

Via email: monitoring@ea.govt.nz

1 September 2026

Improving visibility of competition in the over-the-counter contract market - updates to clause 2.16 notice

Mercury appreciates the opportunity to provide feedback on the proposals to update the clause 2.16 notice to improve monitoring of the over-the-counter contract (OTC) market. No part of this submission is confidential.

Mercury supports measures to improve monitoring of the OTC market. This is an important workstream that will help the Authority assess market competition and increase transparency for market participants. We support the proposed changes to: the scope of the clause 2.16 notice; the technical amendments to improve clarity of the notice; and the collection of more granular information, including reasons for non-conforming offers.

We note that, subject to feedback on the proposed amendments, the Authority intends to decide on the proposed changes to the notice by December 2026 and this timing would allow any approved amendments to take effect in time for data submissions relating to Q4 2026. We support extending the submission deadline for Q4 2026 data from 10 to 17 working days (a deadline of 26 January 2027) to give participants time to adjust to the changes.

Yours sincerely

Sharron Came
Principal Regulatory Advisor

Appendix 1 Consultation Questions

Consultation Question	Mercury Response
Q1. Do you agree with the proposed update to the definition of industrial consumers captured by the notice by including those who are directly connected to the grid or who are a trader of electricity?	Yes.
Q2. Do you agree with the proposed inclusion of energy brokers, where they are traders in electricity, as applicable participants in the notice?	Yes.
Q3. Do you agree with changing the disclosure obligation for requests made through brokers?	Yes.
Q4. Do you agree with the inclusion of a column to capture generating station(s) to improve distinction between PPAs and contracts for firming?	Yes.
Q5. Do you agree with the inclusion of the <i>TradedHedgeID</i> and <i>OfferDeclineReason</i> columns in the notice to help identify traded contracts and the reasons for declining offers?	Yes.
Q6. Do you agree with the inclusion of a column to the notice to identify the reasons behind non-conforming offers?	Yes.
Q7. Do you agree with the proposed changes to improve the data submission? If not, why not? Do you have any suggestions?	Yes.
Q8. Do you agree with the Authority's changes to the proposed notice listed in table 2?	Yes.
Q9. Do you agree the benefits of the proposed amendments to this 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?	Yes.
Q10. Do you agree with the proposed changes to the notice?	Yes.

