

21 January 2026

s 9(2)(a)

Tēnā koe s 9(2)

Your request

Thank you for your request, received on 4 November 2025, under the Official Information Act 1982 (Act) for the following information:

1. **Internal documents & briefings**

- a. *All internal memos, analyses, reports, or advice prepared by the Electricity Authority since 1 January 2024 relating to:*
- b. *Gentailer market concentration in the retail electricity market*
- c. *The acquisition of Flick Energy by Meridian Energy*
- d. *Impacts of retail market consolidation on competition and consumer pricing*
- e. *Any regulatory review, monitoring activity, or assessment relating to that transaction.*

2. **Ministerial and inter-agency communications**

- a. *All correspondence (including emails, notes of conversations, and briefings) between the Electricity Authority and:*
- b. *The Minister of Energy and Resources or their office*
- c. *The Minister of Commerce and Consumer Affairs or their office*
- d. *Treasury*
- e. *Commerce Commission*
relating to gentailer consolidation and/or the Meridian–Flick transaction.

3. **Authority position statements and policy guidance**

Copies of:

- a. *Any internal policy, guidance, or criteria used to determine the Authority's remit in relation to merger impacts on retail competition*
- b. *Any internal or external legal interpretation on the Authority's responsibilities to monitor or respond to consolidation in the electricity retail sector.*

4. **Complaint handling documentation**

- a. *All internal notes, logs, emails or decision records relating to the Authority's handling of my complaint about the Meridian–Flick acquisition and post-acquisition price impacts.*
- b. *For reference, my complaint reference is **CCN-385574**.*

5. **Future monitoring plans**

- a. *Any documents relating to planned or proposed monitoring, reporting or regulatory action regarding retail competition impacts of gentailer acquisitions.*

Our response

For the sake of clarity, I will respond to each part of your request in turn.

1. **Internal documents & briefings**

- *All internal memos, analyses, reports, or advice prepared by the Electricity Authority since 1 January 2024 relating to:*
- *Gentailer market concentration in the retail electricity market*

- *The acquisition of Flick Energy by Meridian Energy*
- *Impacts of retail market consolidation on competition and consumer pricing*

Any regulatory review, monitoring activity, or assessment relating to that transaction.

The Electricity Authority Te Mana Hiko (Authority) has identified documents in scope of this part of your request. These are outlined in Appendix One, with copies attached. Where information has been withheld, this is noted in the appendix and in the document itself.

2. Ministerial and inter-agency communications

- *All correspondence (including emails, notes of conversations, and briefings) between the Electricity Authority and:*
 - *The Minister of Energy and Resources or their office*
 - *The Minister of Commerce and Consumer Affairs or their office*
 - *Treasury*
 - *Commerce Commission*
- relating to gentailer consolidation and/or the Meridian–Flick transaction.*

The Authority has identified documents in scope of this part of your request. These are outlined in Appendix One, with copies attached. Where information has been withheld, this is noted in the appendix and in the document itself.

We have interpreted the timeframe of this part to be the same as question one and have included all information in scope from 1 January 2024-present.

3. Authority position statements and policy guidance

Copies of:

- *Any internal policy, guidance, or criteria used to determine the Authority's remit in relation to merger impacts on retail competition*
- *Any internal or external legal interpretation on the Authority's responsibilities to monitor or respond to consolidation in the electricity retail sector.*

This part of your request is refused under section 18(e) of the Act, as the information requested does not exist.

4. Complaint handling documentation

- *All internal notes, logs, emails or decision records relating to the Authority's handling of my complaint about the Meridian–Flick acquisition and post-acquisition price impacts.*
- *For reference, my complaint reference is **CCN-385574**.*

The Authority has identified documents in scope of this part of your request. These are outlined in Appendix One, with copies attached. Where information has been withheld, this is noted in the appendix and in the document itself.

Please note, we have not included correspondence which you were included in, as you will already have copies of these emails/documents. If you would like us to provide them to you again, we remain open to doing this.

5. Future monitoring plans

- *Any documents relating to planned or proposed monitoring, reporting or regulatory action regarding retail competition impacts of gentailer acquisitions.*

While the Authority does have future monitoring plans, none of these refer to gentailer acquisition specifically. Therefore, this part of your request is refused under section 18(g) of the Act, as the information requested is not held.

This publicly available document may be of interest to you, as it outlines what we could monitor with the new retail data: https://www.ea.govt.nz/documents/5743/Appendix_F_-_Anticipated_monitoring_programme.pdf.

I am satisfied, in terms of section 9(1) of the Act, that the need to withhold the information referred to above is not outweighed by other considerations that render it desirable, in the public interest, to make the information available.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

As this information may be of interest to other members of the public, the Authority may proactively release a copy of this response on our website. All personal data, including your name and contact details, will be removed before publication.

If you'd like to discuss this response with us, please feel free to contact us by emailing oa@ea.govt.nz.

Nāku noa, nā,



Airihī Mahuika
GM Legal, Monitoring and Compliance

Appendix One: Documents in scope

Question one			
Item #	Date	Title	Decision on release
1.01	19 July 2024	<i>SLT paper: Competition work programme: measures of success</i>	<i>Released in full</i>
1.02	14 October 2024	<i>Board update: Success measures dashboard</i>	
1.03	19 October 2024	<i>SLT Update: Competition Dashboard - Success measures & Flexibility</i>	
1.04	19 November 2024	<i>Environmental Scan 19 November 2024</i>	<i>Excerpt released in accordance with section 16(1)(e) of the Act, out of scope information withheld.</i>
1.05	11 March 2025	<i>Market intelligence report 11 March 2025</i>	<i>Released with out of scope information removed.</i>
1.06	June 2025	<i>Wholesale and Supply June 2025</i>	<i>Excerpt released in accordance with section 16(1)(e) of the Act, out of scope information withheld.</i>
1.07	June 2025	<i>Contact-Manawa Acquisition - Commerce Commission Clearance Decision</i>	<i>Released in full</i>
1.08	June 2025	<i>Planned Contact-Manawa Merger: Commerce Commission Preliminary Findings</i>	
1.09	June 2025	<i>Commerce Commission Clears Contact-Manawa Acquisition Summary & Implications</i>	<i>Released with some information withheld under section 9(2)(g)(i) of the Act, to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty.</i>
1.10	17 June 2025	<i>Market intelligence slides 17 June 2025</i>	<i>Excerpt released in accordance with section 16(1)(e) of the Act</i>
1.11	21 July 2025	<i>Market intelligence slides 21 July 2025</i>	
1.12	25 August 2025	<i>Market intelligence slides 25 August 2025</i>	<i>Excerpt released in accordance with section 16(1)(e) of the Act, some information withheld under section 9(2)(b)(ii) of the Act, where its release would likely unreasonably</i>

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			<i>prejudice the commercial position of the person who supplied the information.</i>
1.13	16 September 2025	Switching as of August 2025	Released in full
1.14	29 September 2025	Market intelligence slides 29 September 2025	Excerpt released in accordance with section 16(1)(e) of the Act
1.15	15 October 2025	Switching as of September 2025	Released in full
1.16	4 November 2025	Market intelligence slides 4 November 2025	Excerpt released in accordance with section 16(1)(e) of the Act
1.17	2025	Competition metrics: Dashboard indicators with data sources	Withheld in full under section 9(2)(g)(i) of the Act, to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty
1.18	2025	Success Measure - Competition DashBoard - Data Availability	Withheld in full under section 9(2)(g)(i) of the Act.
1.19	2025	Exemption Application: Meridian clause 2.20 (FLCK code)	Released with some information withheld under section 9(2)(a) of the Act.
1.20	2025	Decision: Approval of Meridian exemption from Retail Market Monitoring Notice	Released with some information withheld under section 9(2)(h) of the Act, to maintain legal professional privilege, and section 9(2)(a) of the Act.

Question two			
Item #	Date	Title	Decision on release
2.01	May 2024	OECD Economic Survey New Zealand 2024	Refused under section 18(d) of the Act, as this information is publicly available here: https://www.oecd.org/content/dam/oecd/en/publications/reports/2024/05/oecd-economic-surveys-new-zealand-2024_42678d02/603809f2-en.pdf

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2.02	29 May 2024	Default price-quality paths for electricity distribution businesses from 1 April 2025 – Draft decision Reasons paper	Refused under section 18(d) of the Act, as this information is publicly available here: https://www.comcom.govt.nz/_data/assets/pdf_file/0031/353983/Default-price-quality-paths-for-electricity-distribution-businesses-from-1-April-2025-Draft-reasons-paper-29-May-2024.pdf
2.03	20 September 2024	Electricity Authority Te Mana Hiko Annual Report 2023-24	Refused under section 18(d) of the Act, as this information is publicly available here: https://www.ea.govt.nz/documents/5962/Electricity_Authority_Te_Manahiko_Annual_report_2023-24.pdf
2.04	27 September 2024	EA/Commerce Commission - discussion on gross pivotal data -meeting request	Released with some information withheld under section 9(2)(a) of the Act, to protect the privacy of natural persons.
2.05	14 October 2024	Contact/Manawa - further request from Mergers Team at the Commerce Commission	
2.06	25 October 2024	Ministerial Briefing Consultation: Reviewing risk management options for electricity retailers	
2.07	14 November 2024	RE: Contact/Manawa acquisition	Released with some information withheld under section 9(2)(a) of the Act, to protect the privacy of natural persons.
2.08	18 November 2024	RE: Contact/Manawa acquisition	
2.09	27 November 2024	Contact/Manawa acquisition - letter from Commerce Commission -signed by the EA	
2.10	3 February 2025	Competition Highlights: A look back on 2024 and ahead for 2025	Released in full.
2.11	20 February 2025	Consultation: Energy Competition Task Force: Level Playing Field measures – Options paper	Refused under section 18(d) of the Act, as in scope information is publicly available here: https://www.ea.govt.nz/projects/all/energy-competition-task-force/consultation/level-playing-field-measures/
2.12	9 July 2025	Requiring distributors to pay a rebate when consumers supply electricity at peak times	Refused under section 18(d) of the Act, as this information is publicly available here: https://www.ea.govt.nz/documents/7774/2A_Requiring_distributors_to

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			pay a rebate when consumers supply electricity at hYzYEsJ.pdf
2.13	16 July 2025	Requiring distributors to pay a rebate when consumers supply electricity at peak times	Refused under section 18(d) of the Act, as this information is publicly available here: https://www.ea.govt.nz/documents/7774/2A_Requiring_distributors_to_pay_a_rebate_when_consumers_supply_electricity_at_hYzYEsJ.pdf
2.14	16 July 2025	Improving pricing plan options for consumers: Time-varying retail pricing for electricity consumption and supply	Refused under section 18(d) of the Act, as this information is publicly available here: https://www.ea.govt.nz/documents/7775/2BC_Improving_pricing_plan_options_for_consumers.pdf
2.15	12 August 2025	Regulating the standardised super-peak hedge contract: issues and options	Refused under section 18(d) of the Act, as this information is publicly available here: https://www.ea.govt.nz/documents/8199/Regulating_the_standardised_super-peak_hedge_contract.pdf
2.16	20 August 2025	Electricity Authority weekly email - 20 August 2025	Released with out of scope information withheld.
2.17	3 September 2025	Market performance quarterly review April - June 2025	Refused under section 18(d) of the Act, as this information is publicly available here: https://www.ea.govt.nz/documents/8381/Market_perfoamnce_quarterly_review_Q2_2025.pdf
2.18	7 October 2025	Level playing field measures – proposed Code amendment Consultation paper	Refused under section 18(d) of the Act, as this information is publicly available here: https://www.ea.govt.nz/documents/8921/LPF_Consultation_Document_-_Release_version_10-10-2025_1.pdf

Question four			
Item #	Date	Title	Decision on release
4.01	30 October 2025	RE: Formal Complaint Meridian takeover of Flick Energy	Released with some information withheld under section 9(2)(a) of the Act, to protect the privacy of natural persons.
4.02	3 November 2025	RE: Formal Complaint Meridian takeover of Flick Energy	

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4.03	4 November 2025	<i>RE: Formal Complaint Meridian takeover of Flick Energy</i>	
4.04	6 October 2025	<i>CCN-385574 - We are unable to consider your concern further</i>	<i>Released in full.</i>
4.05	3 November 2025	<i>RE: Formal Complaint Meridian takeover of Flick Energy</i>	<i>Released with some information withheld under section 9(2)(a) of the Act, to protect the privacy of natural persons.</i>

SLT paper

Paper title: Competition work programme: measures of success
Author(s): Naghmeh Kargozar
SLT meeting date: 29 July 2024 iManage ref: 1441866

Reviewer	Name	Approval date
Author:	Naghmeh Kargozar	18/07/2024
Manager review:	Kirsty Hutchison	25/07/2024
Peer review	Jo Goudie	25/07/2024
Comms review:	Sally Aitken	
Legal review:	Catherine Marks	22/07/2024
Finance review (as applicable):	NA	
General Manager review:	Andrew Millar	

Meeting date: 29 July 2024



Competition work programme: measures of success

Prepared by: Naghmeh Kargozar
Senior Policy Analyst
Andrew Millar, General Manager Market Policy

Competition work programme: measures of success

1. Purpose

- 1.1. This paper is intended to support an initial discussion at the Senior Leadership Team (SLT) on an approach to measure the success of the Authority's work programme to support competition.

2. Recommendations

- 2.1. It is recommended the SLT:
 - (a) **Discuss and confirm** the scope of the work
 - (i) Which aspects of the market should be included? (for example, should this product report on indicators of market structure and conduct, as well as performance?)
 - (b) **give** staff feedback on the draft success measures and indicators:
 - (i) Have we missed anything?
 - (ii) Are these the right things to measure?
 - (iii) Are these indicators meaningful?
 - (c) **agree** on the next steps for this work, including:
 - (i) When we need to deliver this by?
 - (ii) Frequency of production.
 - (iii) Audience and publication.

3. Background

- 3.1. The Authority met with the Minister for Energy on 26 June 2024 to discuss our competition and connection work programme. The Minister requested further information on how the Authority measures the success of its work programme to support increased competition.
- 3.2. During the meeting, the Authority identified the following high-level success measures, including:
 - (a) Increasing investment in new generation and demand response.
 - (b) Falling forward price curve for baseload and flexibility.
 - (c) Consumers have better access to information about, and uptake of, products that provide choice and control over their use of electricity.
 - (d) Local and regional resilience is strengthened.
- 3.3. Following the meeting with the Minister, the CE commissioned staff to produce:
 - A piece that sets out the "state of play" for competition, and
 - Measures of success: evidence that our work is making a difference.

- 3.4. This paper sets out some initial thinking on the measures of success that the Authority could use to track the difference that our work makes to competition outcomes. This product could also inform and complement a broader competition “state of play” narrative.
- 3.5. This product is distinct from Recommendation 12 in the Market Development Advisory Group (MDAG) final report, which involves developing a dashboard of competition indicators for flexibility segment of wholesale market. Recommendation 12 assesses competition in flexibility products and guides the next steps in Recommendation 8 (standardised flexibility products) and Recommendation 13 (high-level outline of virtual disaggregation). Although Recommendation 12 and the measures of success are separate initiatives, they may share some common indicators.

4. What aspects of the market should we measure?

- 4.1. We want to measure the set of indicators that provide the best insights into competition. There are two key choices we need to make:
- (a) how broad to go in terms of the aspects of the market we want to measure eg, do we want to bring market structure and conduct into the scope of this work as well as market performance? and
 - (b) what the actual indicators are.
- 4.2. The first choice – how broad to go – is discussed below. This builds on the success measures that we put forward at the Minister’s meeting and proposes the inclusion of measures of market structure. This provides a more complete set of measures based on a market structure, conduct and performance framework. We have also considered how these measures relate to the Authority’s outcome framework in the new Statement of Intent (SOI)¹.
- 4.3. The second set of choices around indicators is discussed in the following section of this paper.

Proposed measures of success

Market concentration: the number and diversity of players

- 4.4. The structure of the electricity market influences competition. A market controlled by a small number of large participants is more susceptible to uncompetitive outcomes than a market with many participants. A generator is more likely to be able to exercise market power in a market with few participants, especially during periods with high demand and constrained supply. Relevant measure of market structure in the wholesale and retail markets are the Herfindahl–Hirschman index (HHI) for generation and retail, retail entry and exit, and number of independent generators.

Investment in new generation and demand response

- 4.5. Investment in new generation and technologies that enable demand response and flexibility is the most effective and sustainable way to boost competition in the wholesale market and lower electricity prices for consumers.

¹ The new SOI hasn’t been published on the Authority’s website yet. We are waiting for Parliament tabling of the document.

- 4.6. The (credible threat of) entry by new developers can also keep downward pressure on prices. However, we also recognise that over investment could be inefficient and lead to higher prices for consumers.
- 4.7. We are interested in tracking planned and committed investment and whether developers deliver on their promises. We also focus on the diversity of investors and investments in new technologies, such as demand response and flexibility.
- 4.8. This measure relates to the SOI outcomes of “regulation enables widespread uptake of new renewable technologies to benefit consumers”, and “regulation promotes innovation and supports the low-emissions economy for the future”.

Forward price curves for baseload and flexibility

- 4.9. In a workably competitive market, we expect average spot prices to reflect short-run marginal costs, and average spot prices over time to reflect long-run marginal cost. Our monitoring shows that wholesale spot prices reflect underlying conditions and short-run marginal costs (including opportunity costs) which indicates competitive outcomes. The Authority has been increasing its monitoring and reporting to provide greater transparency of whether competitive outcomes are observed in the spot market. Key indicators include the percentage of high-priced offers compared to underlying conditions. Another indicator that will become regularly updated once the investment pipeline data collection is running will include comparison of levelised cost of electricity (LCOE) to forward prices.
- 4.10. The forward curve for baseload and flexibility contracts provides information about future wholesale price expectations. These expectations reflect market sentiment and are strongly influenced by current information (eg, fuel availability and security of supply) and investment announcements. Over time we expect the forward price curve to converge towards the LCOE.

Trading volumes and liquidity in contract markets

- 4.11. Liquidity in the ASX and OTC markets indicates how easily contracts can be traded. It is an important indicator of market performance and workability of competition. Generally, higher contract market liquidity indicates a more competitive market.
- 4.12. The contracts market can promote competition in the spot market by helping to inform investment and operation decisions of generators and retailers. For generators, greater certainty about the price and demand for hedging contracts simplifies investment decisions. For retailers, lower liquidity increases their exposure to volatility of spot prices. Therefore, a liquid contracts market makes competition more effective and workable in both the spot and contracts market.
- 4.13. This measure relates to the SOI outcome of “tools and products are available to effectively manage price volatility from increased renewable generation”.

Products available to consumers and uptake of those products

- 4.14. The Authority aims for a future where every consumer can easily switch energy providers in a dynamic and competitive market. Consumers should benefit from a secure and reliable power system while having more control over their energy use.
- 4.15. We are interested in evaluating how the retail market is adapting to meet consumer demand for more choices and flexibility. Relevant measures of retail innovation and competition include consumer switching trends and the development and uptake of new and useful

products, including products and services that increase access to and participation in flexible demand.

