

5 September 2025

Electricity Authority

By email to: OperationsConsult@ea.govt.nz

Subject: Submission on Consultation Paper – Review of urgent Code amendments to the System Operator's information gathering powers

Methanex appreciates the opportunity to provide a brief submission in response to the Electricity Authority's consultation paper titled "Review of urgent Code amendment to System Operator's information gathering powers", published on 8 August 2025 (the 'consultation paper').

As background, we refer the Electricity Authority to our previous submissions dated 14 February 2025 and 12 December 2022, which are attached for reference.

Methanex understands that it is considered a participant under the Code due to its status as a grid-connected electricity consumer. We are concerned that this classification could be used to justify requests for gas-related information that are not reasonably necessary, or indeed useful, for the System Operator to perform its statutory obligations.

We also note the clause 2.16 notice titled 'Thermal Fuel data' dated 1 April 2025¹. That notice, which appears to be directly linked with the urgent Code amendment, restricts the list of 'participants' required to provide thermal fuel data to "all generators with generating units that use natural gas, diesel, coal or biomass as a fuel source" and that "it is intended to capture participants who are generally considered thermal electricity generators and does not apply to embedded generators."

However, clause 9.18 of the code refers to 'participants' without qualification. This wide catchment raises concerns that Methanex could be subject to gas-related information requests solely due to its status as an electricity consumer, despite not being a thermal generator. If this interpretation were to be upheld, Methanex would consider it an overreach of regulatory powers, particularly if the System Operator cannot demonstrate that the information is "reasonably necessary" as defined in clause 9.18. This is especially concerning given that the justification for the code change relates exclusively to thermal fuel data from thermal generators.

Our specific concern with respect to the proposed permanent rule change is the potential — whether intentional or inadvertent - for the limiting terms in the current Thermal Fuel data notice to be modified or removed, such as expanding the scope of participants subject to the information gathering powers.

¹ The notice referenced in the consultation paper including at footnotes 4, 12 and 13 and paragraph 7.7



While the consultation paper appears to be focussed on electricity generators, Methanex believes there is sufficient ambiguity to warrant this submission, particularly in light of the absence of a clear statement in the consultation paper confirming that the terms and restrictions in the Thermal Fuel data notice will be retained unchanged.

If it were to be the case that either:

- (i) the current restrictions in the Thermal Fuel data notice are modified or omitted; or
- (ii) Methanex is captured by the broad definition of 'participant' and required to supply information under clause 9.18;

then we request that the Electricity Authority provide a clear explanation and justification, along with a reasonable opportunity given for Methanex to respond.

If the outcome of this consultation is a permanent Code change that extends the information gathering powers associated with clause 9.18 in a way that would require Methanex to provide gas-related information, whether due to its status as an electricity industry participant or otherwise, then Methanex opposes such a change.

Yours sincerely,

Stuart McCall

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