms, but at all times aggregated sufficiently so as to preserve confidentiality.
- 5.3. For the purposes of monitoring competition in, and efficiency of, the OTC hedge market we need information on bids and offers, in addition to trades that were successful. Although successful trades are already encompassed under the HDOs, this proposed notice will also include information on bids and offers that resulted in a successful trade. With this information we can assess how well successful trades match their original request contributing to our understanding on the availability of OTC products and the OTC market in general, which is not possible to conduct using current HDO data (there is no information on original requests in HDO).
- 5.4. Additionally, we propose collecting information on processes leading to the formation of OTC contracts if the participant submitting the information wants to add this detail, in accordance with the MDAG recommendation 9 to increase transparency of behaviour by parties seeking to agree OTC contracts.¹⁷
- 5.5. The Authority may share some of the information collected with other Government departments where it would assist that department with the performance of its functions, duties or powers, in accordance with section 47A of the Act.

¹⁵ See: [MDAG. Price discovery in a renewables-based electricity system, Electricity Authority, 2023](#). In the document, MDAG recommends a progressive chain of actions for competition in flexible supply where implementation of the next action in the chain depends on whether the previous actions are sufficiently effective in practice. It is, in essence, a three-step ladder, with progression between the steps determined by assessing a dashboard of competition indicators - referred to as the Competition dashboard in this document.

¹⁶ See: [EA, "Competition metrics", Electricity Authority, 2025](#)

¹⁷ See footnote 15.

We propose issuing a notice under clause 2.16 of the Code for the information we need

- 5.6. Clause 2.16(1) of the Code enables the Authority to publish a notice specifying information that a participant must, on a regular basis or as a result of an identified event, collect, collate and/or provide to the Authority.
- 5.7. The Authority can use a clause 2.16 notice only for the purposes set out in section 45(a) of the Act, being to carry out the Authority's monitoring functions which are to:
 - (a) monitor compliance with the Act, the regulations and the Code under section 16(1)(c) of the Act; or
 - (b) undertake and monitor the operation and effectiveness of market-facilitation measures under section 16(1)(f) of the Act; or
 - (c) undertake industry and market monitoring, and carry out and make publicly available reviews, studies, and inquiries into any matter relating to the electricity industry, under section 16(1)(g) of the Act.
- 5.8. The Authority proposes to issue a notice under clause 2.16 of the Code to request regular information from certain market participants regarding their OTC bids and offers received (request for proposals and the answers to those requests), including those resulting in successful trades.
- 5.9. The information sought by the proposed clause 2.16 notice will be used in conjunction with the information from the already available HDOs. This will improve the Authority's monitoring of the OTC market, ultimately promoting efficient competition in the electricity sector for the long-term benefit of consumers, in line with the Authority's main statutory objective. It aligns with the Authority's function to undertake industry and market monitoring under s16(1)(g) of the Act and the Authority's function to undertake and monitor the operation and effectiveness of market-facilitation measures (eg, providing information on OTC market performance, as discussed in paragraph 5.2) under s16(1)(f) of the Act. Therefore, the proposed clause 2.16 notice would be for a purpose set out under s45(a) of the Act.

Q1. Do you agree with the Authority's proposed approach of collecting data on OTC bids and offers, including those resulting in trades?

The proposed clause 2.16 notice would be to all retailers and large industrials

We propose to collect data from all retailers

- 5.10. We propose to collect data from all retailers – including small, micro and community retailers and gentailers.
- 5.11. This will include requests made by gentailers to buy contracts. This will enable us to compare responses made to gentailers' requests to responses made to requests from other retailers and large industrials, informing our understanding of access to OTC products by different market participants.
- 5.12. Our preferred relatively broad approach is consistent with comments from Paua to the People in its submission to the Risk Management Review. It argued that access

to appropriate risk management products by small, micro and community retailers is very limited, and was not properly considered in the review. The Authority is keen to better understand and investigate any risk management access or pricing issues faced by small retailers. We acknowledge though that a wider disclosure obligation is not the only way to do this, so would particularly welcome any feedback on this point.

We propose to collect data from large industrials

- 5.13. We are proposing to collect data from large industrial consumers^{18,19}.
- 5.14. Including large industrials is consistent with the feedback we have received. MEUG raised in its [submission](#) on the Risk Management Review the Authority should have collected evidence from other relevant players in the market, including industrial customers. It also said the Authority has missed an opportunity to “not fully explore the issues facing industrial customers when seeking risk management contracts, alongside the independent retailers”. Octopus also suggested the Authority should “look at the performance and challenges of the contracts market more broadly.”
- 5.15. MEUG also stated “access to hedges at a competitive price was a significant issue for several businesses (including MEUG members) during the winter 2024 energy crisis and led to the closure of some large businesses such as Winstone Pulp International.” MEUG’s concerns appear to be at odds with what the Authority’s review of winter 2024 found,²⁰ but we acknowledge that their members have faced a challenging environment in recent years, and we believe it is important to monitor their access to hedge products.
- 5.16. In light of these concerns, at this stage we propose to monitor large industrial customers’ access to hedge products through this clause 2.16 notice. We are open though to feedback about how to collect this information, ie, best ensuring there is a proportionate compliance burden.