- 4.16. This measure relates to the SOI outcomes of “widespread understanding and uptake of flexibility markets” and “consumers and their agents can use data to make smart electricity use and affordability choices and are rewarded for doing so”.

Regional resilience

- 4.17. Transitioning to a highly renewable supply will significantly impact resilience of the power system in real-time or near real-time. With fluctuations in regional intermittent generation and regional demand-side dynamics, maintaining regional resilience becomes increasingly important. This can be achieved by dynamically balancing changes in regional supply and demand. A workably competitive market is expected to provide price signals that incentivise regional resilience initiatives.
- 4.18. Regional resilience to variable power generation is likely to be measured by the geographic diversity of demand response initiatives and distributed generation. These indicators are more likely to be bespoke and the data may be inconsistent.
- 4.19. This measure relates to the SOI outcomes of “different parts of New Zealand manage the risk and opportunities of the transition in ways that reflect their regional circumstances. Rural, vulnerable and isolated communities are protected against risks to security of supply” and “Investors have access to tools and information to support a range of renewable investments”.

Questions for SLT:

- Which aspects of the market should be included? (for example, should this product report on indicators of market structure and conduct, as well as performance)
- Are these the right things to measure?
- Have we missed anything?

5. What indicators should we track?

- 5.1. Using currently reported data, as well as data which will be collected as part of other ongoing projects, the Policy and the Monitoring teams have prepared a suggested list of indicators for each proposed “success measure”.
- 5.2. The “success measures” and suite of indicators are attached in Appendix A. A detailed list of indicators and research questions on the contracts market is also provided in Appendix B to set out other potential indicators for the wholesale market.
- 5.3. The suggested measures of success include a mix of lead indicators (a predictive measure that helps to predict future performance) and lagging indicators (an output measure that give insights into past outcomes). A leading indicator such as generation investment informs us of how to produce desired results ie, increased competition. A lagging indicator such as contract types traded by participants measures output that was influenced by a leading indicator.

- 5.4. Staff undertook a brief review of the Australian electricity market to consider another jurisdiction's approach to identifying measures of success. The Australian Energy Regulator (AER) conducts a review of the wholesale market under the National Electricity Law every two years. The review assesses whether there is effective competition in the sector². Appendix C provides a list of indicators considered by AER to evaluate effective competition. The success measures and indicators discussed in this paper have largely been considered in the AER report. Further analysis on international trends could help to better understand success measures in both the wholesale and retail sectors.

Questions for SLT:

- Are the indicators in Appendix A meaningful?
- Do we want to state a desired trend?
- Do we want to specify targets?

6. Do we have required data to inform our assessment of competition?

- 6.1. The Authority has substantial data and indicators on the wholesale and retail markets which are already available on EMI.
- 6.2. New initiatives on our work programme will provide additional data and insights to improve the Authority's understanding of wholesale and retail market competition, as well as consumer benefits. These projects will cover various aspects of the market, including
- (a) **Standardised flexibility products** (MDAG Rec 8)- completion estimated by Dec 2024
 - (b) **Competition dashboard for flexibility products** (MDAG Rec 12) – completion estimated by Nov 2024
 - (c) **Improving hedge disclosure obligations** (MDAG Rec 2) - new requirements effective from 30 Oct 2024
 - (d) **Monitoring of the Voluntary Code of Conduct for Participants in New Zealand's Over the Counter Electricity Market** established by the OTC working group - results available early 2025
 - (e) **Contract process disclosure rules** (MDAG Rec 9) – completion time TBD
 - (f) **Generation investment pipeline survey** (MDAG Rec 17) - data available by Feb 2025
 - (g) **Retail data notice** – data available by 30 Jun 2025.
- 6.3. Additional projects may be needed to address the remaining information gaps in the market. A six-monthly competition study might be necessary to investigate competition in the spot market, similar to the Wholesale Market Review study. Information gaps in the retail sector could be addressed by a section 2.16 information gathering notice.

² [Wholesale electricity market performance report - December 2022 0.pdf \(aer.gov.au\)](https://www.aer.gov.au/publications-reports/wholesale-electricity-market-performance-report-december-2022)

7. How are we going to publish this data?

- 7.1. We recommend creating an EMI dashboard with live indicators to enhance transparency. Key insights from this dashboard could be summarised in monthly reports to SLT and published on our website.

Questions for SLT:

- Who is the audience for this product?
- What is the frequency of production and publication?
- When do we need to deliver this by?

8. Next steps

- 8.1. **Progress** another iteration of this product after incorporating the SLT's recommendations.

9. Attachments

- 9.1. The following appendices are attached:

- Appendix A Proposed measures of success and competition key indicators
- Appendix B Wholesale market indicators and research questions
- Appendix C Summary of AER wholesale electricity market performance indicators

Appendix A Proposed measures of success and competition key indicators

Success measures

Indicators

Indicators

Declining market concentration

- HHI for generation →
- HHI for retail →
- Number of independent generators →
- Number of retail firms →

Increased investment in generation and demand response

Committed generation relative to demand growth

- Committed investment capacity →
- Generation development pace →
- Required new generation by 2030 →
- Investment by participant (diversity) →

Investment in demand response

- Dispatchable demand (DD) and Dispatch notification load (DNL) volume →

Data currently reported Data soon to be reported → Lead ← Lag

Success measures

Indicators

Indicators

Declining forward price curve to meet the LCOE of new firm generation

Price

- Forward price curve – baseload →
- Forward price curve –flex →
- OTC & ASX price comparison ←
- Spot price level and volatility →

Product availability

- Contract types traded by participants ←
- New contracts – number and volume ←
-

Liquidity for baseload and flex products

- Volume transacted by contract types ←
- Volume transacted – ASX ←
- Volume transacted – OTC ←
- Volume transacted by participant ←

Access to flexibility products on reasonable terms

- Contracts between gentailers and others – number and volume →
- Average negotiation time →
- Share of conforming responses →

Data currently reported Data soon to be reported → Lead ← Lag

Success measures

Consumers have choices and are exercising them

Local and regional resilience

Indicators

Products available to consumers

Effectiveness of available information to support consumer decision

Different ways to feed into the grid

- Types of plans offered by retailers by region →
- Offering time of use plans →
- Retail price (excluding grid and network cost) ←

- Consumer switching rate by region ←
- Number of customers who switch plans but stay with same retailer ←
- Average cost saving of customers who switch retailers ←

- Distributed generation ←
- Geographic diversity of distribution generation ←

Indicators

Uptake of available products

Growing demand response

- Consumer uptake rate by plan type ←

- Number of demand response projects ←
- Geographic diversity of DR ←
- DR sets spot prices ←

Data currently reported Data soon to be reported → Lead ← Lag

Appendix B Wholesale market indicators and research questions

	Suggested indicators for OTC, ASX, flexibility products, and RFP	Research questions
Pricing	Forward price curve baseload Forward price curve flex Baseload OTC price/baseload ASX price Flex OTC/baseload ASX flex premium Flex OTC/flex ASX	Baseload contract prices consistent with ASX prices, shaped products more expensive but reflect shape premia (compare to estimated prices from the Risk Management Review)
Liquidity	Volume transacted by contract type (nominal and as relative to generation) Volume transacted by participant Volume transacted by transaction type Flexibility product volume by contract type Flexibility product volume by transaction type, ie, ASX or OTC Flexibility product volume buyers/sellers by industry segment Flexibility product volume net volumes (buy – sell) by industry segment	
Product availability	Number of contract types by participant types Volume of contract types by participant types New contracts number New contracts volume	What contract types are being signed and by what participant type? Are new contract types appearing? Are different contract lengths appearing? What volume is being transacted?

	Suggested indicators for OTC, ASX, flexibility products, and RFP	Research questions
Market concentration	<p>HHI and concentration ratio (CR) for All contracts</p> <p>HHI and CR flexibility product market participants</p> <p>Gentailer to gentailer contracts number</p> <p>Gentailer to other contracts number</p> <p>Gentailer to gentailer contracts volume</p> <p>Gentailer to other contracts volume</p> <p>Contract types by participant types</p> <p>Gentailer to gentailer contracts number</p> <p>Gentailer to other contracts number</p> <p>Gentailer to gentailer contracts volume</p> <p>Gentailer to other contracts volume</p>	<p>How many contracts are signed between gentailers and others? (and volume)</p> <p>Different types of contracts are being signed, by different participants.</p> <p>Gentailers are selling to other participants</p>
OTC Code of conduct	<p>Total number of requests</p> <p>Number of requests responded to/ Total number of requests</p> <p>Number of requests by participant</p> <p>Number of conforming responses</p> <p>Number of non-conforming responses</p> <p>Share of reasons for declining</p> <p>Number of signed contracts/number of total requests</p> <p>Number of responses/number of requests</p> <p>Number of gentailers response/ number of requests</p> <p>Distribution of time given to respond to requests</p>	<p>Number of requests sent out, how many are responded to, who is responding</p> <p>Requests for different products, conforming and non-conforming responses. Credit requirements will be investigated as part of the risk management review.</p> <p>Discuss what non-integrated retailers are requesting under the “other” category, and if they are getting responses to these.</p> <p>Reasons for declining, reasons for not accepting offers</p> <p>How many requests resulted in a signed contract, different types of contracts are being transacted</p> <p>How many responses the requests get - same for each non-integrated retailer? All gentailers responding?</p> <p>Time given to respond to requests, when responded</p>

	Suggested indicators for OTC, ASX, flexibility products, and RFP	Research questions
	Distribution of time when the response received Average negotiation time required to sign a contract Average negotiation time required to sign a flex contract RFP volumes by contract type RFP volumes by participants Flex products RFP volume by contract type Flex products RFP volume by participant type	

Appendix C Summary of AER wholesale electricity market performance indicators

Australian Energy Regulatory (AER) is required to assess whether there is effective competition in the market under National Electricity Law. The factors it needs to consider are

- whether there are active competitors in the market and whether those competitors hold a reasonably sustainable position in the market (or whether there is merely the threat of competition in the market)
- whether prices are determined on a long-term basis by underlying costs rather than the existence of market power, even though a particular competitor may hold a substantial degree of market power from time to time
- whether barriers to entry into the market are sufficiently low so that a substantial degree of market power may only be held by a particular competitor on a temporary basis
- whether there is independent rivalry in all dimensions of the price, product or service offered in the market
- any other matters the AER considers relevant.

Indicators in the AER wholesale review report 2022

Market factors	Success measures
Market conditions	Average annual wholesale price Contract prices Generation output by fuel type Share of renewable in generation Contribution of different price bands to average wholesale prices Price setter by fuel type (coal, hydro, gas, wind, solar, battery) Price setter by time of day Fuel cost Baseload generation outages Range of generators' potential operating earnings Flexible capacity trends Frequency control ancillary services costs
Market structure	Market share Herfindahl Hirschman Index (HHI) Pivotal supplier test Ownership concentration of dispatchable demand Proportion of total generation and retail by participants (vertically integrated and non-vertically integrated)

Market factors	Success measures
	Interregional congestion Interregional settlement residues
Contract markets	Liquidity in ASX and OTC Average daily price change Strike price Volume by trade type Monthly open interest by contract type
Participant conduct	Changes in offer behaviour by fuel type (average capacity offered across 10 price bands) Detailed analysis on the relationship between price range and supply issues Case studies on supply issues and offer prices
Economic and physical withholding	Surplus capacity (capacity that is available but not dispatched) and price relationship Returns from withholding capacity (generator's potential gains from economic withholding behaviour) Quantity-weighted offer price (average price across 10 price bands weighted by the capacity offered in each price band) Average capacity withdrawn trends
Prospects for new investment	Generation investment and withdrawn capacity Likelihood for new entrant cost recovery by generation and storage type

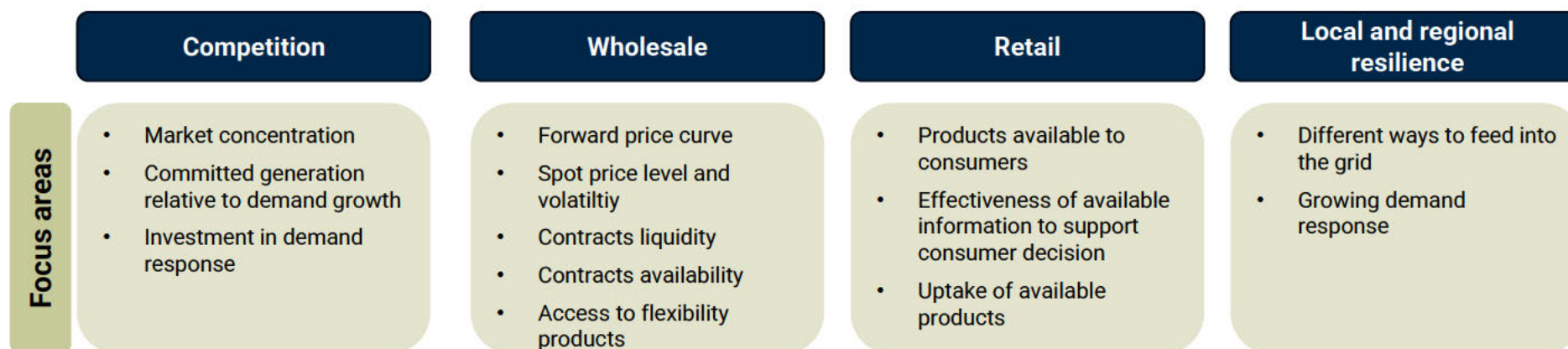
Success measures dashboard- Board update

14 October 2024

Success measures dashboard

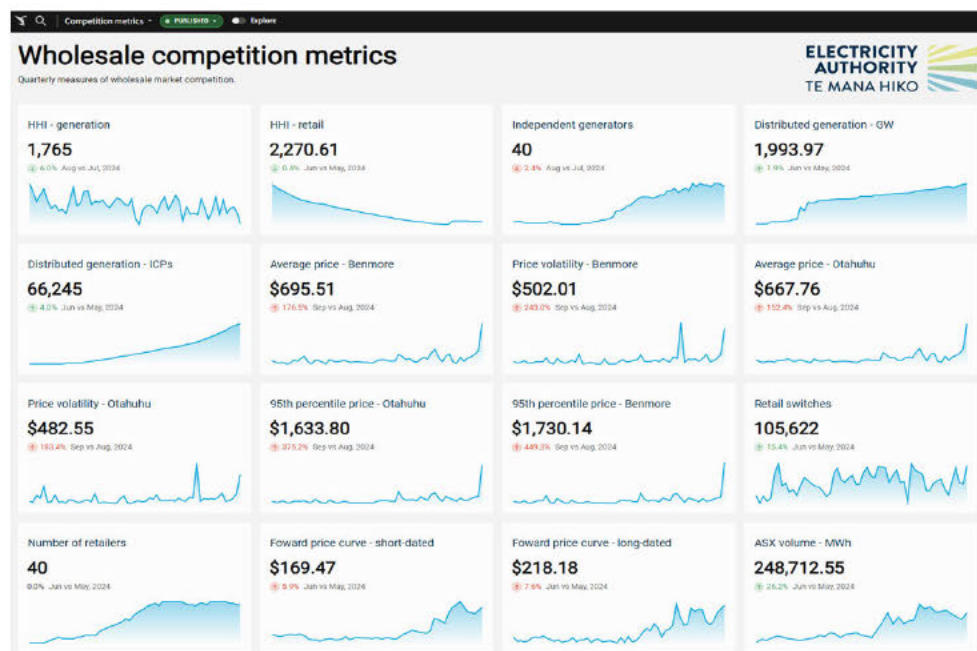
Following a meeting with the Minister of Energy on competition in the electricity sector, staff has started to develop a dashboard to measure the success of its work programme in promoting competition.

The dashboard covers a wide range of areas in the electricity sector, capturing key aspects of the market:

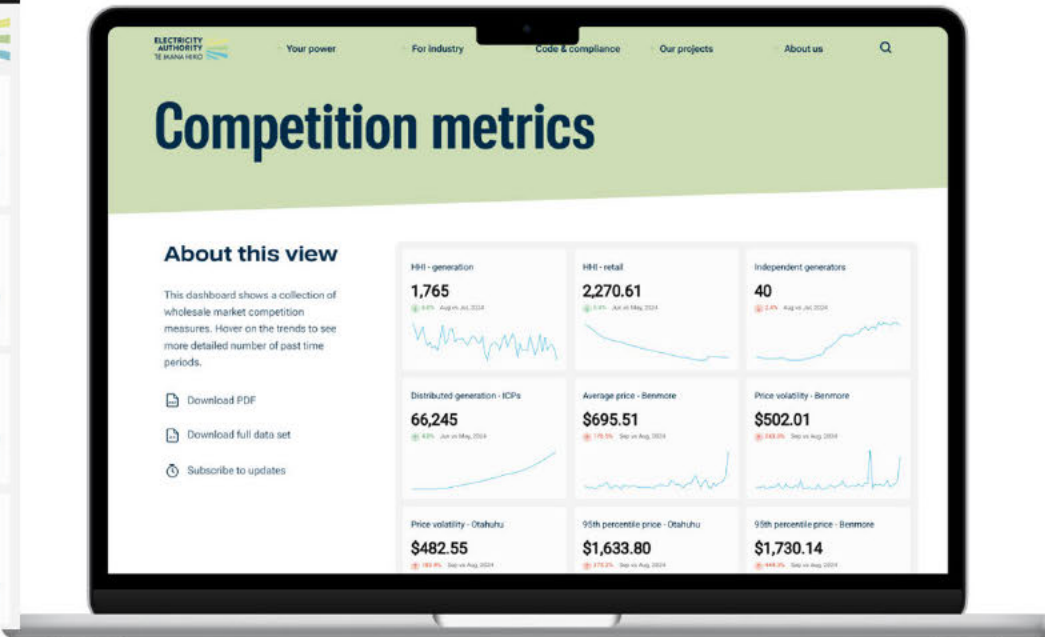


Dashboard preview

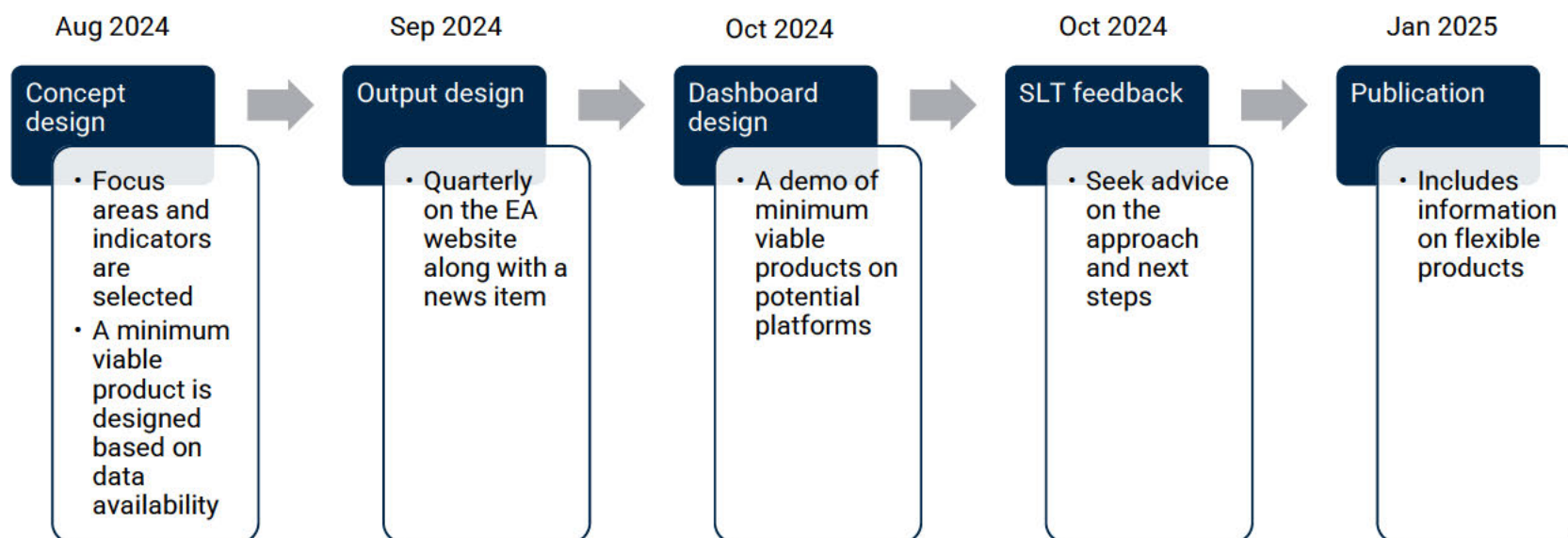
Preview of the dashboard on the database



Preview of an interactive dashboard on our website



Timeline



Competition Dashboard - Success measures & Flexibility –SLT Update

29 October 2024

Introduction

This slide pack provides an update for the Senior Leadership Team (SLT) on two projects being progressed by the Authority. These two projects are:

- Competition “Success Measures” dashboard
- Competition indicators for flexibility segment of wholesale market “Flexibility dashboard” (MDAG rec 12) EF1

Staff are progressing these dashboards as two parallel projects given the significant overlap of personnel and subject matter.

