

23 Feb 2026

Submissions
Electricity Authority

Via OperationsConsult@ea.govt.nz

To whom it may concern,

Omnibus #6 consultation

We appreciate the opportunity to provide feedback on this consultation. Our position is summarised below:

- We oppose the \$0.01/MWh price floor. This proposal unfairly targets renewable energy and creates market distortions to simplify tasks for the System Operator.
- We support the proposed Materially Large Contracts (MLC) improvements. Specifically, we favor Option 2 because it allows for flexible, technology specific modeling for wind and solar.
- We support increased transparency in Hedge Disclosure. Requiring the disclosure of specific generating stations and demand response contracts will improve price discovery and market confidence.

Regards

Alex Macmillan
Energy Manager

Format for submissions

Consultation Paper—Omnibus #6 consultation

Submitter	Octopus Energy
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Minimum offer price exclusions for tie-breaker solutions

Questions	Comments
Q2.1. Do you support the Authority's proposal to amend the Code to exclude intermittent generators from offering at \$0/MWh? Please explain your answer.	<p>No. This proposal unfairly targets specific types of power generation. It moves away from a fair market where all technologies compete on equal terms just to make things easier for the SO.</p> <p>The SO has acknowledged that tie breaker situations are currently infrequent, therefore a Code amendment is an overkill solution for an issue that can be managed through existing discretion. If these situations are expected to become more frequent should the EA look to pursue technical or operational solutions that maintain technology neutrality?</p>
Q2.2. Do you agree the proposed amendment is preferable to the alternative options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.	<p>No. It represents a shift that moves the market away from technology neutrality and creates a disadvantage for renewable energy.</p>
Q2.3. Do you agree with the analysis presented in this Regulatory Statement? If not, why not?	<p>No. The analysis focuses too much on making things easier for the SO and not enough on the cost of distorting the market. It misses the signal this may send to renewable developers who would be forced off because of the technology they use.</p>

Materially large contracts

Questions	Comments
Q3.1. Do you agree there is an issue with how the current Code recognises the benefits of new generation, most notably for wind and solar, for the purposes of determining whether an arrangement constitutes a MLC? If not, why not?	<p>Yes. This amendment improves the efficiency of the MLC regime by ensuring it only applies to the specific types of contracts that have the potential to distort the wholesale market.</p>
Q3.2. Do you favour Option 1, Option 2, or an alternative option? Please explain your answer.	<p>We prefer Option 2. This option allows participants to use their own internal forecasting and modeling to determine offsets, provided they can justify their methodology to the EA.</p>
Q3.3. Do you agree that offsets claimed for new generation should be calculated using prevailing industry standards and methodologies specific to each generation type (eg, wind, solar and geothermal)? If not, please explain your reasons and suggest any alternative approaches.	<p>Yes. Wind and solar don't work the same way as geothermal or hydro.</p>
Q3.4. Do you agree with allowing generators to choose between median generation and each point in time offsets? If not, please explain your reasons and suggest any alternative approaches.	<p>Yes. I agree that providing a choice between median generation and point in time offsets is the most effective way to accommodate the diverse range of generation technologies in the market.</p>

Questions	Comments
Q3.5. Do you agree the proposed amendments are preferable to the alternative options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.	Yes.
Q3.6. Do you agree with the analysis presented in this Regulatory Statement? If not, why not?	Yes. These fixes are low cost and will help the market transition to renewable energy more efficiently.

Refining hedge disclosure obligations to increase transparency

Questions	Comments
Q4.1. Do you support the Authority's proposal to require disclosure of the generating station? Please explain your answer.	Yes. We support the proposal to require disclosure of the generating station for hedge contracts. This increases market transparency by directly linking risk management tools to their underlying physical assets. This improved data quality allows the EA to monitor market behavior more effectively while helping participants manage price volatility.
Q4.2. Can you identify any other way to more easily identify PPAs and differentiate between these and firming contracts without defining PPAs in the Code?	PPAs can be more easily identified by requiring the disclosure of the specific generating station and its technology type (e.g. wind or solar). Since PPAs are typically tied to the output of a specific new or existing renewable asset, identifying the asset naturally distinguishes them from firm contracts.
Q4.3. Do you agree a 10-business day timeframe for submission of information, and the same process requirements as those applying to risk management contracts, should be introduced for novel or other types of contracts? Please explain your answer.	Yes. I agree that a 10 business day timeframe for submission, along with the same process requirements applied to risk management contracts should be introduced for novel or other types of contracts.
Q4.4. Do you agree with the proposal to include demand response contracts in the definition of risk management contracts and require disclosure of their key terms (including price and price structure) through the hedge disclosure system? Please explain your reasons and any impacts you foresee.	Yes. I agree with the proposal to include demand response contracts in the definition of risk management contracts and require their disclosure. Requiring the disclosure of key terms, such as price and price structure, provides the market with a more complete picture of risk management activity. Since DR functions as a substitute for physical generation, having visibility of these contracts is essential for accurate price discovery.
Q4.5. Do you agree this proposal would increase confidence in published price information? If not, why not?	Yes. I agree that these proposals would significantly increase confidence in published price information. High quality disclosure data facilitates more efficient price discovery and regulatory oversight.
Q4.6. Do you agree the proposed amendment is preferable to the alternative options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.	Yes.
Q4.7. Do you agree with the analysis presented in this Regulatory Statement? If not, why not?	The analysis provides a sound rationale for the proposals ensuring the hedge disclosure regime remains up to date and able to handle new types of contracts such as PPA's and DR.