We are not proposing to collect data from non-integrated generators

- 5.17. We are not proposing to collect information from non-integrated generators.
- 5.18. In the context of seeking to support efficient entry of new generation, the Authority sought feedback on challenges facing the power purchase agreement (PPA) market in New Zealand in January 2025, as well as some options to improve settings in relation to PPAs. This was sat under Task Force initiative 1A.²¹ Amongst other things, the Task Force was seeking to better ensure that participants looking to engage in PPA and related transactions are facing fair treatment from incumbent

¹⁸ Industrial consumers who buy electricity from the clearing manager

¹⁹ Electricity Industry Participation Code 2010, part 13, subpart 7, clause 13.271

²⁰ Evidence collected via s46 from gentailers for our winter 2024 review suggested that this group of participants had no issues with the availability of contracts offered for winter 2024, this was based on data collected about only three large industrial participants. For more details see: [Market options were available to large energy users in winter 2024 | Electricity Authority](#).

²¹ Electricity Authority working paper, *Entrant generators – context, headwinds and options for power purchase agreements*, January 2025.

gentailers in relation to the supply of firming. One option considered was increasing scrutiny of bids and offers in the OTC market for PPAs and PPA firming.²² Increasing disclosure of bids and offers for these arrangements could increase confidence in the market that these deals are available and being priced fairly.

- 5.19. Most submissions broadly supported our assessment of the challenges identified in the working paper. One of the challenges discussed was the opportunity for incumbent generators to foreclose generation entry by constraining access to PPA firming. Genesis however disagreed with this assertion and argued that market participants have incentives to support PPA development that aligns with their portfolio strategies.
- 5.20. Some submissions received on the Authority's PPA working paper were supportive of process scrutiny. Harmony suggested this process scrutiny could take the form of process and pricing principles for gentailers to facilitate access to PPA firming and sleeving, and confidential disclosures to the Authority about the price and volumes offered for firming and the costs of sleeving services. EVA Marketplace was supportive of a "holistic approach to improving access to products like firming and sleeving." Fonterra suggested that consideration should be given to ways in which access to information about the PPA market can be broadened.
- 5.21. Other submissions were explicitly against increasing process scrutiny or thought focus should be on other facilitation measures. Meridian argued that the parties involved in negotiating PPAs need freedom to independently negotiate mutually beneficial prices, and that any intervention that creates compliance requirements or regulatory oversight of this commercial process could lead to inefficient outcomes or deter PPA activity. It also considered that the current data is sufficient for PPA buyers and sellers to make informed pricing decisions. Genesis suggested that the Authority should focus on market settings that facilitate the entry of additional capacity into the market. Contact was supportive of a wider look at barriers to investment which may provide deeper insights.
- 5.22. We appreciate that the question of whether to collect data from non-integrated generators regarding requests for firming/sleeving raises many similar issues to those addressed in this paper regarding retailer requests for hedges.²³ Ideally we would address these all in the same consultation. However, the Authority is currently working through feedback on the January 2025 PPA working paper. We intend to set out a comprehensive view on next steps for that Task Force initiative later this quarter. Given this:
 - (a) It would be premature to put forward specific proposals on information relating to non-integrated generator requests for firming/sleeving in this consultation paper; but

²² PPA firming is pricing for a PPA buyer's residual volume (ie, the difference between an end user's total consumption and their PPA volume).

²³ Noting that some issues will also be generator specific, eg, if the Authority does decide to collect data on generator requests for firming, how is that best done in relation to requesting generators that are not currently participants under the Code?

- (b) It would be unhelpful to delay progress on collecting OTC data (ie, delay this consultation paper), which will assist us in meeting our statutory objective of promoting competition, while we form views on non-integrated generator specific issues.

We are proposing to capture requests made through brokers by collecting this information from retailers and large industrials

- 5.23. The Authority proposes issuing a clause 2.16 notice to all retailers and large industrials. This proposed clause 2.16 notice also applies to requests made through energy brokers by retailers or large industrials, but the requirement will fall on retailers and large industrials to provide the information on these requests.

Q2. Do you agree with the Authority's proposed approach of collecting information from large industrials through this clause 2.16 notice?

Q3. Do you agree with the Authority's proposed approach of **not** collecting information from non-integrated generators through this clause 2.16 notice? Do you have any thoughts on alternative ways of collecting information on non-integrated generators requests and responses to those requests?

Q4. Do you have feedback on our approach regarding collection of information on PPAs?

Q5. Do you agree with the Authority's proposed approach of collecting data from all retailers, thus including gentailers and small, micro, and community retailers?