This update presents an overview of the minimum viable products along with the progress report and seeks SLT advice on the next steps.

Contents

- Purpose
- Progress report
- Dashboard demo
- Insights
- Timeline
- Questions for SLT

Slide 2

EF1 /Flexibility dashboard? This the name we have been using
Ella Priest Forsyth, 2024-10-17T21:54:59.055

Why develop the competition dashboard? EF1

- **Track consumer benefits** - measure the impact of our work on consumers
- **Evaluate market health** – assess the level of competition through market dynamics and behaviour
- **Communicate accountability**– measure whether objectives are being met and identify areas for improvement
- **Guide policy decision** – provide insights to shape future policies and interventions effectively

In particular, information on **flexible products** enable the Authority to

- **Monitor competition in longer duration flexibility** – ensure market power is not misused to distort competition
- **Inform decision making**– provide quantitative indicators to help guide escalation decisions for MDAG’s pro-competitive measures (Rec 8, Rec 24, and Rec 31)

Slide 3

- EF1** I think this should say 'Success Measures dashboard'?
Ella Priest Forsyth, 2024-10-17T21:52:06.160
- EF1 0** Because on the intro slide the second project is listed as "MDAG Recommendation 12 (Competition Dashboard)"
Ella Priest Forsyth, 2024-10-17T21:53:08.193
- KH2** Suggest refine and simplify eg "The Competition Success Measures Dashboard will help the Authority to answer questions such as ... What impact is our work having for consumers? How are we measuring its success? What will change as a result of our policy decisions and actions? The dashboard will take a broad system view of competition covering investment, entry and expansion of new participants; etc (suggest we refer to the GPS here as well for key terms).
Kirsty Hutchison, 2024-10-20T20:10:52.321

Conceptual framework

EF1

The dashboard will take a system-wide view of competition based on structure-conduct-performance framework, focusing on:

- **Structure** – market conditions, such as market concentration, and investment in new generation and demand response
- **Conduct** – participants behaviour, such as availability of risk management products
- **Performance** – outcomes reflecting market success such as a declining forward price curve and local and regional resilience

Each aspect of the framework will cover both baseload and flexible products to meet the requirements of the **flexibility dashboard** (MDAG rec 12). This includes metrics such as investment in new flexible generation and availability of flexible products, along with other related indicators.

Slide 4

- EF1** I think this should say 'Success Measures dashboard'?
Ella Priest Forsyth, 2024-10-17T21:52:06.160
- EF1 0** Because on the intro slide the second project is listed as "MDAG Recommendation 12 (Competition Dashboard)"
Ella Priest Forsyth, 2024-10-17T21:53:08.193
- KH2** Suggest refine and simplify eg "The Competition Success Measures Dashboard will help the Authority to answer questions such as ... What impact is our work having for consumers? How are we measuring its success? What will change as a result of our policy decisions and actions? The dashboard will take a broad system view of competition covering investment, entry and expansion of new participants; etc (suggest we refer to the GPS here as well for key terms).
Kirsty Hutchison, 2024-10-20T20:10:52.321

EF2

List of indicators for MVP JM1

Structure	Conduct		Performance			
Market concentration	Product availability	Access to flexibility products	Price	Liquidity	Effectiveness of available information	Different ways to feed into the grid
HHI for generation, HHI for retail	Contract types traded by participant-type	Number of Contracts between gentailers and others	Forward price curve-baseload	Volume transacted by contract types	Consumer switching rate by region	Distributed generation, by region (geographic diversity)
Number of independent generators	Contract duration (short vs long)	Volume of Contracts between gentailers and others	OTC baseload contracts traded price compared to ASX	Volume transacted by participant-type		
Number of retail firms		Average responses per request	Spot price level and volatility	Volume transacted – ASX, OTC		
	Response/request ratio	Price trend through time	Volume trend through time			
		Flex products contracts' traded price compared to ASX reference price				
		Price comparison – baseload vs shaped				
		Price comparison by participant type				

These indicators will be used in the flexibility dashboard to address MDAG rec 12

Slide 5

JM1 Ella, are you able to put these here?
James Mantell, 2024-10-15T23:53:13.111

EF1 0 For both the dashboards?
Ella Priest Forsyth, 2024-10-17T21:58:34.124

NK1 1 Yes please
Naghmeh Kargozar, 2024-10-17T22:20:56.474

EF2 [@Paulo Soares]
Ella Priest Forsyth, 2024-10-17T22:25:40.857

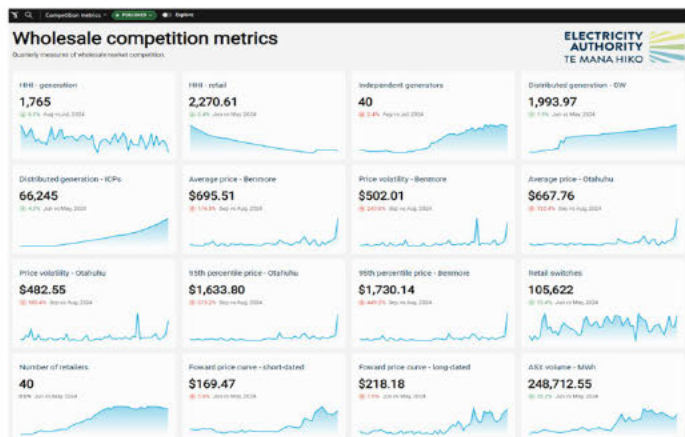
Competition dashboard data visualisation

The dashboard will be **interactive** with a strong focus on providing relevant, easy to understand information for consumers.

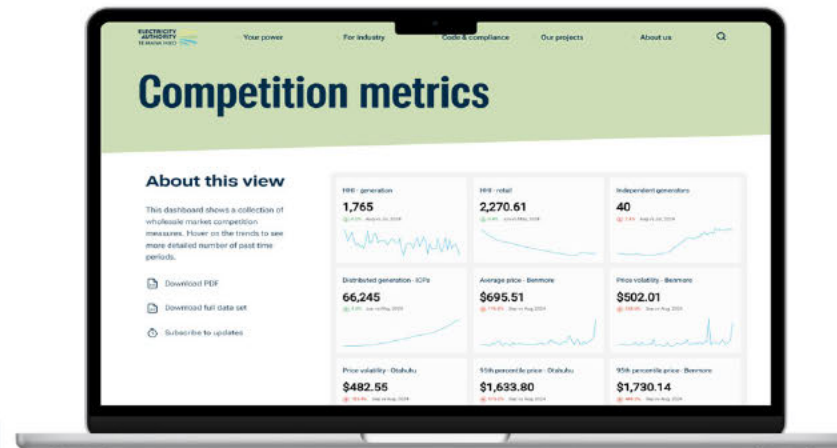
This is a work in progress –We are continuing to develop the dashboard to include:

- **Descriptions** to help users navigate the platform
- **Insights** on what the latest market changes mean for consumers and the market

The dashboard concept



Interactive dashboard on our website concept



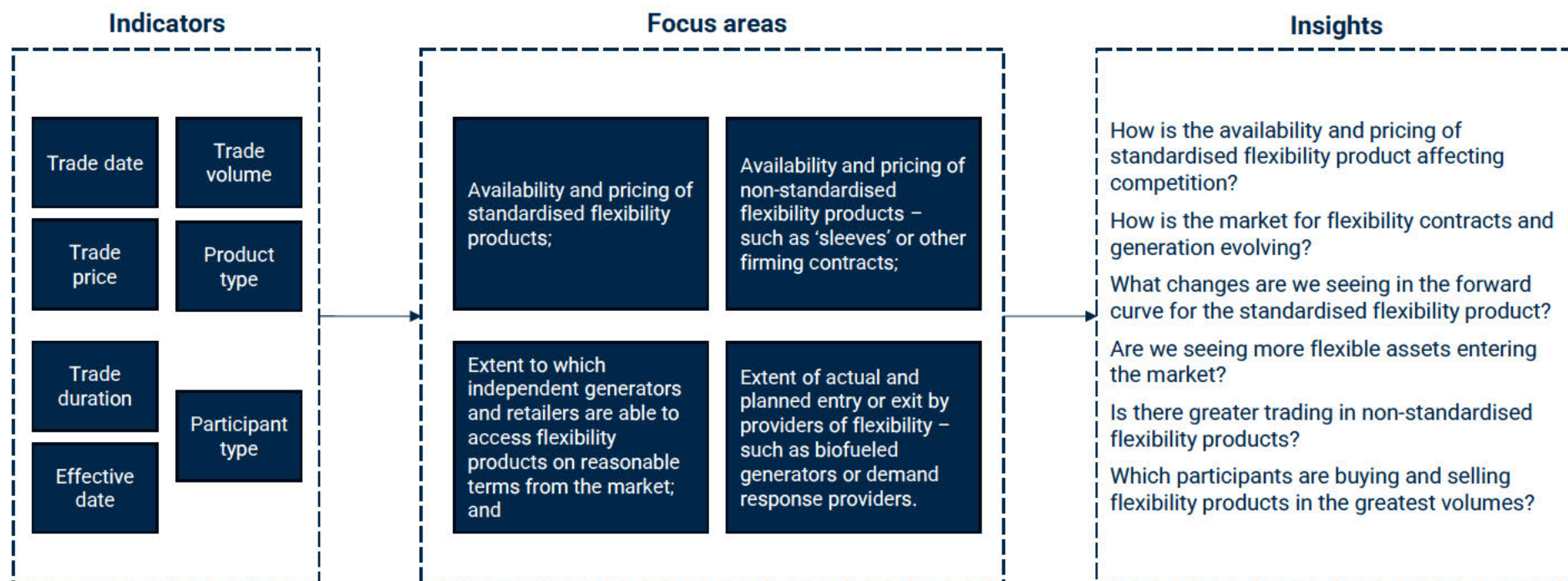
Slide 6

KH1 refer to Board comments here in terms of the approach - also want to discuss my earlier comments on the sea of graphs here.

Kirsty Hutchison, 2024-10-20T21:00:55.177

Insights– Flexibility dashboard

The graphic below shows measures and indicators identified by staff to monitor competition for flexible products, along with the insights these indicators provide.



Insights – Success measures dashboard

Questions/queries the dashboard will be able to provide insights for:

Do we see market concentration in the retail and generation segments?

How much distributed generation is being commissioned? Is this trend accelerating? What is the typical size of a project?

How have average prices changed? Has price volatility increased?

Are consumers switching retailers often? Has the trend increased or decreased?

How are forward prices evolving?

How is liquidity in ASX listed products changing?

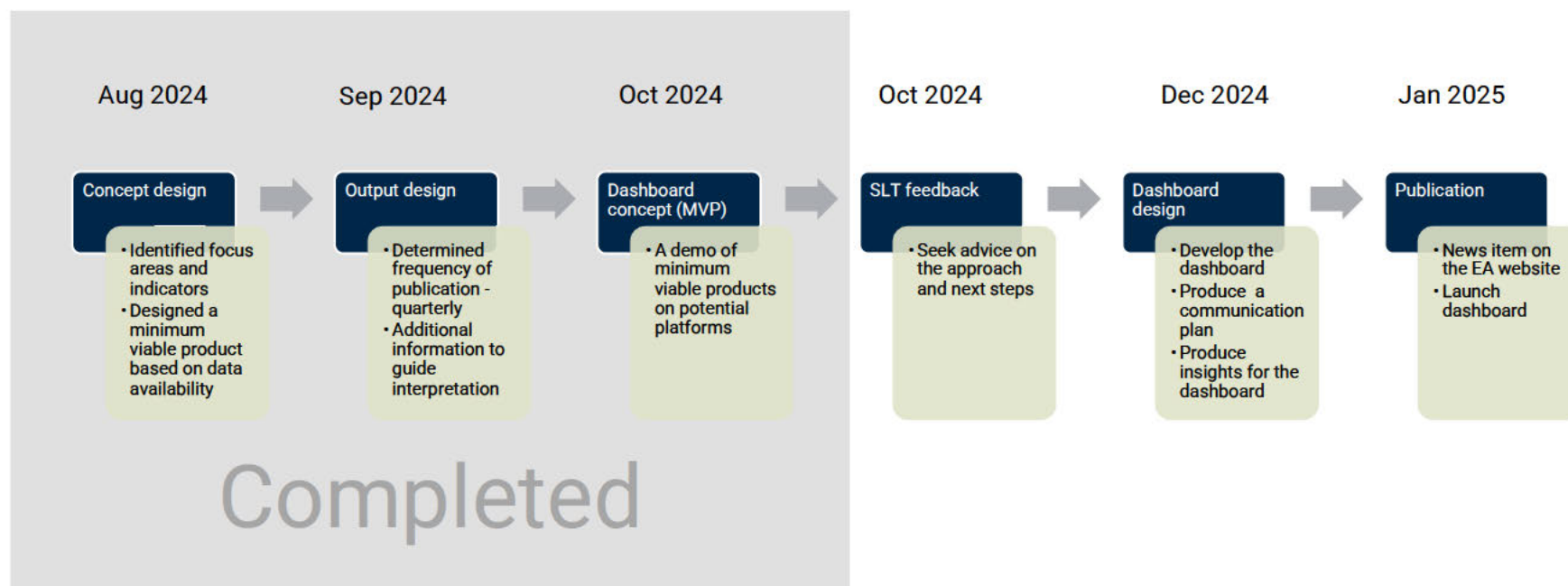
Example insights (short, sharp, concise):

Market concentration has decreased for generators, due to the increase in independent generators. Distributed generation has also increased. Volume transacted on the OTC has increased, in large part due to trades with two new independent generators.

Price volatility was higher this quarter due to underlying conditions - high hydro storage and high demand at peak times driven by cold temperatures.

NB: These are examples of possible insights only, not based on existing data

Timeline and next steps – Success measures & flexibility dashboard



Slide 9

KH1 Suggest move up the content on the MVPs now - its taking too long to get to the substance - move this slide down

Kirsty Hutchison, 2024-10-20T20:15:56.891

Questions for SLT

- Does the MVP meet the dashboard's purpose? What changes do we need to make?
- Who is the target audience for this dashboard?
- Are there any stakeholders we should involve before launch?
- What is the best way to communicate the dashboard's development and value to internal and external stakeholders?
- Would SLT like MVP to be published in November, full dashboard is scheduled for Jan 2025?
- Should the flexibility dashboard (MDAG rec 12) be fully public, or should some parts be redacted?

Out of scope



Consumers

4.21. Most consumers of electricity, including residential households, were sheltered from these high prices, with retail prices smoothing out very high and low prices. However, some retailers removed promotions or all their offerings from websites such as Powerswitch and some stopped taking on new customers. This may have reduced consumer choice at this time. There was a small decline in the number of ICPs with a small- or medium-sized retailer during July and August, as more consumers switched to larger retailers.

