

21 July 2020

Electricity Authority
Level 7, ASB Bank Tower
2 Hunter Street
Wellington

To whom it may concern,

**Re: Hedge Market Enhancements - Securing Access to
Exchange Data Consultation Paper**

The Electricity Authority ('Authority') is seeking to improve its access to exchange traded New Zealand electricity contracts.

Whilst Contact supports the Authority's objective of increasing competition for the benefit of consumers, we do have some concerns over the proposal to secure permanent access to exchange data.

Prescribed form for consent

We note that no example of the 'prescribed form' of consent has been provided for this consultation. It would have been very useful to have been able to consider the 'prescribed form' of consent as part of this consultation, and we would encourage the Authority to prepare and distribute this document as soon as possible.

We also note that the proposed Code provisions provide that the Authority may issue guidelines on the types of arrangements it expects participants to put in place with exchanges to facilitate the flow of information. We think this would be useful for the Authority to issue a set of minimum terms, or a model contract to give participants comfort that they can meet their obligations.

Clause 13.236AA(2)(c)

The proposed drafting of this clause is very broad, and we have some concerns about how it will be reflected in the form of consent. Again, it would have been useful to see the proposed prescribed form to get some insight into this.

We would not be comfortable if the form of consent required us to give an exchange the authority and discretion to determine whether a request from the Authority falls within the scope of this catch-all provision (without our involvement), and release information on that basis.

Official Information Act requests

The trading information contained in our activities on the exchange is commercially sensitive and would be commercially prejudicial if released. While we understand the Authority's obligation under the Official Information Act, we would like to make clear that under no circumstances do we see it fit for this information to be released under an Official Information Act request. Should the Authority receive any request we would expect the Authority to consult directly with us.

Change in disclosure obligations

If the Authority implements the proposed Code change, we are supportive of the changes to disclosure obligations for exchange traded electricity contracts.

Regards



Nigel East
Forward Markets Manager