Q6. Do you agree with the Authority's proposed approach to collect data on requests made through energy brokers?

By collecting information from the requestors, we avoid duplication of effort

- 5.24. Data on responses received from the four large gentailers will be captured through the information received from the requestors. If we instead (or also) requested information from those who received the requests, each respondent would need to send in the same information about each request.

Our preferred option is for the information notice to cover written requests

- 5.25. Our preferred option is for this clause 2.16 notice to cover only written requests. We propose to exclude from the clause 2.16 notice all requests and responses that were made via phone calls or other informal channels (eg, text messages). We think that is an appropriate balance (capturing the right data while not creating an unnecessary compliance burden).
- 5.26. We consider that the additional compliance burden of recording phone conversations and text messages outweighs the benefits of including them; it also could lead to additional negotiation costs that would result in costs to consumers.
- 5.27. Since the compliance burden is falling on those who are concerned about the competitiveness of the market, they may choose to make all requests – or all substantive requests – in writing so that they are captured. If they choose to make requests via phone calls, then they will be doing so under the awareness that such requests will be excluded from regulatory oversight.

Q7. Do you agree with the Authority's preference to restrict the data collection to written requests and requests made through brokers but to exclude text messages and phone calls?

The Authority proposes to collect data about smaller requests but restrict to buy requests only

- 5.28. We propose that the clause 2.16 notice relates to a quantity of electricity that equals or exceeds 0.1MW of electricity, consistent with the current HDO requirements. This is consistent with feedback received from Octopus in its submission to the Risk Management Review which said the Authority should "look at the performance and challenges of the contracts market more broadly". We also propose to restrict the clause 2.16 notice to include only requests for buying contracts since availability and pricing when buying OTC contracts from gentailers are the main competition concerns.

We are not proposing collecting information on all negotiation steps

- 5.29. MDAG recommended the Authority should collect information on the processes leading to the formation of OTC contracts (recommendation 9). We propose to collect information only on the initial bids and final offers, as these are the most relevant (ie, what the requestor originally wanted, and what they ended up being offered). Participants can use a free-form field to disclose any other details they believe are relevant to the formation of OTC contracts. Alternatively, we could include an additional field covering the number of negotiation steps taken by the parties. We welcome feedback on both approaches.
- 5.30. At a high level, the information that the Authority proposes to require from retailers and large industrials to collect and provide pertains to the bid and offer types, dates, location, volume, and prices. This is set out in more detail in the proposed clause 2.16 notice in Appendix A.

The Authority's preferred option is quarterly data collection and publication

- 5.31. The Authority is proposing to collect this information quarterly as it will enable the Authority to update its competition dashboard on a quarterly basis, frequently enough to enable us to assess the competitiveness of the OTC market in a timely way and take measures to enhance competition, if needed.
- 5.32. Quarterly collection of information enables the Authority to adequately track the evolution of the OTC market in a broad sense, for instance, assessing the availability of OTC contracts by comparing requests and responses. Note that successful trades can be assessed on a more frequent basis using the information from the HDOs.

Q8. Do you agree with the Authority's proposed data collection from retailers and large industrials for requests larger than 0.1MW?

Q9. Do you agree with the Authority's proposed approach to restrict the data collection to include only buy requests?

Q10. Do you agree with our suggestion to collect information on the initial bids and final offers only? Or should we include a field to capture the number of negotiation steps?

Q11. Do you agree with the Authority's proposal to require quarterly provision of information?

We propose some changes in the information notice compared to what was sent previously under section 46

- 5.33. To make the data collection process simpler we propose to change the information previously required from the participants by:
- (a) Requiring retailers to provide OTC bids and offers information in a format similar to that of the HDOs (ie. participants should expect to fill the same or equivalent fields for both OTC and HDO), and
 - (b) Removing some of the fields previously requested under the section 46 request.
- 5.34. The variables and file structures for the information we propose to collect are set out in Appendix A.

Q12. Do you have any comments on the changes to the proposed data fields and/or the proposed file structures?

Some of the information might be sensitive and would be handled in accordance with clauses 2.21 and 2.22 of the Code

- 5.35. The Authority acknowledges retailers would likely classify some information in the proposed clause 2.16 notice as confidential, and some information being requested (particularly related to the identity of the contracting parties, and contract details such as price and type) may be commercially sensitive.
- 5.36. The publication of information collected by a clause 2.16 notice is governed by both the Code and the Authority's Information Management Policy. We acknowledge some participants may consider the information requested under this notice to be confidential. Clause 2.21 of the Code allows participants to identify any confidential information when providing information to the Authority.
- 5.37. Clause 2.22(1) sets out that the Authority will determine whether:
- (a) there are reasons for keeping the information confidential; and
 - (b) if there are reasons to keep the information confidential as determined by the Authority, those reasons are outweighed by other considerations which render it desirable for the Authority to make all or any part of the information publicly available in order to give effect to one or more of the Authority's objectives in section 15 of the Act and for the purposes of any of the Authority's functions in either:
 - (i) section 16 of the Act; or
 - (i) section 14 of the Crown Entities Act 2004.
- 5.38. This consultation is intended to inform our understanding of what is confidential to participants, if the Authority considers it confidential, and whether the benefits of this disclosure outweigh the reasons for keeping it confidential.