Out of scope



Meeting date: 11 March 2025



Market intelligence report

Prepared by: Airihi Mahuika
General Manager – Legal, Monitoring, and Compliance
Contains Confidential Information

Date prepared: 25 February 2025

Out of scope



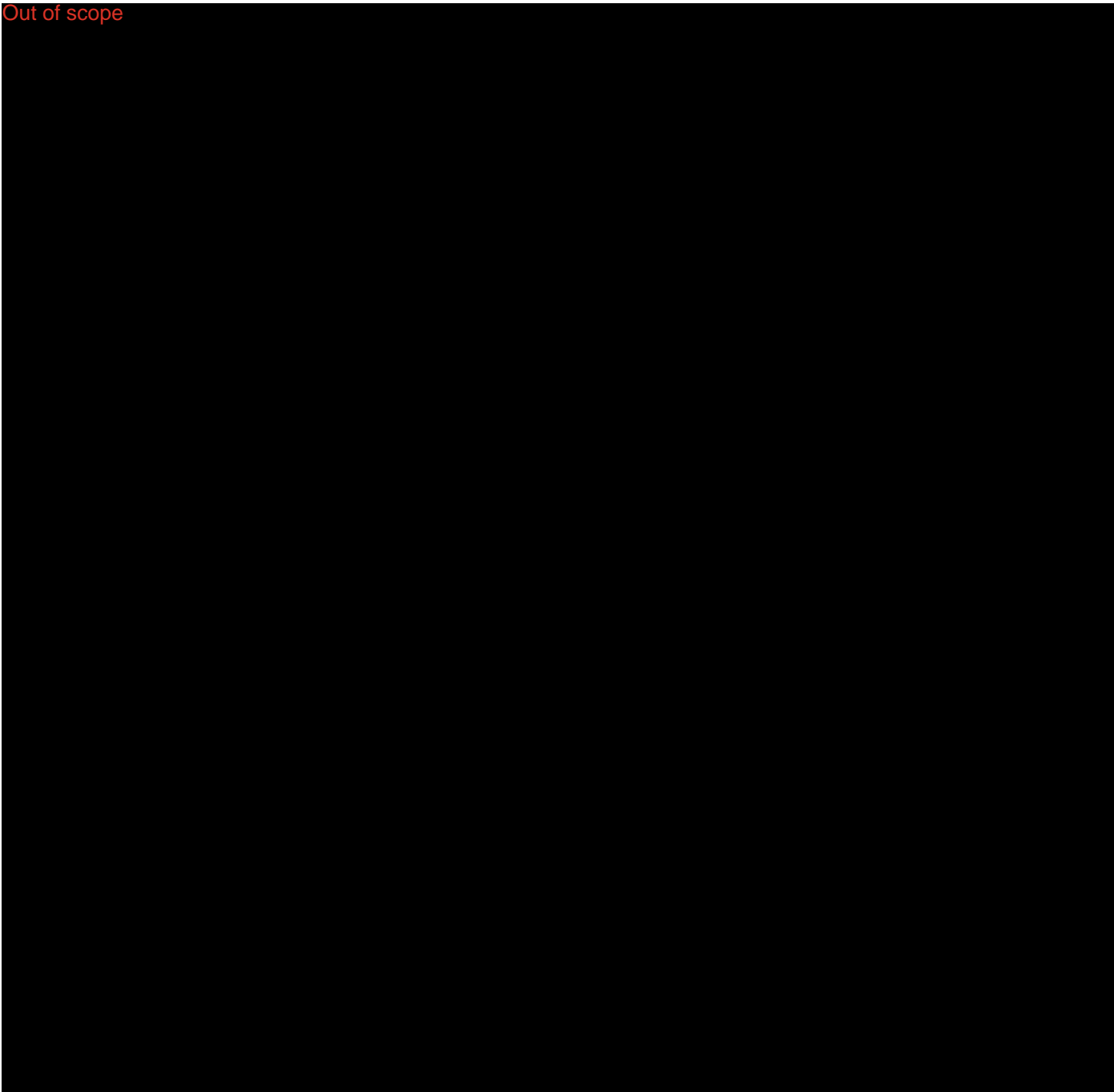
Legal and regulatory insights

3.2. This section of the report covers:

- (a) **Contact/Manawa:** The Commission's preliminary view on the proposed merger is that it is “not currently satisfied that the proposed acquisition will not have, or would not be likely to have, the effect of substantially lessening competition”. This is the statutory test that needs to be met for the proposed acquisition to proceed as a clearance. Submissions and cross-submissions were due in February.

Out of scope





Contact-Manawa Merger: Commerce Commission preliminary findings

Purpose

- 5.2. This note summarises key points from the Commission Statement of Issues paper setting out potential competition issues arising from Contact's planned acquisition of Manawa.

Key points

- 5.3. The Commission's preliminary view is that it is "not currently satisfied that the proposed acquisition will not have, or would not be likely to have, the effect of substantially lessening competition". This is the statutory test that needs to be met for the proposed acquisition to proceed as a clearance.
- 5.4. The Commission considers the most appropriate markets to assess the proposed acquisition are:
- (a) a national market for the wholesale supply of physical electricity
 - (b) a national market for the supply of shaped hedges
 - (c) a national market for the retail supply of physical electricity, and potentially more granular regional markets.
- 5.5. In the Commission's view Manawa currently supplies some shaped hedges and would likely supply some volume of shaped hedges to third parties absent the proposed acquisition.
- 5.6. The Commission outlines four main competition concerns regarding the potential for:
- (a) **the merged entity to foreclose its competitors (independent retailers and generators)**: by refusing to supply them with shaped hedges leading to reduced competition. The Commission considers the merged entity may have market power in relation to the supply of shaped hedges due to its high degree of asset flexibility, the importance of shaped hedges to retailers and generators, and the lack of regulations around supply of that product so could foreclose rivals. The merged entity may also have incentives to foreclose its competitors given the potential gains from potential

foreclosure (derived from higher retail sales and higher spot prices) might exceed any costs of potential foreclosure (the opportunity cost of not supplying shaped hedges).

- (b) **potential for unilateral effects in the supply of shaped hedges:** through, for example, the elimination of future competition between Manawa and Contact (reinforced by the lack of meaningful alternatives to shaped hedges). Gentailers that are able to supply shaped hedges have an incentive to prioritise the needs of their retail arms over the needs of other retailers. Manawa as an independent generator has no such incentive. There is currently a limited number of generators with the ability to supply shaped hedges and it is unlikely to increase in the near future, and current customers of shaped hedges are unlikely to have meaningful alternatives to shaped hedges to enable them to constrain a price increase by the merged entity in the foreseeable future.
- (c) **potential to raise unilateral effects in the wholesale supply and price of physical electricity:** including that the merged entity could have the ability and incentive to engage in a strategy to shift its output in the market in ways that lead to higher average spot prices. The Commission notes it has been assessing concepts of "gross" and "net" pivotality and that the Authority has identified some discrepancies in relation to the merged entity's net pivotality compared to Contact's analysis.
- (d) **coordinated effects in the wholesale supply of physical electricity:** due to increased market concentration. The market appears to be concentrated and has features that make it vulnerable to coordination. The removal of Manawa may make coordination more likely, complete or sustainable because after the proposed acquisition the merged entity would have a wider geographic spread of assets, a greater level of asset flexibility, and there would be a greater degree of symmetry between generators in terms of vertical integration making potential coordination more sustainable.

5.7. Areas identified as not likely to cause a substantial lessening of competition are:

- (a) **Unilateral effects for new generation investment:** There is a sufficiently large pipeline and Manawa is not an important player in new generation development so removing it would be unlikely to affect rivals' investment incentives.
- (b) **Coordinated effects in the supply of shaped hedges:** Prices and volumes are not transparent and there is no straightforward coordination mechanism.
- (c) **Unilateral effects for the supply of ancillary services:** The overlap between the merging parties in the supply of instantaneous reserves is small. So aggregation is unlikely to affect competition for these services.

Relevance to the Authority's work

- 5.8. The Commission notes that the Energy Competition Task Force work programme and outcomes is relevant to their understanding of future conditions in the supply of wholesale electricity. The Commission also referenced the Risk Management Review in its report (noting that the Authority concluded that while batteries and demand response might be close substitutes for shaped hedges from a technical perspective, they are relatively new and might not be able to discipline the prices of shaped hedges).
- 5.9. Initiative 1B, development and industry trading of standardised flexibility products, is likely to be one area that the Commission will focus on. This is because the Commission's paper

notes a lack of regulations around the supply of that product means that the merged entity may have the ability to foreclose rivals.

- 5.10. Industry voluntary trading of the new standardised super peak contract commenced in January. Staff reported to the Authority's Board in March with regulatory back stop options if voluntary trading is not sufficient effective.
- 5.11. The Authority is also assisting the Commission to review the net pivotal analysis that Concept has done for Contact energy to support the Manawa-Contact merging. This involves:
 - (a) reviewing the assumptions that Concept made for their net pivotality simulation
 - (b) rerunning the simulation and compare with Concept's data
 - (c) Advising on any potential issue with the analysis/simulation.

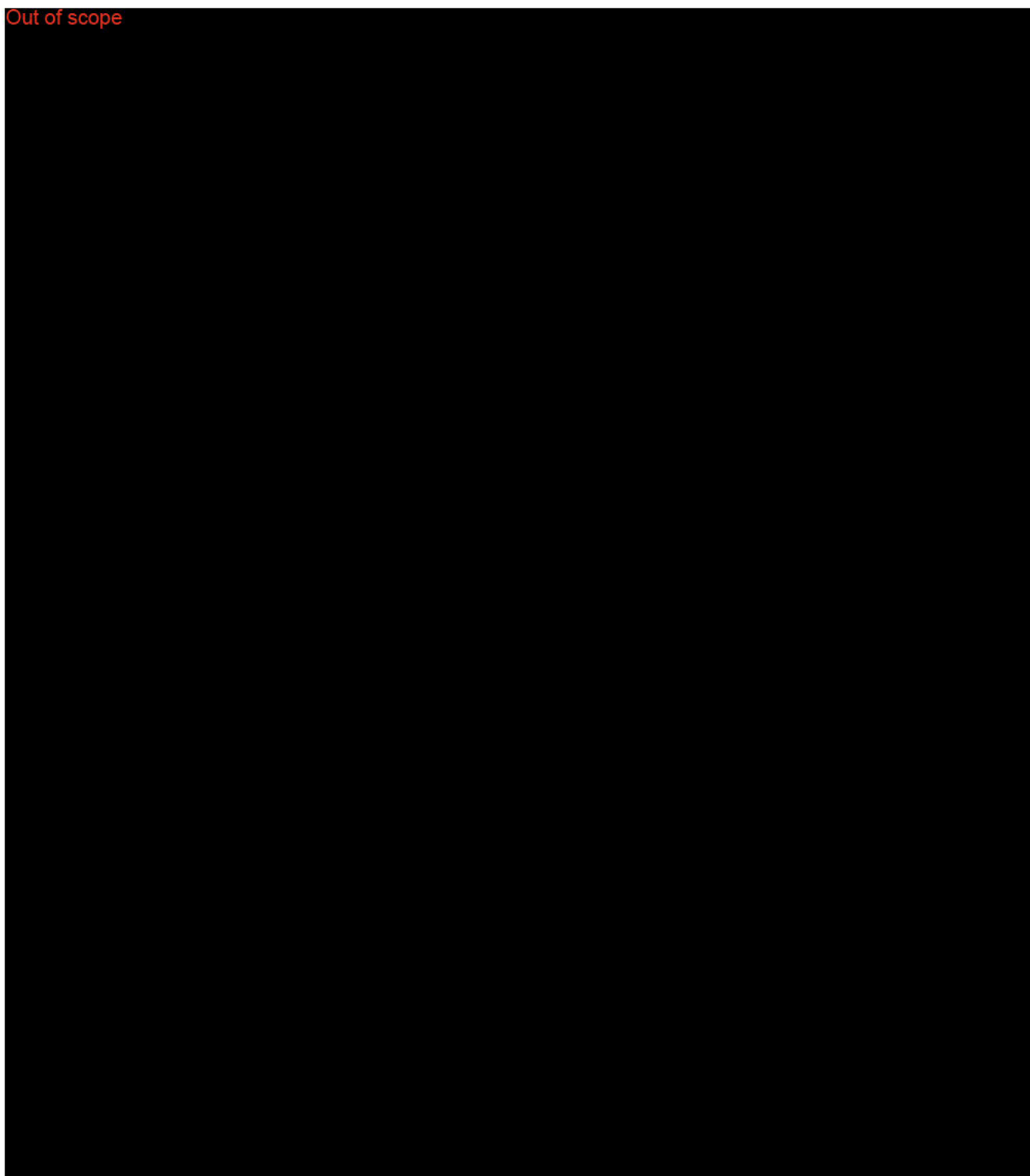
Next steps

- 5.12. The Commission has agreed with Contact an extension of the period for a decision to 31 March 2025. Further extensions may be agreed between the Commission and the Contact.
- 5.13. The Commission sought views on its preliminary findings by 21 February, and cross-submissions by 28 February.

Out of scope



Out of scope



Contact Manawa clearance determination

- 7.3. On 6 May, the Commerce Commission published its reasons for clearing Contact's acquisition of Manawa.
- 7.4. A summary of the decision and competition analysis is attached to this report in Appendix B, which includes some messages on the decision's implications for the Authority's competition work programme.

Meridian Flick acquisition hedge disclosure

- 7.5. On 12 May, Z energy sold its electricity retail arm (Flick), including Flick's customer contracts and associated hedge book, to Meridian. As part of the transition, Meridian has entered into back-to-back hedge trades that mirror Flick's existing arrangements with third parties until the original contracts are novated.
- 7.6. These back-to-back contracts must be disclosed under the Code's hedge disclosure obligations. To avoid distortions to the data series (the historic hedge prices being lower than prevailing prices) and to avoid counting existing hedges twice, we decided to publish the information on these hedges in a separate place on EMI.
- 7.7. This disclosure will in effect mean that the value of the hedge book, which we are told was Meridian's primary interest in the purchase, will become publicly visible.

Out of scope



Contact-Manawa Acquisition: Commerce Commission Clearance Decision

1. Purpose:

- 1.1. This note summarises key points from the Commission’s Clearance Determination paper ([5B20255D-NZCC-10-Contact-and-Manawa-clearance-determination-6-May-2025.pdf](#)) and outlines its competition implications.

2. Decision summary:

- 2.1. The Commission decided on 6 May to give clearance to Contact’s acquisition of Manawa on the basis that it would not substantially lessen competition in:
 - (a) **the supply of shaped hedges** because it was satisfied that post-acquisition, Contact would be unlikely to reduce the volume of shaped hedges it supplies and Manawa otherwise has little incentive to supply shaped hedges going forward
 - (b) **physical wholesale electricity** because it was satisfied that post-acquisition, Contact would only gain a negligible ability and incentive to impact the wholesale spot price either unilaterally or in coordination with other gentailers.

3. Competition implications:

- 3.1. The decision affects competition and general Authority work in four key areas:
 - (a) **Level playing field measures:** The Commission acknowledged that broader concerns about the working of competition in the industry persist and noted level playing field work specifically as an important initiative. However, it emphasised that for the purposes of this assessment, it had to “take the current state of competition as a given”.
 - (b) **Monitoring:** Though the Commission found little incentive for a combined entity to exercise market power, it did highlight that it may have an increased ability to do so. The Authority must be aware of this gained capacity for monitoring and compliance purposes going forward.
 - (c) **Market definition:** The Commission’s focus on flexible hedge and physical wholesale markets may not have entirely accounted for the acquisitions potential impact on the supply of PPAs to C&I or independent retail customers.
 - (d) **Investment:** The extent to which Contact’s existing investment pipeline might be constrained in light of it acquiring Manawa’s generation assets is not presently clear.

4. The Commissions reasoning:

- 4.1. The Commission's underlying reasoning was (broadly) as follows:
- (a) **Market definition** was separated from a product perspective with shaped hedges and wholesale physical electricity assessed separately rather than as a single national market. PPAs were regarded as not always substitutable for shaped hedges though no final conclusion was made in respect of the boundaries of a potential shaped hedge market.
 - (i) **Geographic** parameters of the market were found to be national because participants compete and hedge on a national basis.
 - (ii) **Different customer groups** did not define different markets because the product distinction was considered to capture any difference in customer.
 - (b) **Shaped hedges:** The Commission relied on evidence provided by Contact that it would be unlikely to reduce its volume of shaped hedges supplied. Manawa was considered unlikely to compete in the supply of new shaped hedges because:
 - (i) Its existing contractual commitments require most of its available flexible generation needed to back shaped hedges
 - (ii) Its strategy of transitioning into an independent power producer required focus on its investment pipeline, funded by long-term PPAs. Supplying shaped hedges would be too risky for its gearing so there was little commercial incentive to do so in the near future.
 - (c) **Spot market:** The Commission reasoned that acquisition would not have the effect of increasing Contact's ability/incentive to raise the average spot price because:
 - (i) Doing so requires flexibility and Contact's flexibility will not materially increase as a result of the acquisition, accounting for geographic spread.
 - (ii) Contact is unlikely to expose much of the acquired generation to the spot market.
 - (iii) Contact is unlikely to gain additional incentive to engage in such a strategy.
 - (iv) The treat of new entrants and Authority enforcement remains.

5. Key changes from preliminary findings

- 5.1. Previously the Commission thought that Contact would have an increased ability to affect the spot price as a result of the acquisition. At the decision stage however, it was satisfied that any increase in such ability is offset by an absence of commercial incentive to do so.
- 5.2. Previously, the Commission thought that post-acquisition, Contact would become the second most flexible gentailer. At the decision stage however, it was satisfied that Contact would be one of the least flexible generators.
- 5.3. Previously the Commission thought that Manawa would continue to compete with Contact in the supply of shaped hedges. At the decision stage, it was satisfied that this was not the case.

Planned Contact-Manawa Merger: Commerce Commission Preliminary Findings

1. Purpose

- 1.1. This note summarises key points from the Commission Statement of Issues paper ([Contact-and-Manawa-Statement-of-Issues-5-February-2025.pdf](#)) setting out potential competition issues arising from Contact's planned acquisition of Manawa.

2. Key points

- 2.1. The Commission's preliminary view is that they "are not currently satisfied that the proposed acquisition will not have, or would not be likely to have, the effect of substantially lessening competition".
- 2.2. The Commission outlines **four main competition concerns** regarding the potential for:
 - (a) the merged entity to foreclose its competitors (independent retailers and generators) by **refusing to supply them with shaped hedges** leading to reduced competition.
 - (b) **potential effects in the supply of shaped hedges through, for example, the elimination of future competition** between Manawa and Contact (reinforced by the lack of meaningful alternatives to shaped hedges).
 - (c) **potential for effects in the wholesale supply and price of physical electricity**, including that the merged entity could have the ability and incentive to engage in a strategy to shift its output in the market in ways that lead to higher average spot prices.
 - (d) **coordinated effects** in the wholesale supply of physical electricity due to increased market concentration.
- 2.3. Areas identified as not likely to cause a substantial lessening of competition are:
 - (a) **New generation investment**: There is a sufficiently large pipeline and Manawa is not an important player.
 - (b) **Coordinated effects in the supply of shaped hedges**: Prices and volumes are not transparent and there is no straightforward coordination mechanism.
 - (c) **The supply of ancillary services**: The overlap between the merging parties in the supply of instantaneous reserves is small.

3. Relevance to the Authority's work

- 3.1. The Commission notes that the Energy Competition Task Force work programme and outcomes is relevant to their understanding of future conditions in the supply of wholesale electricity. The Commission also referenced the Risk Management Review in its report (noting that the EA concluded that while batteries and demand response might be close substitutes for shaped hedges from a technical perspective, they are relatively new and might not be able to discipline the prices of shaped hedges).

- 3.2. Initiative 1B, development and industry trading of standardised flexibility products, is likely to be one area that the Commission will focus on. This is because the Commission's paper notes a lack of regulations around the supply of that product means that the merged entity may have the ability to foreclose rivals.
- 3.3. Industry voluntary trading of the new standardised super peak contract commenced in January. Staff will report to the Electricity Authority's Board in March with regulatory back stop options if voluntary trading is not sufficient effective.
- 3.4. The Authority is also assisting the Commission to review the net pivotal analysis that Concept has done for Contact energy to support the Manawa-Contact merging. This involves:
 - (a) Reviewing the assumptions that Concept made for their net pivotality simulation
 - (b) Rerun the simulation and compare with Concept's data
 - (c) Advising on any potential issue with the analysis/simulation.

