

7 May 2025

To: Electricity Authority

By email: taskforce@ea.govt.nz

Submission on the PPA working paper

To whom it may concern,

Thank you for the opportunity to comment on the 'Level playing field measures - Options paper'. EVA Marketplace (EVA) has not had the opportunity to read the paper in full but we would like to make some high-level remarks.

EVA's role as a PPA broker means that we have commercial interactions with key players in the wholesale electricity market: gentailers, independent generators, independent retailers and business consumers. Some of these interactions involve discussions with gentailers about providing a PPA firming/sleeving arrangement where the PPA is between a business and an independent generator. We have witnessed varying levels of readiness and willingness to provide PPA sleeving to businesses customers. This is understandable given that gentailers have to firm their own customers, and they are in direct competition with independent generators to build new renewable generation.

As noted in our submission on the PPA market, we believe that promising options to improve access to sleeving includes pricing and process scrutiny. However, it is uncertain if this scrutiny will have a meaningful impact, and it does not solve access to firming for independent retailers. For this reason, EVA supports further measures to improve access to firming (or shaped hedges).

EVA is not certain which of the options suggested by MDAG or the EA will produce the best outcome. However, non-discrimination obligations, implemented with a prohibition on cross-subsidies and accounting separation, may offer a reasonable balance between speed and cost to implement, and potential impact. The EA notes that similar rules operate in the Great Britain (GB) market. The GB electricity market is increasingly renewable (~50% in 2024) and is dominated by 'gentailers' so it could offer lessons for New Zealand. EVA believes it would be worthwhile understanding to what extent access to firming is currently an issue in GB. One independent generator from GB recently commented to EVA that obtaining a PPA sleeving arrangement from a 'gentailer' is becoming challenging.

Please feel free to contact us if you have any questions.

Sincerely,

Paul Coster
Founder, [EVA Marketplace](#)