The Authority proposes to aggregate information about contract details when publishing information

- 5.39. We seek your views now, pursuant to clause 2.21 of the Code, on the confidentiality and publication of some of the information collected under the proposed notice.
- 5.40. We intend to publish anonymised or aggregated information to give effect to the Authority's statutory function to undertake market facilitation measures.
- 5.41. The details of each contract requested and offered, such as start and end dates, prices, volumes, and contract types, are highly likely to be commercially sensitive information if the contract parties are identifiable. Additionally, the trading strategies of individual participants are also commercially sensitive. As such, the Authority proposes to anonymise or aggregate information to prevent the identification of bids and offers of individual participants by other market participants and to prevent the identification of individual participant trading strategies.
- 5.42. For example, we propose to publish availability indicators (eg, number and volume of requests, number and volume of offers received, number and volume of conforming and non-conforming offers) by type of contract (eg, baseload, peak, super-peak), but will aggregate more bespoke contract types into an "other" category. For example, if a particular contract type was only requested by one participant, we would not report on any details of that contract type separately. We consider this aggregation will be sufficient to preserve confidentiality and commercial sensitivity.
- 5.43. We also propose to publish details on offers made such as offered prices of contracts. However, no information specific to any one offered contract (such as its price) will be published if an individual participant could be identified through the publication of that information. That is, none of the variables listed in Appendix A will be published by requested or offered contract if an individual participant could be identified. This would include not publishing offered prices by offered date if only one participant had received offers on that date.
- 5.44. As part of this consultation, and once we receive feedback, we intend to make a decision pursuant to clause 2.22 on how any information identified as confidential will be used by the Authority, as part of the overall decision on the proposed clause 2.16 notice.

Preliminary view on commerciality concerns

- 5.45. A key consideration the Authority needs to balance is the need to make more information available to the wider market versus the reasons for maintaining confidentiality.
- 5.46. We recognise that there may be concerns the publication of information could detrimentally affect commercial positions, including influencing commercial negotiations.
- 5.47. We are aware of the risk some level of reverse engineering may be able to be conducted. We consider our proposal to publish aggregated information (as set out above) should alleviate confidentiality concerns. We welcome views on this matter.

Q13. Do you have any comments on the proposal to require participants to provide information that might be classified as confidential?

Q14. Do you agree with the Authority's proposal to publish aggregated information provided by the selected participants, and do you have any comments on how to best maintain confidentiality while providing as much transparency as possible?

Q15. Pursuant to clause 2.21 do you consider that any of the information we propose to collect is confidential? If so, please explain how it is confidential in line with clause 2.21.

Sharing information with other agencies

5.48. Section 47A of the Act enables the Authority to share information with public service agencies, statutory entities, Gas Industry Co., and overseas regulators. The information collected under the proposed notice may be shared with these bodies, as long as:

- (a) the Authority considers the information may assist the other agency in the performance of its functions
- (b) doing so will not substantially affect the performance of the Authorities functions
- (c) appropriate protections are or will be in place for the purpose of maintaining the confidentiality of anything provided

5.49. We anticipate the information collected may be shared with some of these groups from time-to-time where it would assist with their functions. If that happens the Authority would ensure appropriate protections were in place for protecting confidentiality.

6. Requirements could be in place to provide information from the third quarter of 2025

6.1. Subject to feedback on the proposed clause 2.16 notice, the Authority intends to make a decision on the final notice before the end of July 2025. The first information under the new clause 2.16 notice would then be due in 2025 quarter three to enable publication shortly afterwards.

6.2. The first information provision would require data to cover requests sent out and responses received to those requests since the beginning of 2025. This is so the Authority can have information which covers the period since the new standardised flexibility product has been introduced, and since the previous section 46 request ended. Subsequent information provisions would cover requests sent out during the relevant quarter.

7. Benefits, costs and alternatives to the proposed clause 2.16 notice

7.1. Clause 2.18(1) of the Code sets out that, "before publishing a notice under clause 2.16 the Authority must provide the participant to whom the proposed notice applies

- (a) the proposed notice;
 - (b) the Authority's purpose in setting the information requirements in the proposed notice; and
 - (c) the Authority's assessment of the likely benefits of the Authority obtaining the information required in the proposed notice and whether those benefits are likely to outweigh the likely costs."
- 7.2. This section covers the requirements set out in clause 2.18(1)(c). Clause 2.19 further clarifies what the Authority must consider before publishing the clause 2.16 notice. The Authority's preliminary view on the likely benefits and costs is set out below. If we proceed to publish a finalised clause 2.16 notice, the Authority will consider feedback from the affected participants and other submitters in the final assessment of likely benefits and costs.