4. Next steps

- 4.1. The Commission has agreed with Contact an extension of the period for a decision to 31 March 2025. Further extensions may be agreed between the Commission and the Applicant
- 4.2. The Commission is seeking views on its preliminary findings by 21 February, and cross-submissions by 28 February.OOYI

Annex

A1 Market concentration shares

In calendar year 2024, Contact had 21% of reconciled generation¹ and Manawa had 6.3%. The four gentailers and Manawa control 88% of reconciled generation and 95% of market's flexible generation.

A4 Media/market commentary (links)

[ComCom cold on Contact's takeover of Manawa | BusinessDesk](#)

[Contact-Manawa clearance now 50:50 - Forbarr | Energy News](#)

[Contact-Manawa deal may harm hedge market, competition - ComCom | Energy News](#)

[Commerce Commission cold on billion-dollar electricity merger | RNZ News](#)

[ComCom says 'hold up' on Contact bid to acquire Manawa Energy | The Post](#)

¹ GR010.

Commerce Commission Clears Contact-Manawa Acquisition

Summary & Implications

Summary of Decision:

- The Commission decided on 6 May to give clearance to Contact's acquisition of Manawa
- The decision was made on the basis that acquisition would not substantially lessen competition in the supply of shaped hedges or physical wholesale electricity. The Commission did acknowledge that broader concerns about the working of competition in the industry persist but that for the purposes of their assessment, they must take the current state of competition as a given.
- **Shaped hedges:** The Commission was satisfied that post-acquisition, Contact would be unlikely to significantly reduce its volume of shaped hedge supply. Manawa has some existing commitments to supply shaped hedges, but the Commission formed the view that it would have limited ability or incentive to supply shaped hedges in the future (if the acquisition did not go ahead).
- **Spot market:** The Commission reasoned that post-acquisition, Contact would only have a negligible increase in its ability/incentive to impact the wholesale spot price either unilaterally or in coordination with other gentailers.

s 9(2)(g)(i)




Market Definition

- **The Commission decided from a competition standpoint to view the physical wholesale and shaped hedge markets as two separate markets rather than a single national market.**
 - **Products:** They noted that products such as PPAs will not always be a direct substitute for shaped hedges although they did not conclude on the exact boundaries of the potential market for supply of shaped hedges.
 - **Geography:** They concluded that the geographic parameters of the market are national because participants compete and hedge on a national basis.
 - **Customer:** They did not define separate markets on the basis of different customer groups because they viewed the distinction between physical wholesale and shaped hedge product markets as capturing any difference in customer.

Basis of decision (Shaped hedges):

- **Manawa was considered unlikely to compete (supply) in the market for shaped hedges for two reasons:**
 - Its existing contractual commitments take up most of its available flexible generation volume needed to back shaped hedges (easing in 2028).
 - Manawa's strategy, consistent with its transition to an independent power **EP1** producer, would be to focus on its development pipeline, funded by long-term PPAs. In this context, supplying shaped hedges would likely be too risky (too much revenue volatility for its gearing). The Commission therefore considered Manawa lacks incentive to supply shaped hedges in the future.
- **The Commission relied on Contact's submissions that post-acquisition, Contact would continue to supply shaped hedges at a volume no less than it already does to provide revenue certainty.** **EP2**

s 9(2)(g)(i)



Basis of decision (Spot market):


- **Acquisition would not have the effect of increasing the ability/likelihood of Contact to raise the average spot price (unilaterally or through coordination) because:**
 - This effect requires flexibility and Contact's flexibility is unlikely to grow meaningfully as a result of the acquisition. Geographic spread was accounted for.
 - Contact is unlikely to expose much of the acquired generation to the spot market.
 - Contact is unlikely to gain any additional incentive to engage in a strategy of economic withholding or temporal output optimization.
 - The threat of new entrants and Authority enforcement remains.

What changed?

Statement of Issues Stage EP1	Determination Stage
Post-acquisition, Contact might have the ability to increase the spot price by itself.	<p>Unlikely to occur because Contact will probably contract out a significant volume of Manawa's generation (not expose it to the spot market) [121-127].</p> <p>This change was in part informed by conversations with the Authority [X18].</p>
Post-acquisition, Contact would be the second most flexible gentailer in New Zealand.	Post merger, Contact would be one of the least flexible gentailers [194].
Absent the acquisition, Manawa would likely continue to compete with Contact in the supply of shaped hedges.	<p>Because of their business strategy, absent the acquisition, there is "no more than a mere possibility" of Manawa continuing to supply shaped hedges [109].</p>

RB2

s 9(2)(g)(i)

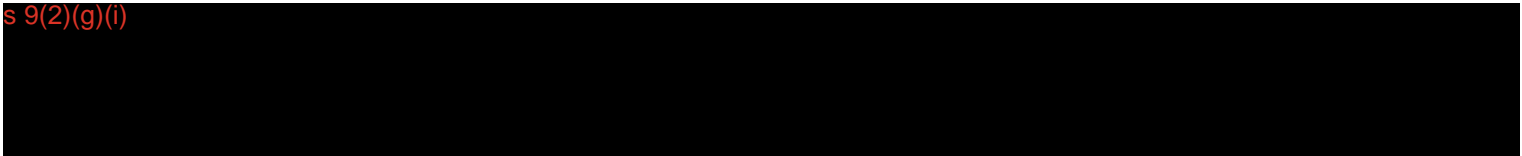


Competition Implications for Authority to Consider

- **Level playing field:** The Commission emphasised their requirement to decide on the basis of “substantial lessening of competition”, but noted the importance of initiatives, including level playing field measures, to address broader competition issues.
- **Monitoring:** Though the Commission found little incentive for a combined entity to exercise market power, it did highlight that it may have an increased ability to do so. The Authority must be aware of this gained capacity for monitoring and compliance purposes going forward.
- **Market definition:** The Commission focused on flexible hedge and physical wholesale markets. It is not immediately clear from the decision how it accounted for the potential impact of the acquisition on the supply of PPAs to C&I or independent retail customers noting they said the market definition boundary was unclear. This is an area we are following up with the Commission.
- **Investment:** The Authority is seeking further understanding of the effect of acquisition on Contact’s existing investment pipeline and whether it could be constrained in light of Manawa’s assets.

We are meeting with the Commission on 16 May, and expect to gain more insights into this clearance decision then.

s 9(2)(g)(i)



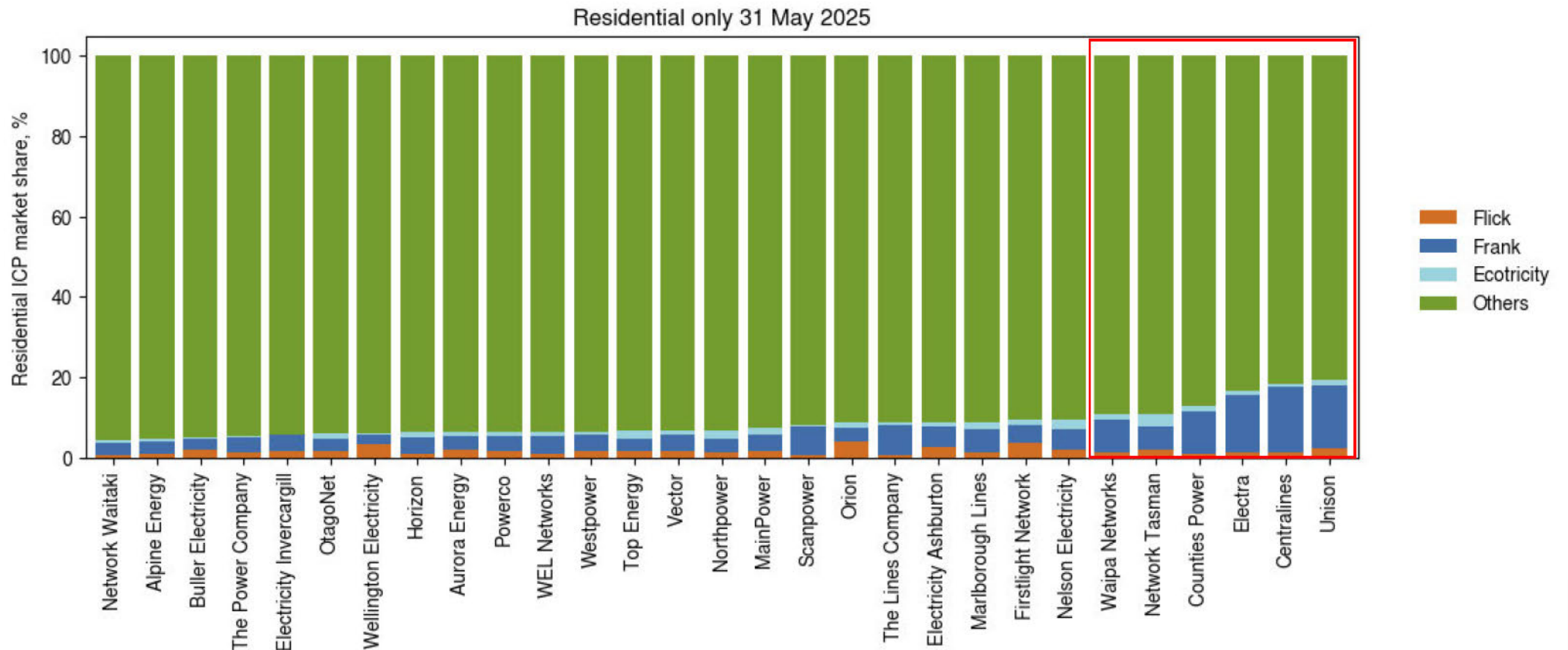
Movement in the retail market

May 2025 - Sale of Flick Electricity to Meridian

- 41,000 customers transferred to Meridian

June 2025 – Genesis to consolidate Frank and Ecotricity

- 140,000 customers transfer to Genesis main brand



Presenter notes from previous slide:

Z Energy announced sale of Flick Electricity to Meridian in May 2025, with four+ month transition period. 41,000 customers impacted. This will be an increase Meridian's share
Genesis announced consolidation of wholly-owned sub-brands Frank and Ecotricity in June 2025 with transition to occur by September 2025. 105,000 and 35,000 customers impacted respectively. This is a consolidation only, so a movement from Genesis + sub-brands, to Genesis primary brand only.
The above doesn't account for customer driven movements as a result of the sales/consolidation.

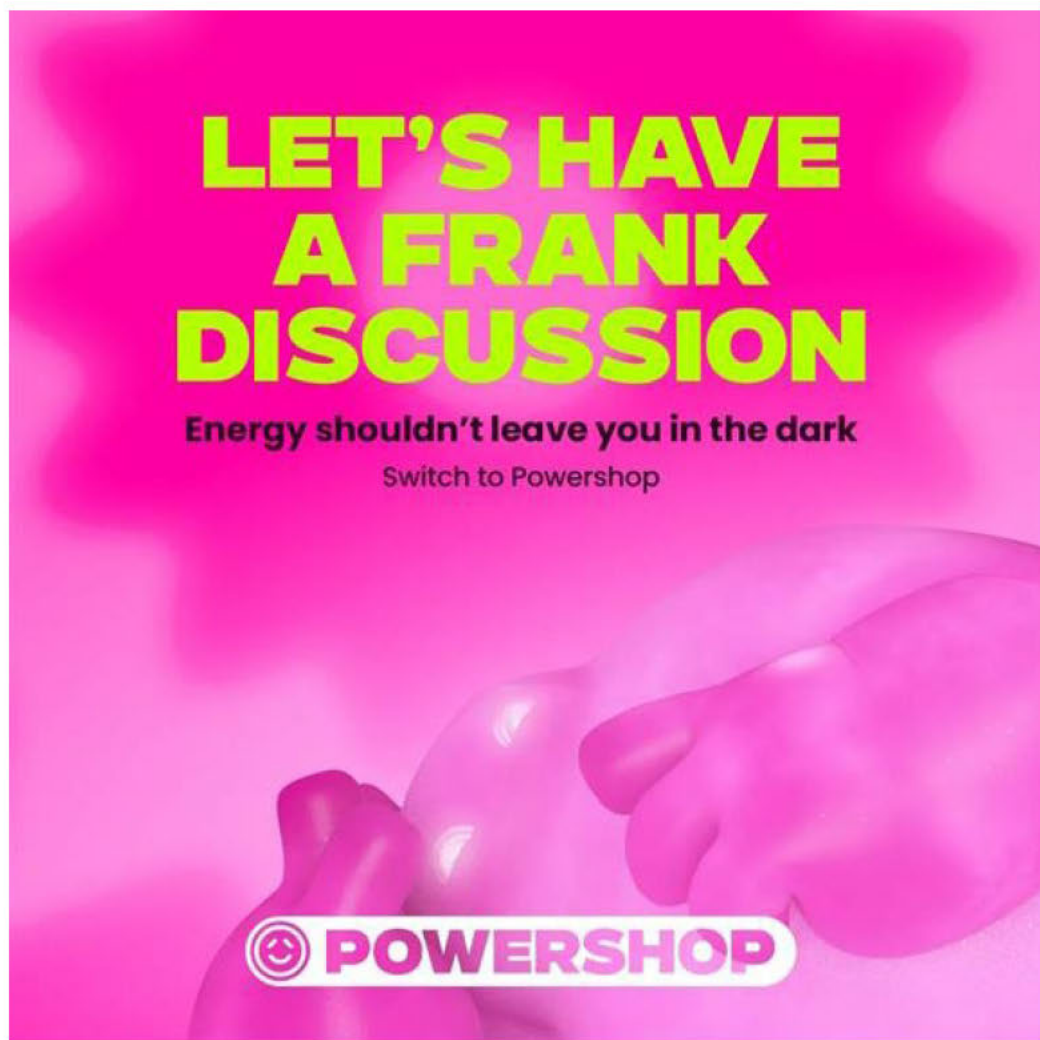
As of 30 Apr 2025, Gentailer primary brands only total market share of 72.5%. (Mercury=24.35%, Contact=19.27%, Genesis=17.66% and Meridian=11.23%)

As of 30 Apr 2025, Gentailers including their sub-brands total market share of 85.2% (Mercury=25.09%, Contact=19.27%, Genesis=23.68% and Meridian=17.17%)

The Authority will continue to monitor market share levels and movements away from the three assumed brands, with particular attention on those with over 10% market share collectively.


Key actions available to the Authority it to target the promotion of switching services to ensure that

Movement in the retail market (Frank, Ecotricity and Flick)



**LET'S HAVE
A FRANK
DISCUSSION**

Energy shouldn't leave you in the dark
Switch to Powershop

 **POWERSHOP**



**PHIL COLLINS
LEFT GENESIS,
MAYBE YOU
SHOULD TOO?**

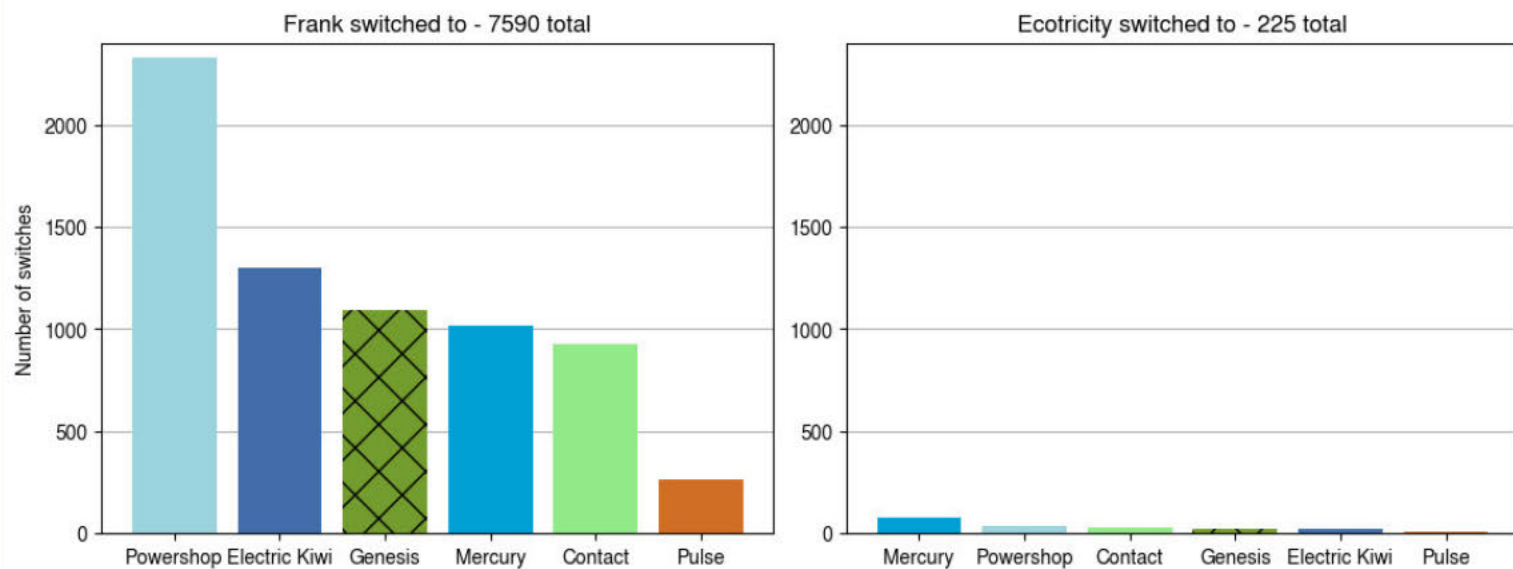
Make the switch at
powershop.co.nz

 **POWERSHOP**

Movement in the retail market (Frank, Ecotricity and Flick)

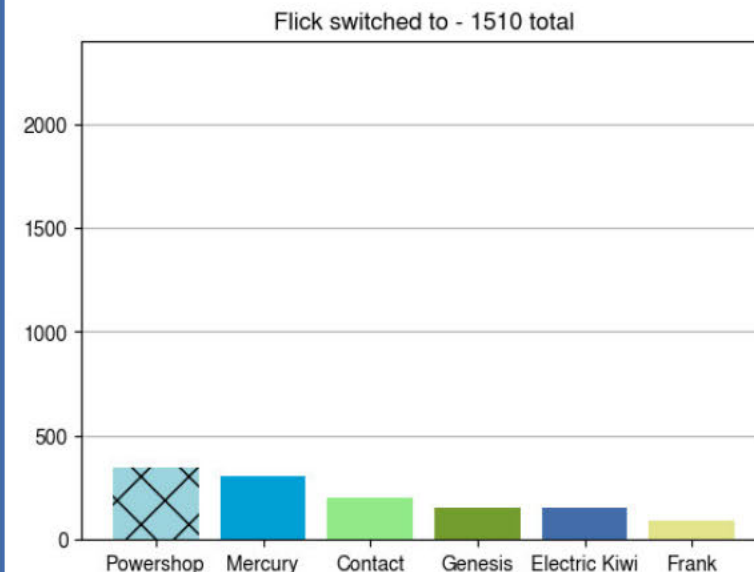
June 2025 – Genesis to consolidate Frank and Ecotricity

