

Via email: info@ea.govt.nz

31 July 2025

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

Mercury welcomes the opportunity to comment on the Authority's proposals for expanding the scope of its proposals for improving visibility of competition in the over the counter (OTC) market. As noted in our previous submission we support the Authority building on current market-based initiatives by introducing further measures designed to boost the existing hedge market to solve issues around access to shaped products. Ensuring best practice trading conduct and improving both transparency and liquidity of the hedge market will ensure all market participants have access to competitively priced risk management contracts to manage their risks if they so choose. This will support competition and investment in both the wholesale and retail markets.

We consider it would be beneficial to either reconvene the Standardised Flexibility Product Co-design Group or establish a standing technical expert group that can provide independent advice on hedge market issues including product development and information disclosure requirements. Such a group would assist the Authority to ensure that any potential future intervention is targeted and proportionate and that any data collection balances costs with benefits and that the proposals are workable.

Yours sincerely



Sharron Came
Regulatory Strategist