The Authority's preliminary view is that the proposed clause 2.16 notice benefits are expected to outweigh the costs

Benefits would be significant for the energy sector

- 7.3. The Authority is seeking to improve monitoring of the OTC market to assess market competition and provide more information about the OTC market to increase transparency for market participants. There would be four significant benefits in collecting this information and providing visibility to relevant parts of it through dashboards;
- (a) supports the Task Force's initiatives,
 - (b) enhances market competition,
 - (c) efficiency in regulatory oversight, and,
 - (d) establishing a permanent mechanism to collect data provides certainty for market participants and allows them to establish permanent processes to collect and submit data.
- 7.4. The Task Force's initiative 1B introduced a standardised flexibility product into the market, through industry co-design, with OTC trading in the product having commenced in January 2025. The Authority aims to monitor trading in this product, along with broader competition, to inform whether regulatory interventions are required.
- 7.5. The data that will inform this will be the pricing and availability of the standardised flexibility product and other contract types requested OTC. Pricing information is already collected through the HDOs, however, the HDOs only collect information on signed contracts. By collecting data on requests, the Authority will be able to assess whether a lack of trading, if it occurs, is a result of sellers not providing contracts at reasonable prices or not offering contracts at all, or buyers not accepting the pricing. Each of these could potentially signal separate problems in the flexibility market.
- 7.6. MDAG recommended a dashboard (recommendation 12) is published by the Authority to inform participants of the competition factors the Authority will be measuring. The Authority agrees with this recommendation, as the Authority

believes access to this information will allow market participants to be better informed and therefore make better decisions.

- 7.7. Increasing the Authority's access to information about bids and offers in the OTC market is crucial for effective regulatory oversight of the electricity industry. It enhances the Authority's ability to perform its monitoring functions to promote competition in, reliable supply by, and efficient operation of, the electricity industry for the long-term benefit of consumers. The increased access to information enables the Authority to identify and respond to emerging issues to support market development, further increasing confidence in the market.
- 7.8. With more information on the OTC market, the Authority will be able to assess market competitiveness, structural support for price stability, and fair competition. It also allows continuous monitoring of factors driving price volatility and market liquidity levels. This comprehensive understanding empowers the Authority to formulate policies that align with the dynamic electricity market, reducing the need for unnecessary corrective interventions.
- 7.9. Finally, establishing a permanent mechanism to request this data allows participants to set up processes knowing they will be used, rather than having to set up processes for bespoke requests. This will reduce uncertainty about what data the Authority is collecting and minimise manual effort.

The Authority's preliminary view is that costs are relatively low for most participants

- 7.10. A number of participants already provided this information as part of the previous section 46 request. The proposed clause 2.16 notice is similar to the previous section 46 request but would encompass more participants and smaller contracts (the previous section 46 only covered four non-integrated retailers and requests for 1MW or above). The information being requested is already being created, and likely monitored, by most market participants.
- 7.11. The Authority is aware some participants will need to establish new processes to conform with this notice, however, the information being requested is not complex and does not require any processing beyond basic data cleaning and organisation.

Q16. Do you agree the benefits of the proposed clause 2.16 notice outweigh its costs? If not, what area(s) of the Authority's preliminary assessment of benefits and costs do you disagree with?

The proposed clause 2.16 notice is preferred to other options

Amending the Electricity Industry Participation Code

- 7.12. An alternative is to amend the HDOs, in Part 13 of the Code, to capture this information. Advantages of doing this include having all information entered in one place. However, the HDOs require the seller of the contract to enter the information (if the seller is a participant). As discussed above, by collecting information from the requestors (buyers), we avoid duplication of effort.
- 7.13. Additionally, clause 2.16 was added to replace the need to include these information disclosure requirements in the Code directly.

- 7.14. As set out when the Authority introduced the regular and event-driven provision of information to the Authority section of the Code²⁴, the intent of the clause 2.16 notice regime is to improve the ability for the Authority to standardise information provision obligations, improve transparency around obligations, and reduce transaction costs for participants in providing information. As such, using the clause 2.16 notice process for collecting data on the OTC market is preferred.

Another alternative is to collect data from gentailers to cover requests made from any other participants

- 7.15. This would broaden requests to those made from all other participants. But would exclude requests made to other suppliers of hedges, such as independent generators. As more independent generators enter the market, we are interested in requests made to and offers received from such participants.
- 7.16. If we collect data from gentailers, we would not receive information on who the requests were sent to, and we would also receive duplicate information where a request was sent to multiple gentailers.

Issuing a section 46 request under the act

- 7.17. The initial request was issued under section 46 of the Act, however, this not a preferred option as a clause 2.16 notice is a more enduring information collection method.