- 140,000 customers transfer to Genesis main brand



May 2025 - Sale of Flick to Meridian

- 41,000 customers transferred to Meridian



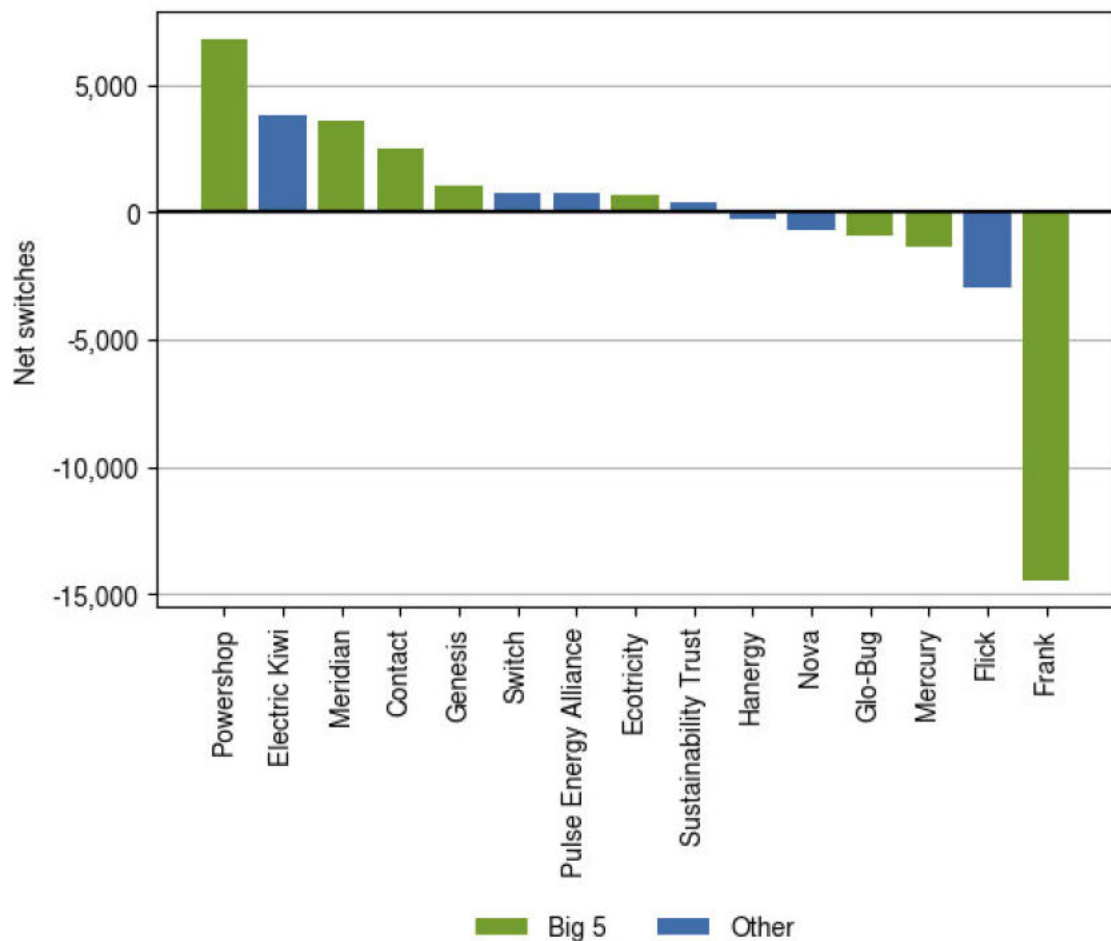
 Acquiring retailer

Presenter notes from previous slide:

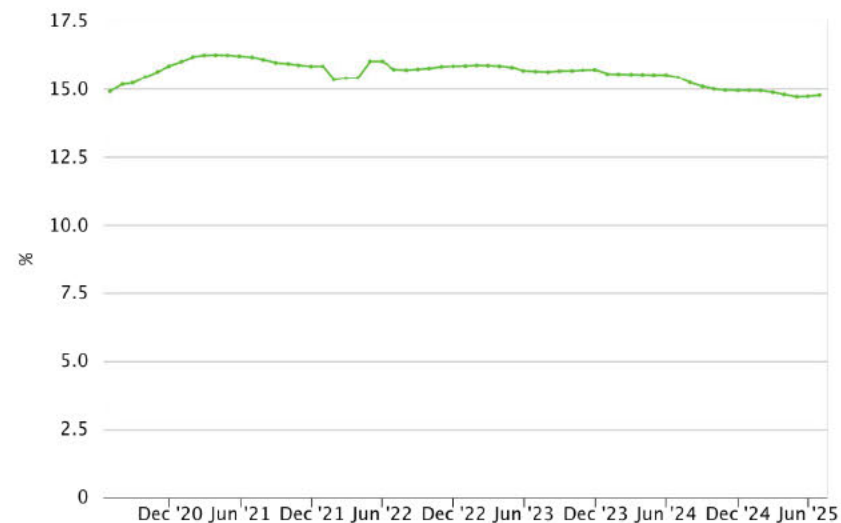
Frank customers expected to be migrated to Genesis from September. Flick customers will migration to Meridian over mid-August to mid-September. Ecotricity is unknown

Around 1240 switched to Frank,
510 to Ecotricity
672 to Flick
3340 to EK/1950 from EK
7140 to Powershop and 3050 from powershop

Net trader switches (June-July)



Small/medium retailer market share (5 years)



Switching to and from Big 5 (June/July)



Presenter notes from previous slide:

Data from here

Only plotting changes >250 ICPs gain or loss <https://www.emi.ea.govt.nz/Retail/Reports/1D1AHX?>

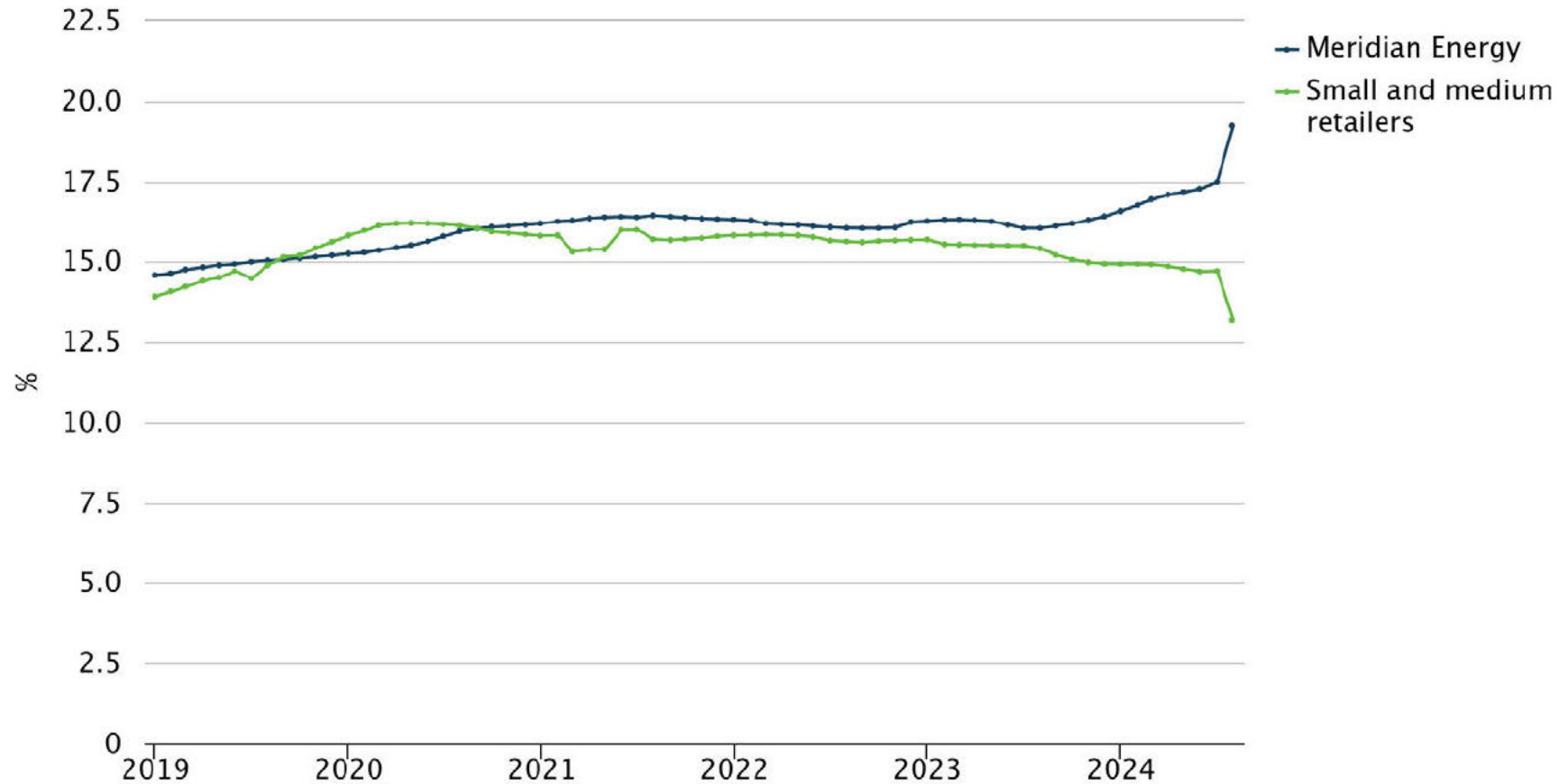
[DateFrom=20250601&DateTo=20250731&RetailEntity=Trader&seriesFilter=CTCT,ECOT,ELKI,FLCK,GEOL,GENE,GBUG,MEEN,MERI,TODD,OCTO,PSNZ,SWCH&_si=v|3](https://www.emi.ea.govt.nz/Retail/Reports/1D1AHX?DateFrom=20250601&DateTo=20250731&RetailEntity=Trader&seriesFilter=CTCT,ECOT,ELKI,FLCK,GEOL,GENE,GBUG,MEEN,MERI,TODD,OCTO,PSNZ,SWCH&_si=v|3)

s 9(2)(k)

Market share chart https://www.emi.ea.govt.nz/Retail/Reports/R_MST_C?

[DateFrom=20200801&DateTo=20250731&RegionType=NZ&ParentCompany=Y&Grouping=T5Grp&MarketSegment=All&Percent=Y&seriesFilter=OTHR&_rsdr=L60M&_si=v|3](https://www.emi.ea.govt.nz/Retail/Reports/R_MST_C?DateFrom=20200801&DateTo=20250731&RegionType=NZ&ParentCompany=Y&Grouping=T5Grp&MarketSegment=All&Percent=Y&seriesFilter=OTHR&_rsdr=L60M&_si=v|3)

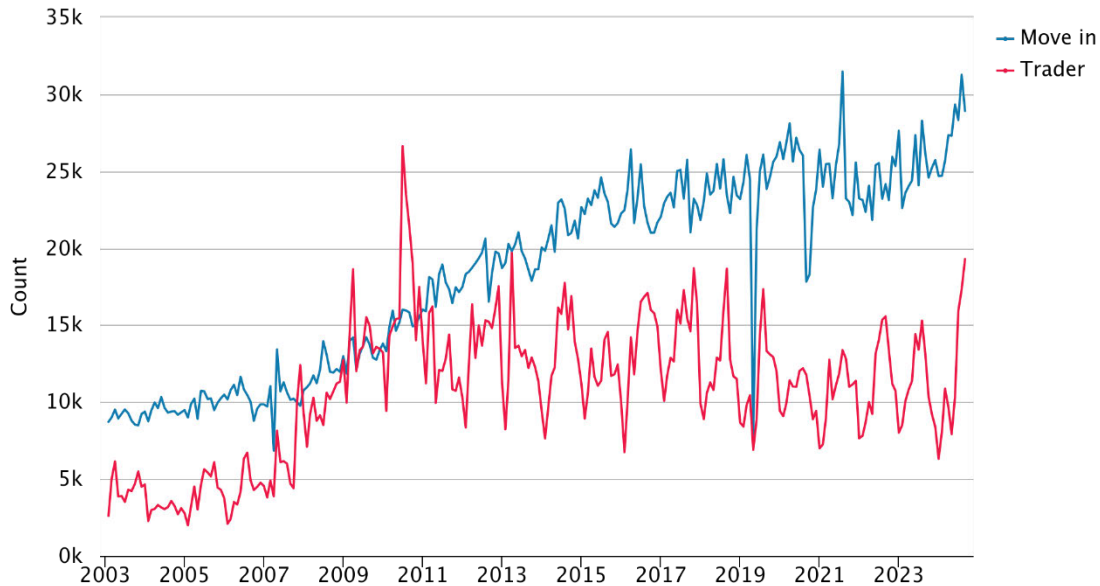
Impact of Meridian's buy out of Flick



emi.ea.govt.nz/r/jrpwv

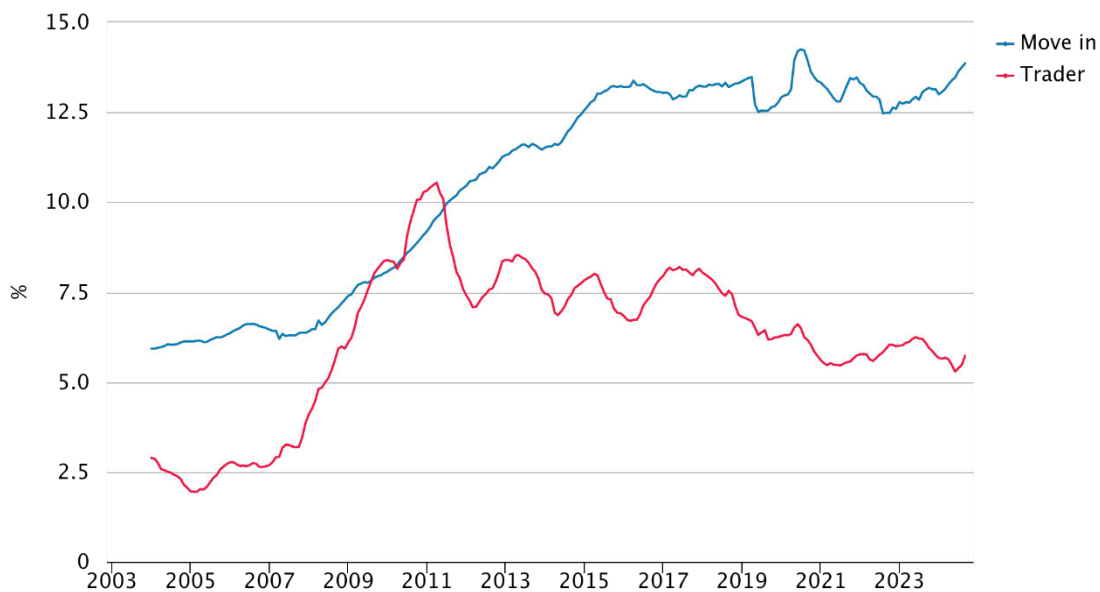
As of 16 September, using switching data covering up to end of August.

Trader switches increased again to highest in recent years, only periods in 2011 and 2014 had higher counts.



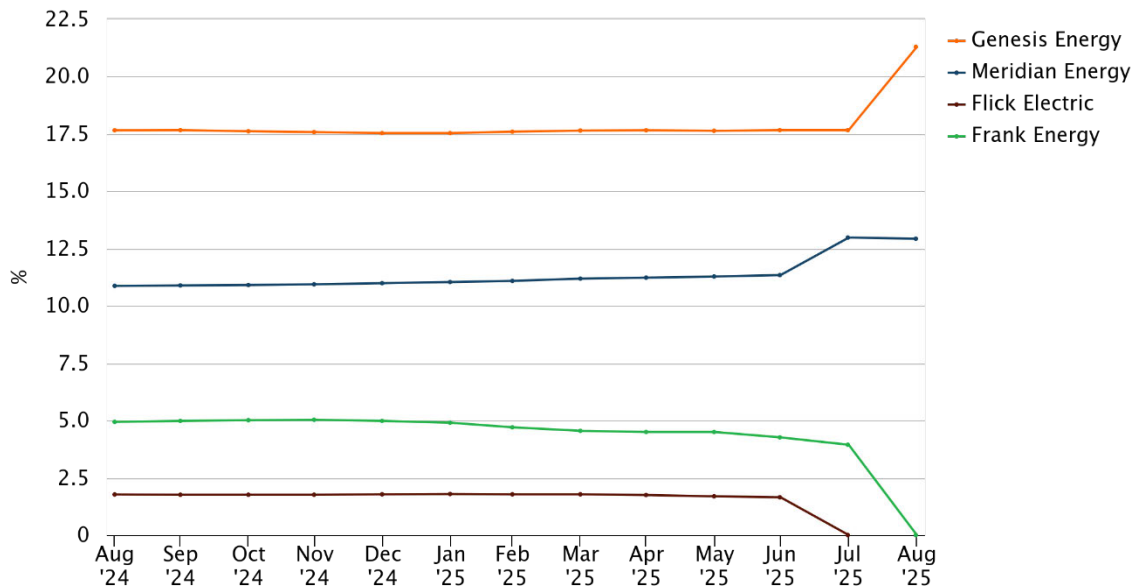
emi.ea.govt.nz/r/3hd0r

However, the 12-month rolling rate for trader switches is still lower than it has been in the past due to growth in total number of ICPs. It has seen a small uptick in the last couple of months though. (% is switch rate)



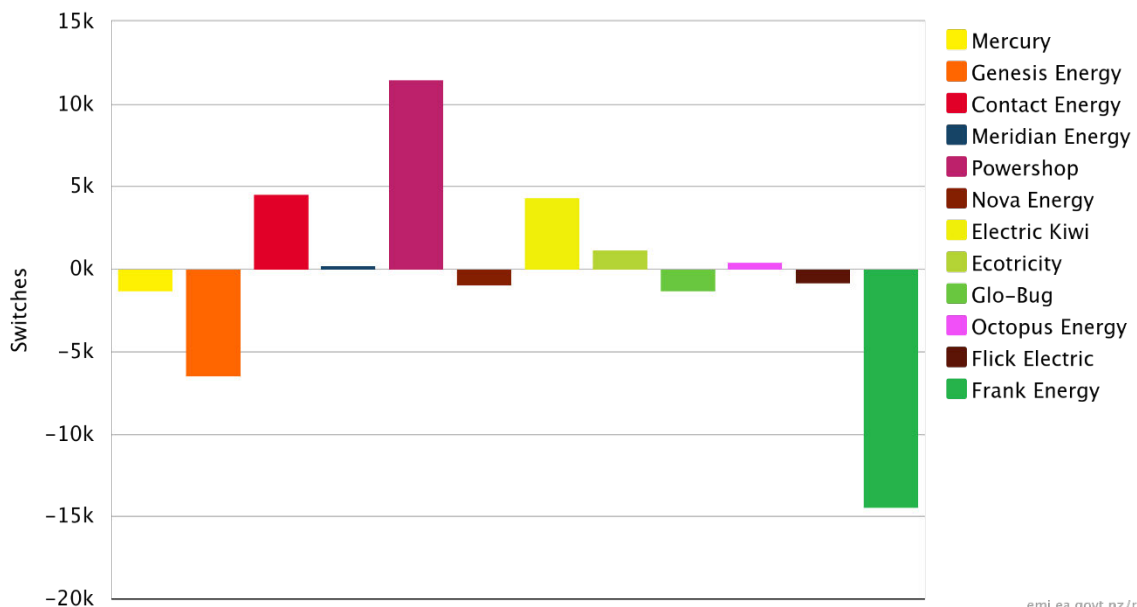
emi.ea.govt.nz/r/csb1k

Flick all transferred to Meridian as of July, and Frank all transferred to Genesis as of August (% is market share)



