FN-26-09 Fortnightly report 14 May 2026

This report summarises items that may be of interest to the Minister for Energy but do not require a formal briefing. Further information can be provided on request. Substantive items will be provided by briefing.

Electricity Authority contact: Sarah Gillies, Chief Executive

Mobile: s.9(2)(a) [redacted]

1. Updates and upcoming publications

Market performance quarterly review October – December 2025	
Strategic outcome	Affordable
Purpose	The Authority will publish the Market Performance Quarterly Review. This document reviews the performance of New Zealand's energy market from 1 October to 31 December 2025. It provides consumers visibility of the Authority's market monitoring, helping improve understanding of competition. Section 4, below, and Appendix A, have more insight.
Action and timing	Publication: 29 May 2026

Structure Conduct Performance review July – December 2025	
Strategic outcome	Affordable
Purpose	The Authority will publish the Structure Conduct Performance review. This report assesses whether observed outcomes in the energy market are consistent with competitive outcomes. This analysis is from 1 July to 31 December 2025. Sharing this data improves consumer access to market analysis. Section 4, below, and Appendix B, have more insight.
Action and timing	Publication: 29 May 2026

2. Future and current consultation

Consultation on improvements to product and consumption data standards	
Strategic outcome	Affordable
Purpose	The Authority will consult on a new regulated Electricity Information Exchange Protocol on individual consumer plans, and updates to existing consumption data exchange protocols. These changes will support customers to get clear and consistent information on electricity plans and their own consumption data, and will support the implementation of the designation of the electricity sector under the Customer and Product Data Act 2025.
Action and timing	Consultation: 3 weeks, early to late June 2026

Preliminary discussion paper on the costs and benefits of moving to 5-minute settlement	
Strategic outcome	Reliable
Purpose	The Authority is releasing a preliminary discussion paper on changing the current 30-minute settlement period market to a 5-minute period, to better reflect the capabilities of batteries and align with the real-time dispatch schedule period. This responds to proposals from some Battery Energy Storage Systems (BESS) developers and will be released alongside the upcoming consultation on battery and hybrid integration into the electricity market. The consultation will consider if the benefits to consumers outweigh implementation costs before moving ahead.
Action and timing	Consultation: 6 weeks, from 19 May to 30 June 2026

Current consultation	Consultation period
Reforming distributed generation pricing to promote efficient investment	2 April to 19 May 2026
Consultation on some technical Code amendment proposals	12 May to 9 June 2026
Improving information on high-voltage network capacity	5 May to 16 June 2026

Future consultation	Consultation period
Consultation on battery and hybrid integration into the electricity market	19 May to 30 June 2026
Consultation on options to address a harmonics issue	19 May to 30 June 2026

3. Update on usage of 'Billy', our comparison and switching service

3.1. 'Billy' (billy.govt.nz), the Authority's comparison and switching website, promotes better choice, better information, and better deals for New Zealanders. Launched on Mon 26 March, Billy is a trusted, transparent, publicly-owned site, fuelled by data from 27,000 kiwi households.

3.2. 146,000 users visited the site in the first six weeks, which exceeded our benchmarks, 46,488 compared plans, 2,708 visited our resources page, and 1,917 initiated a switch. $55.00 per household is the average estimated monthly savings from those initiated switches.

3.3. The site's success so far is due to a strong launch, media engagement, and an active campaign. We will continue to promote and improve the site, alongside our broader workplan to strengthen competition and empower consumers.

4. Publishing the Authority's Market Performance Quarterly dashboard and six-monthly Structure Conduct Performance

4.1. The Authority is publishing its improved Market Performance Quarterly dashboard for October - December 2025 and the six-monthly Structure Conduct Performance report for July - December 2025.

Market Performance Quarterly dashboard for October - December 2025

4.2. The Electricity Authority has developed a new, interactive, Market Performance Quarterly dashboard for October - December 2025 (Appendix A provides a sample) that will be published on our website. It assesses whether spot electricity prices reflected the underlying energy supply and demand conditions faced by the sector for Q4 2025. It also analyses changes in the retail and forward markets.

4.3. Our new dashboard is intended to make quarterly market insights more accessible to the public and will be published on 29 May 2026.

4.4. The **key points** are:

- The average wholesale half hourly spot price for Q4 2025 was $34/MWh. Spot prices were low due to high hydro inflows, high wind generation and low thermal generation.
- Hydro storage increased significantly due to total hydro inflows near the top of the historic range.
- 1.1% of total generation was thermal generation. This low proportion of thermal generation was due to high hydro inflows throughout the quarter.
- In the last 12 months, to December 2025, nominal electricity prices rose by 11.2% (more information on this below). For a typical household using 8,000kWh annually, this equates to an extra $316 per year. This change includes the impact of lines charge increases.

Structure Conduct Performance for July - December 2025

4.5. The six-monthly Structure Conduct Performance (SCP) analysis is usually included in our quarterly report but is now being published separately on our website (Appendix B).

4.6. It assesses whether observed outcomes in the market are consistent with competitive outcomes.

4.7. The **key points** for July - December 2025 are:

- The average price difference between the North and South Island shows price separation is reflected in the underlying conditions and this outcome is consistent with competition.
- Low prices are occurring more often and the frequency of low prices occurring during off peak has remained around 30%. Before the trading conduct rule was implemented in 2021, low prices during off peak occurred around 13% of the time..
- The high share of prices between $0-10/MWh reflected the high proportion of renewable energy from September onwards.
- Thermal offers were reflective of low operation during this period, with most peakers offering in only for security of supply needs and reduced need for thermal baseload generation.

How we make retail price data estimations

4.8. The Authority uses two versions of retail price increase estimations:

(a) MBIE's Quarterly Survey of Domestic Electricity Prices (**QSDEP**)

(b) Estimates based on the Authority's **own data collection**.

4.9. The **QSDEP** goes back to 2004 and is widely used by journalists, academics and advocacy groups, while our own data starts from 2025. The numbers vary, with the QSDEP being higher for the reasons noted below.

4.10. We use the QSDEP value in our quarterly reports as it has been the most reliable retail information available over time. However, while it is an indicator of how price changes may impact on consumers, the QSDEP only models one type of customer in each city or town. This data does not reflect what customers have actually paid for electricity in any particular period. In reality, consumption and pricing plans vary significantly across households.

4.11. The Authority **independently gathered information** directly from participants during February to July 2025, which indicated an increase of $17/month ($204/year). This differs from the QSDEP increase because we are collecting more granular information, including:

(a) all plans, including legacy plans no longer available, and

(b) region-specific consumption assumption based on EMI data, which tend to be less than 8,000kWh (for example, at the extreme Buller consumption was only 5,306kWh/yr - 66% of the QSDEP 8000kWh).

4.12. The independent data does not capture further price increases after July 2025, but the largest increase occurred before July which both datasets cover.

4.13. Our retail dashboard Regional power prices | Electricity Authority is currently based on information gathered under specific information requests under the Act. We intend to use our Retail Market Monitoring notice information for the dashboard in future. We note that it may be useful to continue to track against QSDEP data for a period.

s.9(2)(f)(iv)

[redacted]

s.9(2)(f)(iv)

[redacted]