Another alternative suggested is to create a centralised platform for RFPs

- 7.18. As suggested by Contact in its submission to HDOs, a possible solution to the collection of pre-negotiated bids and offers could be a centralised RFP platform hosted by the Authority which allowed for the submission of RFPs and responses.
- 7.19. This option is not preferred at this point in time as there would be significant time and cost involved in setting up a platform.

Q17. Do you agree the proposed clause 2.16 notice is preferable to the other options? If you disagree, please explain your preferred option with reference to the Authority's statutory objective in section 15 of Act.

Q18. Should the Authority consider further work to monitor competition in the industry?

²⁴ [Improving the framework for the Authority's information gathering: Decision paper, July 2022](#)

Appendix A Proposed Clause 2.16 notice: OTC bids and offers data

This over-the-counter (OTC) bids and offers data notice is published under clause 2.16 of the Electricity Industry Participation Code 2010 (Code). The first data submission will be due no later than 31 August 2025, for data covering 1 January 2025 to 31 July 2025.

Overview

Clause 2.16(1) of the Code enables the Electricity Authority Te Mana Hiko (Authority) to publish a notice specifying information a participant must, on a regular basis or because of an identified event, provide to the Authority.

The provision of the required information to the Authority as specified in this notice will enable the Authority to carry out its functions referred to in section 45(a) of the Electricity Industry Act 2010 (Act), including undertaking industry and market monitoring (s16(1)(g) and undertaking and monitoring market facilitation measures (s16(1)(f)).

To whom the notice applies

This notice applies to all retailers and large industrials (industrials who are participants under section 7 of the Act). This will enable us to compare responses made to gentailers' requests to responses made to requests from other retailers and large industrials.

When the information needs to be provided

Regular provision

A response to this information notice should be provided quarterly. If no requests were sent out during the relevant quarter, an empty requests master file must be submitted. If one or more requests were sent out during the relevant quarter (that meet the requirements as set out in the notice), the information as set out below must be submitted for that quarter.

Data (or a response specifying no requests were sent out) must be provided to the Authority 10 working days after the end of the quarter.

The Authority may extend the deadline outlined above for a participant but only in exceptional circumstances. If you wish to seek an extension of time under this notice, please apply for one in writing no later than 5pm five working days before the deadline outlined above and include your reasons for seeking the extension.

The way retailers must provide the information

Retailers and large industrials must upload the required information to a secure Azure storage account either by direct deposit or by using the Authority's secure file transfer facility. A secure storage account will be provisioned for each qualifying retailer. Instructions explaining how to use the file transfer facility will be supplied by the Authority, as will the required secure access keys.

Information that must be provided

We propose to divide the data collection into requests and responses. For each there will be three csv files; tables 1-3 detail the request files while tables 4-6 detail the response files. Fields marked with a (*) are the same or very similar to the ones captured in the HDO.²⁵

When providing information to the Authority under this notice, retailers and large industrials can identify information they consider confidential and the reasons why. Provisions relating to confidential information are set out in clause 2.21 of the Code.

The Authority will handle any confidential information in accordance with clause 2.22 of the Code.

Note: Please see consultation paper and decision paper for further information about confidentiality.

Table 1 – Requests: master file

Field Name	Description
request_id	Party's own unique identifier for the request
request_type	The way in which the request was sent. Eg, RFP, EOI, direct request, via broker, etc
request_sent_to	A list or description of participants who were sent the request
request_date	The date the request was sent out
request_close_date	Date (deadline) given to respond to the request (as specified in the request)

Table 2 – Requests: contract details file

Field Name	Description
request_id	Party's own unique identifier for the request
contract_id	Party's own unique identifier for each contract requested in the request
party_role*	Whether the requestor is the buyer or seller of the contract
contract_type*	Instrument type. Eg. CFD, FPFV, FPPV, OPT, or NOVEL

²⁵ See: [NZX & Electricity Authority. Hedge Disclosure System User Guide for Bulk Upload File Formats \(2024\)](#)

Field Name	Description
	Note that NOVEL should be used for other contract types
option_variation*	Whether the Option is American or Asian style
option_type*	Whether the option is a Call or put
option_subtype*	Whether the option is a Cap or Floor
premium*	Mandatory for Options contracts. Blank otherwise
effective_date*	The start date of the price schedule record
end_date*	The end date of the price schedule record
contract_profile	Whether shaped or baseload
min_volume	Where the contract requested has variable volume this represents the minimum requested quantity (MW). Where the contract requested has fixed volume this is a fixed amount (MW)
max_volume	Where the contract requested has variable volume this represents the maximum requested quantity (MW). Where the contract requested has fixed volume this represents the fixed amount (MW)
quantity*	The total volume requested (MWh)
energy_type*	<p>C – if the contract is tied to electricity consumption, and the volume of the contract is determined by the energy load or usage. For example, for a demand response agreement for a retail customer's load</p> <p>G – if the contract is associated with a specific plant or station, and the volume of the contract is determined by the electricity output of that plant. For example, for a PPA tied to a wind farm's output</p> <p>N/A - for financial contracts that are not tied to specific generation or consumption volumes. For example, for a standard hedge or swap contract not tied to specific assets or load</p> <p>Optional for Novel</p> <p>Not case sensitive</p>