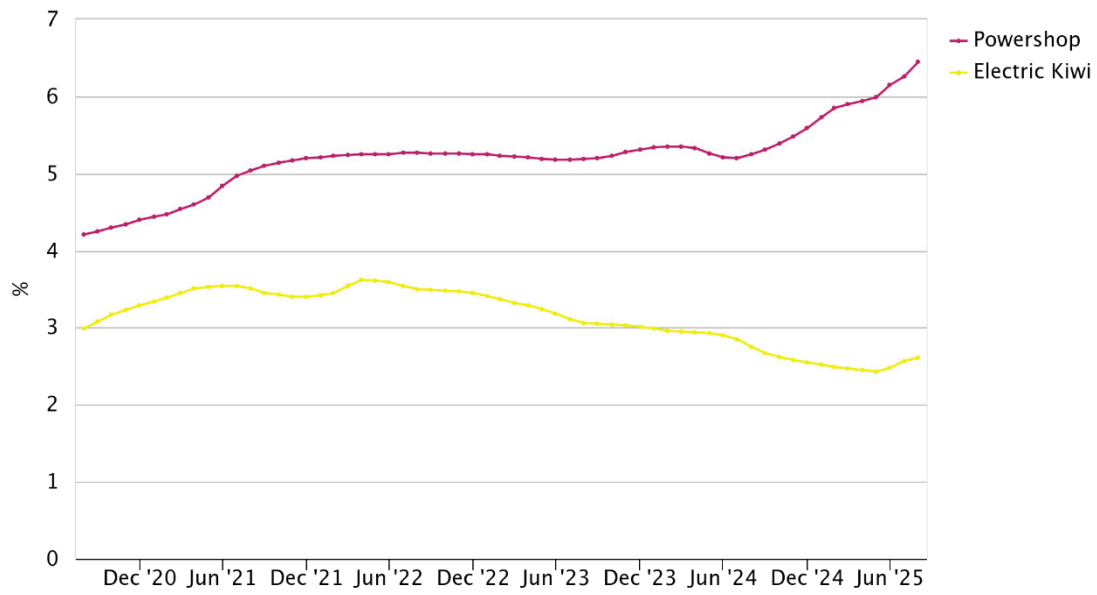
emi.ea.govt.nz/r/hfwnm

Net switching for the last 3 months shows Contact, Powershop and Electric Kiwi growing the most. Genesis and Frank losing the most.



emi.ea.govt.nz/r/cs2lm

Focussing just on Powershop/Electric kiwi growth (% is market share)

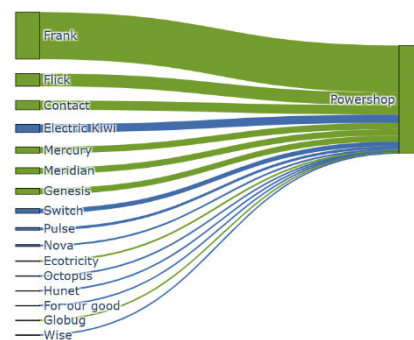
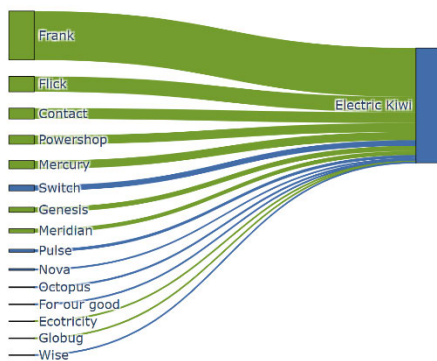


emi.ea.govt.nz/r/1hf42

Most trader switches to Electric kiwi (6,430 switches) and Powershop (11,400 switches) are from Frank and Flick.

June-August 2025 trader switches to Electric Kiwi

June-August 2025 trader switches to Powershop

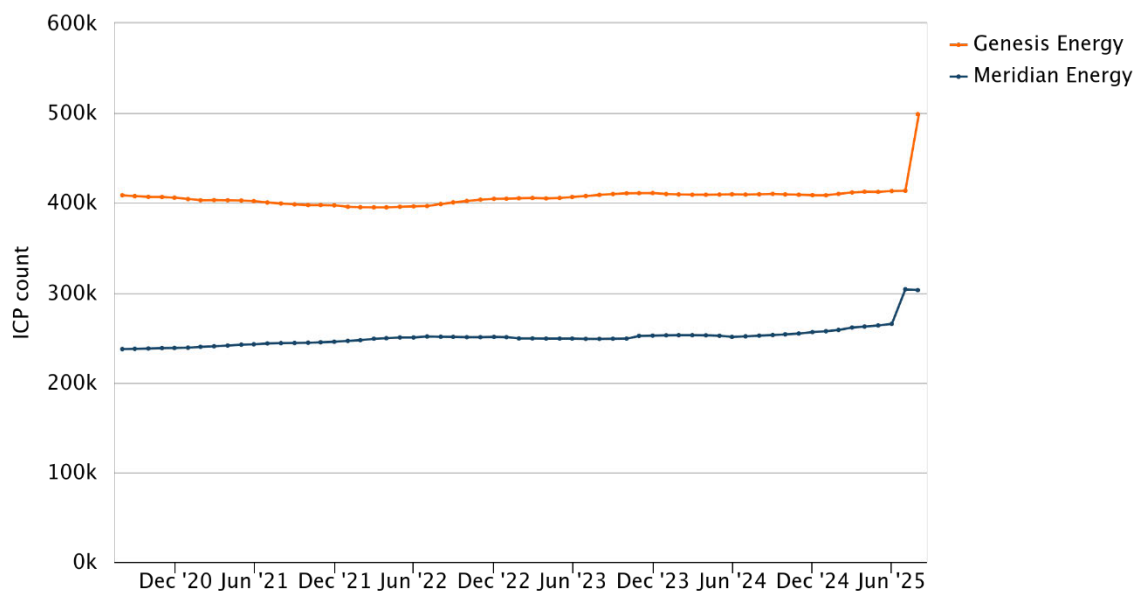


June-August 2025 trader switches to/from big 5 and other retailers.

Switching between retailers

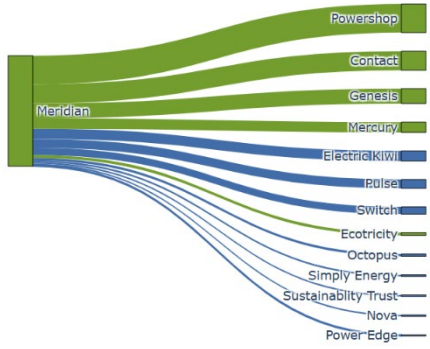


Are customers that were forced on Meridian (from Flick) or Genesis (from Frank) leaving soon after for another retailer? We can't track individual customers, but we can see if Meridian/Genesis ICPs drop in the months following them gaining the new ICPs. We will need to wait a couple more months to see if this happens, as the forced migrations have only just been completed.

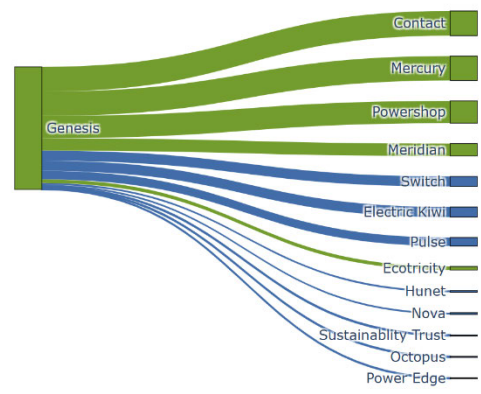


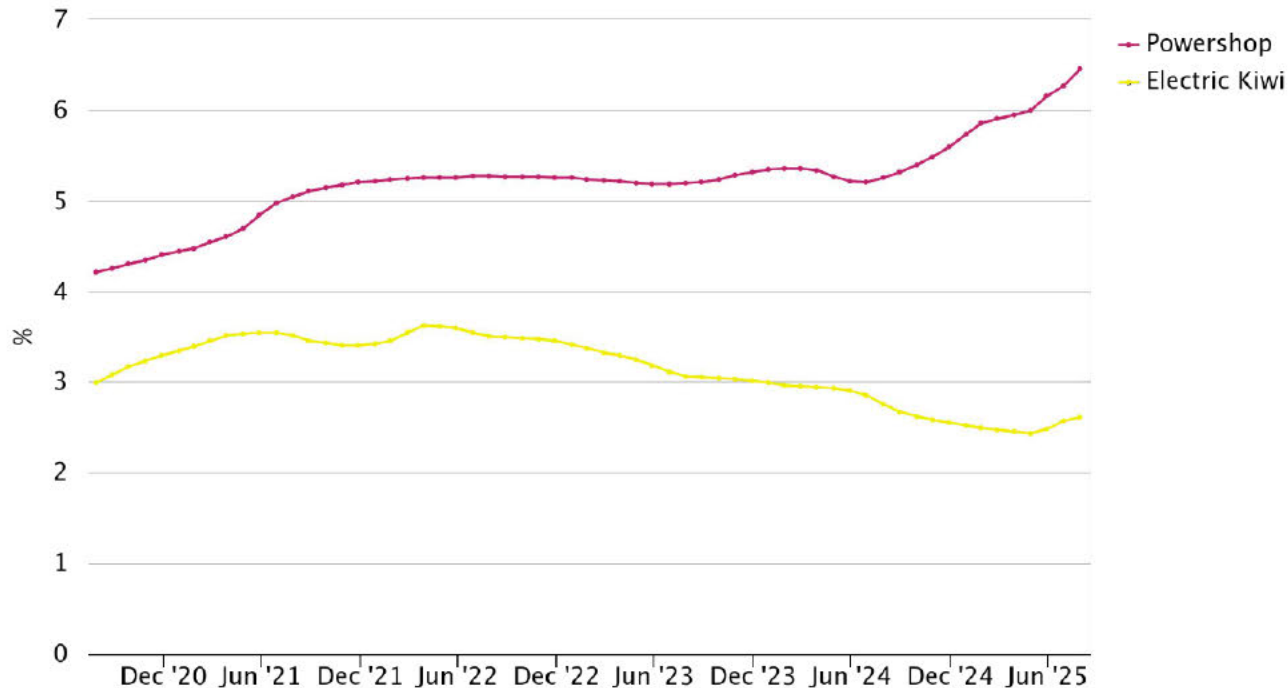
emi.ea.govt.nz/r/2b3zz

June-August 2025 trader switches from Meridian



June-August 2025 trader switches from Genesis

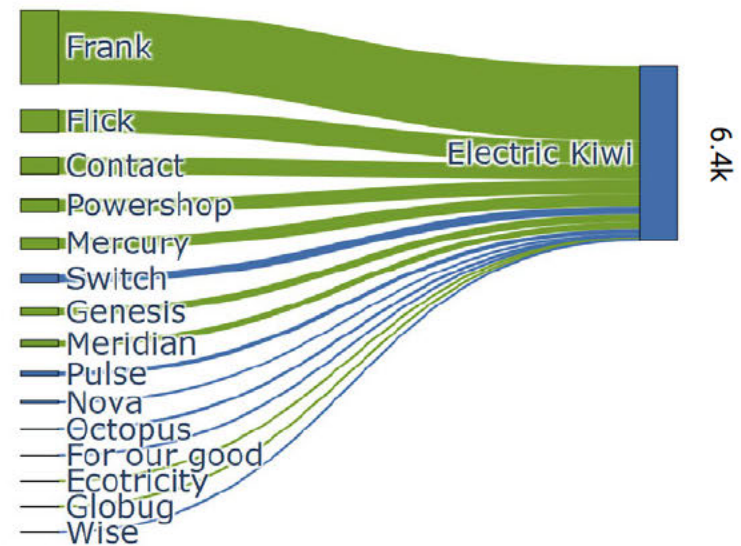




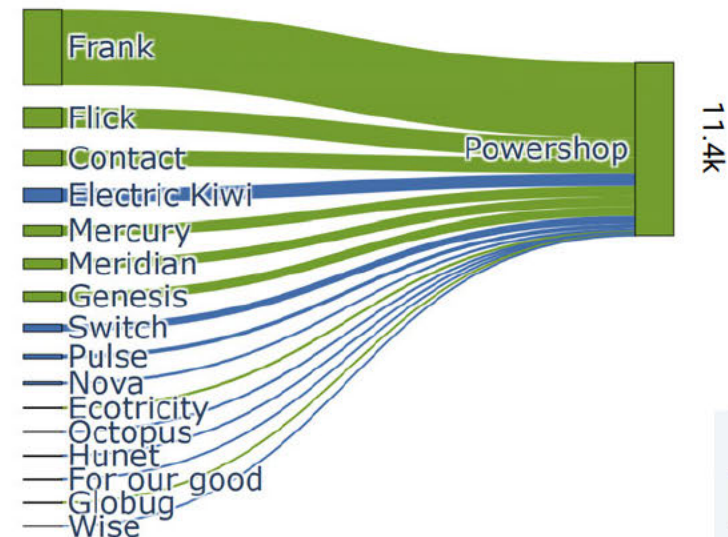
emi.ea.govt.nz/r/1hf42

June-August 2025 trader switches to Electric Kiwi

Document 1.14



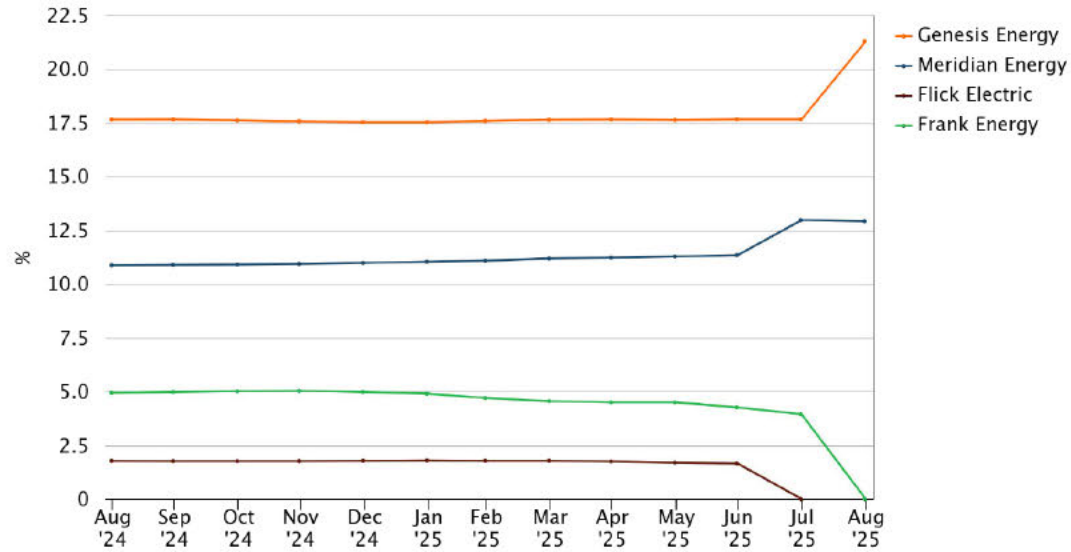
June-August 2025 trader switches to Powershop



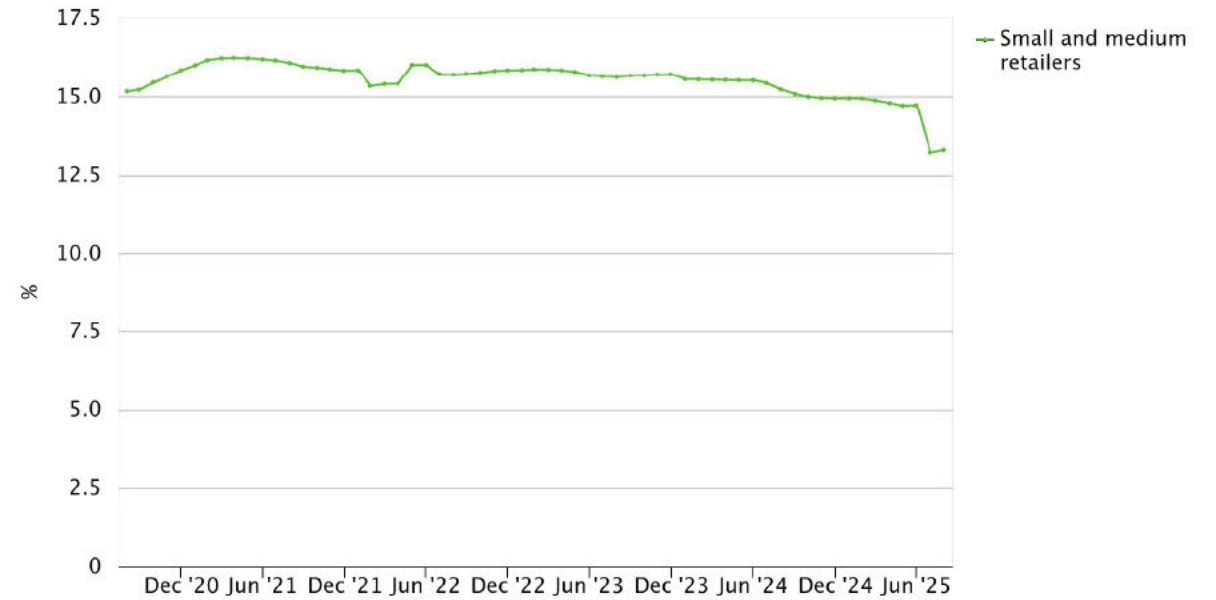
Presenter notes from previous
slide:

Actual rise in August – PS (11,400)
and EK (6,400)