Field Name	Description
index_price*	Y or N to indicate whether the contract is an index-based price contract Optional for Novel Not case sensitive
other_information*	Any other information the participant wishes to disclose

Table 3 - Requests: price schedule (details) file

Field Name	Description
request_id	Party's own unique identifier for the request
contract_id	Party's own unique identifier for each contract requested in the request
start_date*	The start date of the price schedule record
end_date*	The end date of the price schedule record
start_period*	The start period (TP) for each date within the date range. If multiple periods per day (eg. super peak) these should be on separate rows
end_period*	The end period (TP) for each date within the date range. If multiple periods per day (eg. super peak) these should be on separate rows
day_type*	Days on which the contract is effective. eg. all days, business days, etc
node*	Specify the node(s) at which prices are requested. If volume is required at more than one node, these should be on separate rows
volume*	Quantity requested per trading period (in MWh). One value per group of trading periods, each on separate rows

Table 4 – Responses: no offers received file (Only applicable if the other party provided a response but not an offer)

Field Name	Description
request_id	Requesting party's own unique identifier for the request
contract_id	Requesting party's own unique identifier for the contract in the request that the offer relates to
other_party_legal_name*	The other party legal name
decline_reason	The reason given by the other party for declining to offer for the contract request. If no reason provided, should be populated with "Not specified"
response_date	The date when the response was sent by the other party

Table 5 – Responses: contract details file

Field Name	Description
request_id	Party's own unique identifier for the request
contract_id	Party's own unique identifier for the contract in the request that the offer relates to
other_party_legal_name*	The other party legal name
response_date	The date when the response was sent by the other party.
credit_requested	The amount (in \$) requested by the respondent
proposal_valid_for	The number of days the proposal is valid
conforming_flag	Whether the offer was conforming or not
contract_type_offered*	Instrument type. Eg. CFD, FPFV, FPVV, OPT, or NOVEL
premium_offered*	The premium value (in \$). Mandatory for Options contracts. Blank otherwise
option_variation_offered*	Whether the option is American or Asian style
option_type_offered*	Whether the option is a call or put

Field Name	Description
option_buyless*	Mandatory for a call options contract. Used when disclosing a swaption ²⁶
option_subtype_offered*	Whether the option is a cap or floor
effective_date_offered*	The start date of the price schedule record
end_date_offered*	The end date of the price schedule record
contract_profile_offered	Whether shaped or baseload
min_volume_offered	Where the offered contract has variable volume, this represents the minimum requested quantity (MW). Where the offer has fixed volume, this is a fixed amount (MW)
max_volume_offered	Where the offered contract has variable volume, this represents the maximum requested quantity (MW). Where the offer has fixed volume, this represents the fixed amount (MW)
quantity_offered*	The total volume requested (in MWh)
exchange_for_physical_offered	Whether the offer is an exchange for physical supply
energy_type_offered*	<p>C – if the contract is tied to electricity consumption, and the volume of the contract is determined by the energy load or usage. For example, for a demand response agreement for a retail customer's load</p> <p>G – if the contract is associated with a specific plant or station, and the volume of the contract is determined by the electricity output of that plant. For example, for a PPA tied to a wind farm's output</p> <p>N/A - for financial contracts that are not tied to specific generation or consumption volumes. For example, for a standard hedge or swap contract not tied to specific assets or load</p> <p>Optional for Novel</p> <p>Not case sensitive</p>

²⁶ This fulfils the Code under clause 13.219 (1) (h) (ii), which specifies that for call options, one must indicate if the buyer has the right to buy less than the quantity.

Field Name	Description
reference_price_offered	What price the requested contract price is indexed to, if any, eg. spot price, ASX price, modelled price, CPI, PPI, etc
index_price_offered*	Y or N to indicate whether the contract is an index- based price contract Optional for novel Not case sensitive
index_price_formula_offered*	Formula of index price. Optional free-text field
ASX_reference_node_offered	Specifies which ASX node the offer price is referenced to, if applicable. Blank otherwise
ASX_last_date_offered	Specifies the last ASX date specified for the referencing, if applicable. Blank otherwise
ASX_last_price_offered	Specifies the last ASX price specified for the referencing, if applicable. Blank otherwise
negotiation_steps	The number of negotiation steps
other_information_of_offer*	Any other information the participant wishes to disclose on the offer or negotiation steps

Table 6 – Responses table: price schedule (details) file

Field Name	Description
request_id	Party's own unique identifier for the request
contract_id	Party's own unique identifier for each contract requested in the request
start_date_offered*	The start date of the price schedule record
end_date_offered*	The end date of the price schedule record
start_period_offered*	The start period (TP) for each date within the date range. If multiple periods per day (eg. super peak) these should be on separate rows
end_period_offered*	The end period (TP) for each date within the date range. If multiple periods per day (eg. super peak) these should be on separate rows

Field Name	Description
day_type_offered*	Days on which the offered contract is effective. Eg. all days, business days, etc
node_offered*	Specify the node(s) at which prices are requested. If volume is required at more than one node, these should be on separate rows
volume_offered*	Quantity offered per trading period for each contiguous group of trading periods (in MWh). One value per group of trading periods, each on separate rows.
price_offered*	Price for each contiguous group of trading periods (\$/MWh). Each group of trading periods on separate rows. For option contracts, this field should contain the option strike price.

Publication of information

Note: Treat this section as indicative only for consultation.

The Authority will be publishing quarterly some of the information that is contained under this notice. The information that will be published includes that as set out in the table below. The Authority may, as part of undertaking its statutory function, wish to publish information derived from the information collected as part of this notice. In these situations, the Authority's information management policy and the Code will apply.

Indicator/chart	Information to be published
Pricing of offered OTC baseload contracts	Prices offered for baseload contracts, by offered date and effective date (date frequency less granular if needed to preserve confidentiality), relative to ASX baseload prices.
Pricing of offered OTC peak contracts	As above for peak contracts
Pricing of offered OTC super-peak contracts	As above for super-peak contracts
Pricing of offered OTC "other bespoke" contracts	As above for other contract types (aggregated into "other" category)
Availability of OTC baseload contracts	Average offer rate to requests, proportion of non-conforming offers, proportion of requests resulting in trades, offered volumes, participant types requesting baseload contracts, number of participants by participant type (requestors)
Availability of OTC peak contracts	As above for peak contracts

Indicator/chart	Information to be published
Availability of OTC super-peak contracts	As above for super-peak contracts
Availability of OTC “other bespoke” contracts	As above for other contract types (aggregated into “other” category)

Q19. Do you have any comments on the proposed data collection or about the notice in general?

Appendix B Format for submissions

Submitter	
------------------	--

Questions	Comments
Q1. Do you agree with the Authority's proposed approach of collecting data on OTC bids and offers, including those resulting in trades?	
Q2. Do you agree with the Authority's proposed approach of collecting information from large industrials through this clause 2.16 notice?	
Q3. Do you agree with the Authority's proposed approach of not collecting information from non-integrated generators through this clause 2.16 notice? Do you have any thoughts on alternative ways of collecting information on non-integrated generators requests and responses to those requests?	
Q4. Do you have feedback on our approach regarding collection of information on PPAs?	
Q5. Do you agree with the Authority's proposed approach of collecting data from all retailers, thus including small, micro, and community retailers?	
Q6. Do you agree with the Authority's proposed approach to collect data on requests made through energy brokers?	
Q7. Do you agree with the Authority's preference to restrict the data collection to written requests and requests made through brokers but to exclude text messages and phone calls?	

Questions	Comments
Q8. Do you agree with the Authority's proposed data collection from retailers and large industrials for requests larger than 0.1MW?	
Q9. Do you agree with the Authority's proposed approach to restrict the data collection to include only buy requests?	
Q10. Do you agree with our suggestion to collect information on the initial bids and final offers only? Or should we include a field to capture the number of negotiation steps?	
Q11. Do you agree with the Authority's proposal to require quarterly provision of information?	
Q12. Do you have any comments on the changes to the proposed data fields and/or the proposed file structures?	
Q13. Do you have any comments on the proposal to require participants to provide information that might be classified as confidential?	
Q14. Do you agree with the Authority's proposal to publish aggregated information provided by the selected participants, and do you have any comments on how to best maintain confidentiality while providing as much transparency as possible?	
Q15. Pursuant to clause 2.21 do you consider that any of the information we propose to collect is confidential? If so, please explain how it is confidential in line with clause 2.21	
Q16. Do you agree the benefits of the proposed clause 2.16 notice outweigh its costs? If not, what area(s) of the Authority's preliminary assessment of	

Questions	Comments
benefits and costs do you disagree with?	
Q17. Do you agree the proposed clause 2.16 notice is preferable to the other options? If you disagree, please explain your preferred option with reference to the Authority's statutory objective in section 15 of Act.	
Q18. Should the Authority consider further work to monitor competition in the industry?	
Q19. Do you have any comments on the proposed data collection or about the notice in general?	

Appendix C Glossary of abbreviations and terms

Authority	Electricity Authority
Act	Electricity Industry Act 2010
Code	Electricity Industry Participation Code 2010
Regulations	Electricity Industry (Enforcement) Regulations 2010