Flick and Frank migrations completed



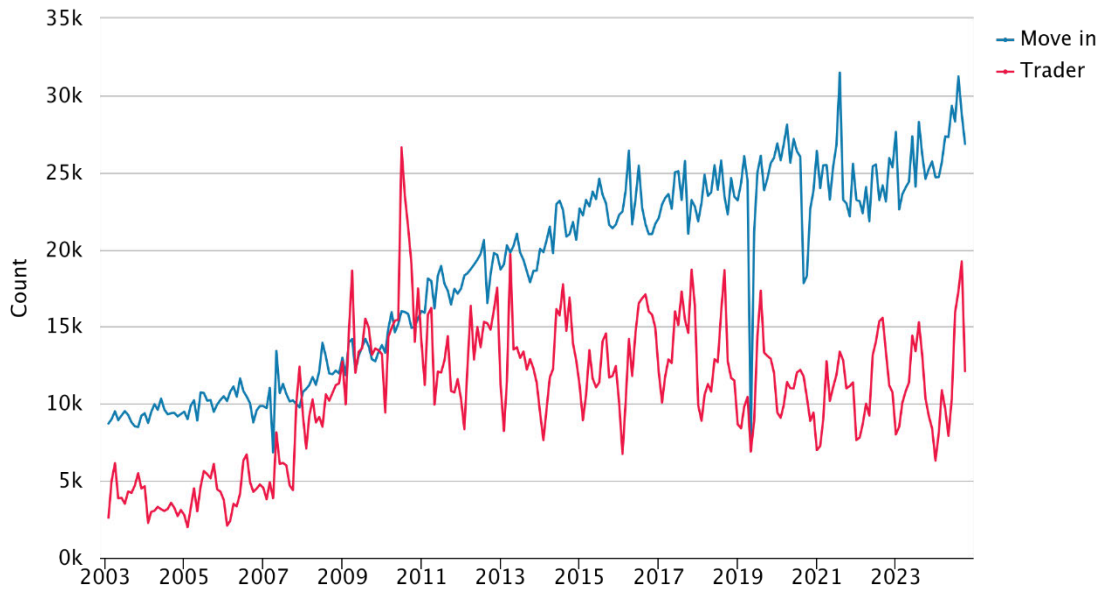
emi.ea.govt.nz/r/hfwnim



emi.ea.govt.nz/r/mx2yl

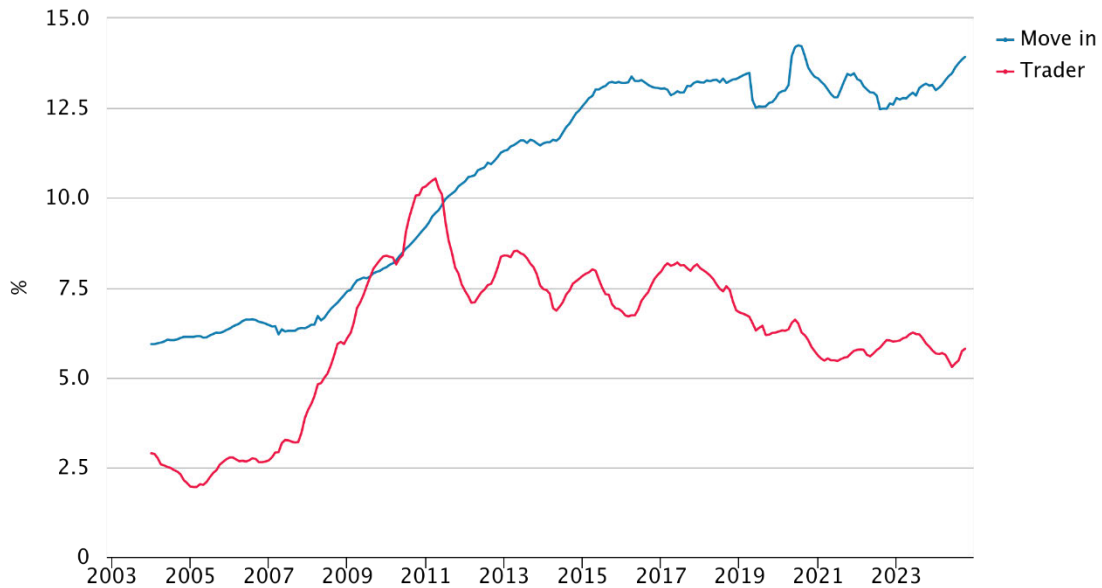
As of 15 October September, using switching data covering up to end of September.

Absolute switch counts fell significantly this month



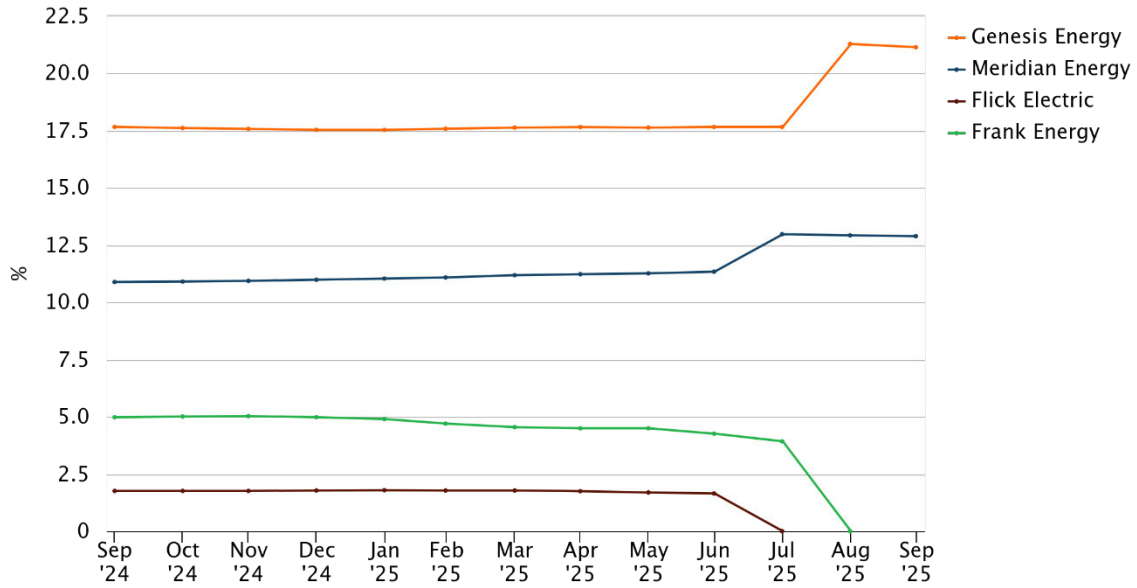
emi.ea.govt.nz/r/r3zlx

However, the 12-month rolling rate continues to trend upwards



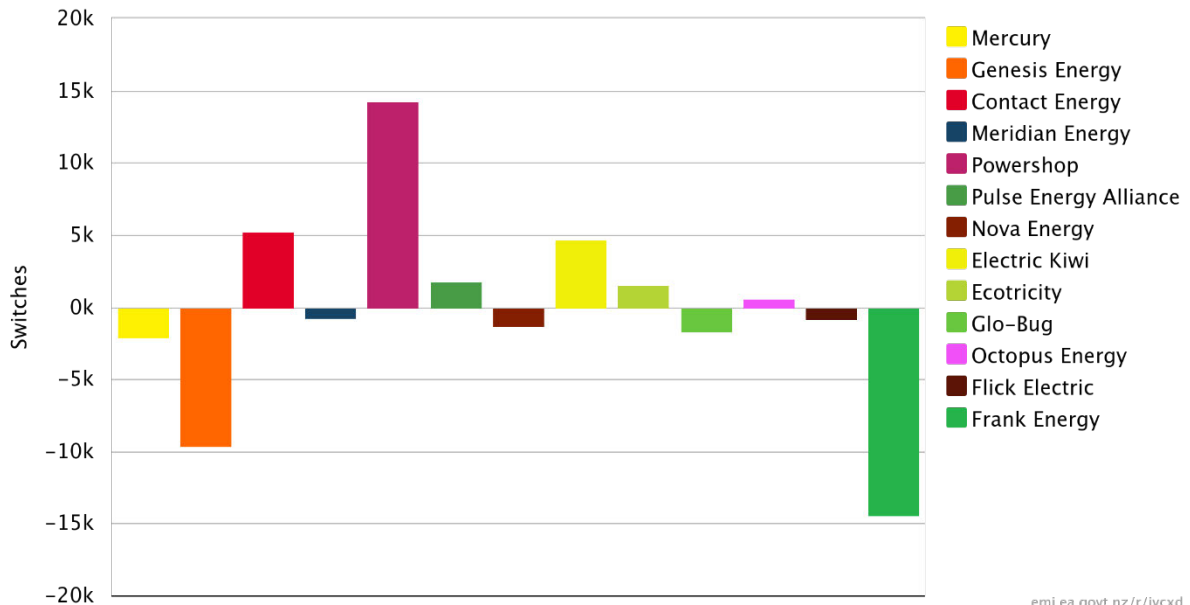
emi.ea.govt.nz/r/tweuk

Meridian market share held steady after taking on Flick customers, one to watch to see if customers start shifting away from Meridian after the forced switch (% is market share)



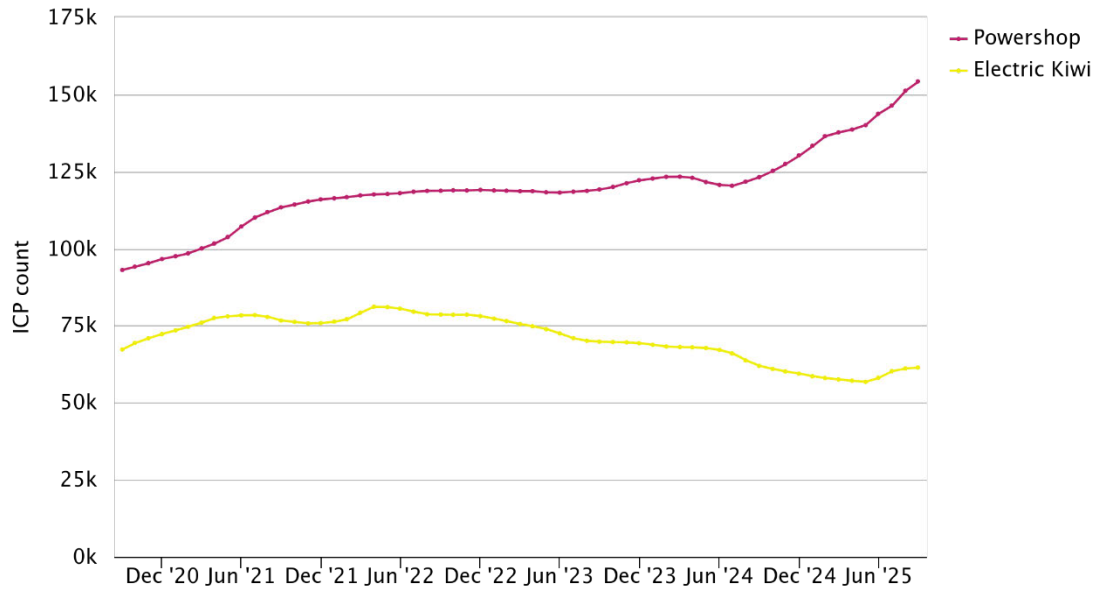
emi.ea.govt.nz/r/ruayh

Net switching for the last 4 months shows Contact, Powershop and Electric Kiwi growing the most. Genesis and Frank losing the most.



emi.ea.govt.nz/r/jycxd

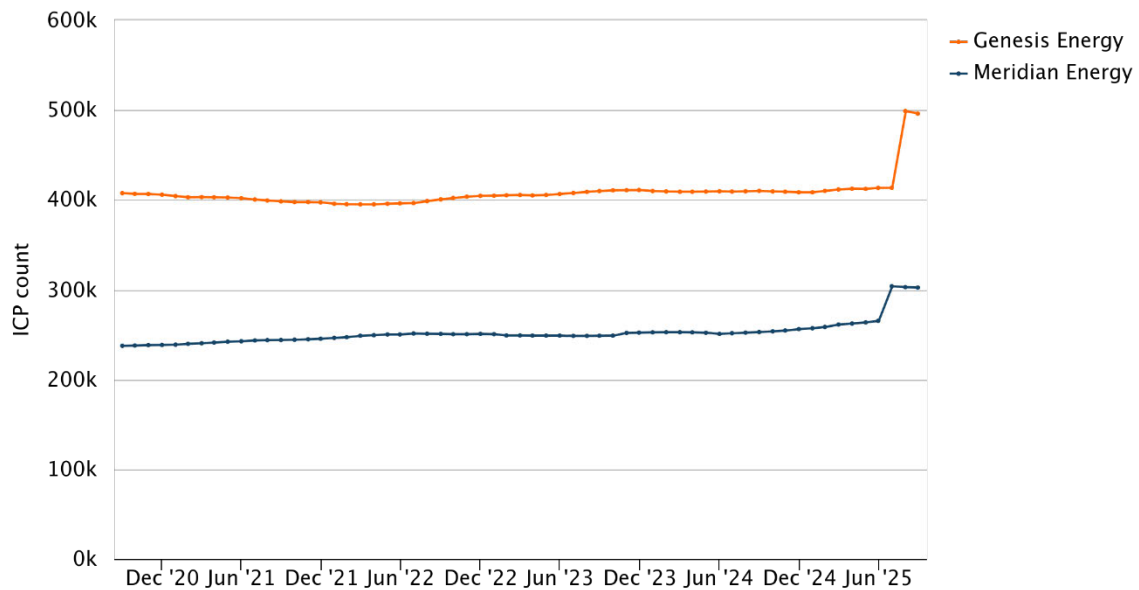
Focussing just on Powershop/Electric kiwi growth, EK growth looks to have flattened off in September (% is market share)



emi.ea.govt.nz/r/hfier

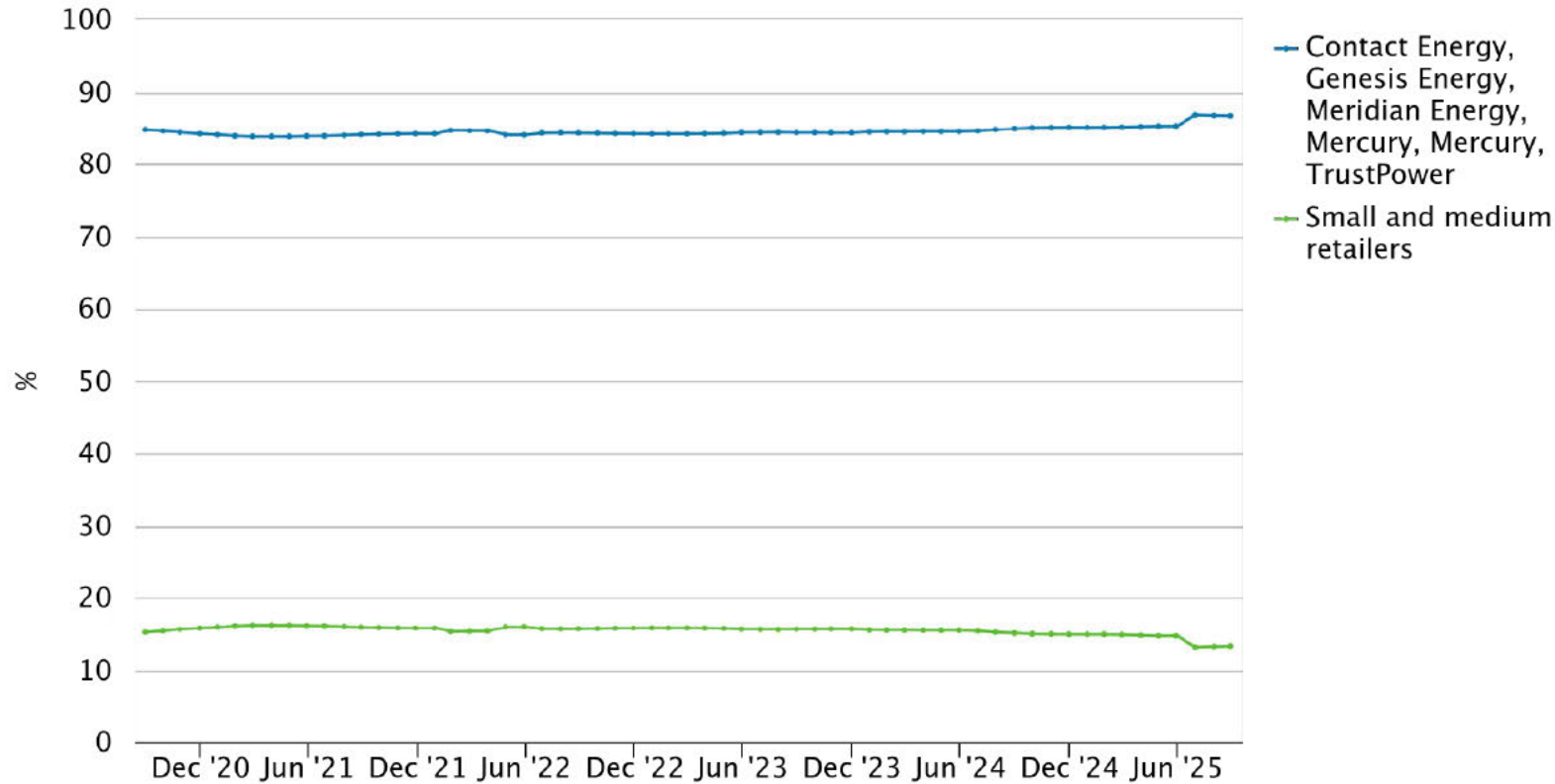
Are customers that were forced on Meridian (from Flick) or Genesis (from Frank) leaving soon after for another retailer? We can't track individual customers, but we can see if Meridian/Genesis ICPs drop in the months following them gaining the new ICPs.

Meridians ICP count looks steady, but Genesis has fallen a bit in the last month, so possibly some of their Frank customers leaving after being switched onto Genesis (although we can't confirm this is the case).



emi.ea.govt.nz/r/dok2g

Small and medium retailers market share steady after Flick acquisition



emi.ea.govt.nz/r/fgqzp

Exemption Application: Meridian clause 2.20 (FLCK code)

Decision paper

11 August 2025

Executive Summary

Exemption

The Electricity Authority Te Mana Hiko (Authority) has approved an application for an exemption under section 11 of the Electricity Industry Act 2010 (Act). The exemption is from the requirement under clause 2.20(1) of the Electricity Industry Participation Code 2010 (Code) to comply with the Retail Market Monitoring Notice (RMM Notice) published under clause 2.16 of the Code on 16 March 2025.¹

Applicants

The applicant is Meridian Energy Limited (Meridian).

Summary of application

Meridian's application is for an exemption from the requirement to comply with parts of the RMM Notice in respect of the FLCK participation code (FLCK code) which it purchased from Flick Electric Limited (Flick) together with certain other Flick assets on 22 July 2025.

The RMM Notice requires retailers to report the domestic and small business customer information outlined in Tables 1 - 8 of the RMM Notice. Data for the period 1 January 2025 to 31 July 2025 is to be provided by 31 August 2025, and then on a monthly basis.

Meridian is seeking a limited exemption from requirements in the RMM Notice:

- for three data items in Table 3: Billing data for data covering 1 January 2025 to 31 July 2025 and the month of August 2025
- Tables 1 - 7 for data after 31 August 2025.

Meridian submits that the exemption sought will enable the Flick team to focus on a smooth and effective transition of customers over to Meridian, reducing the risk of additional costs being incurred through the transition period which may be passed on to consumers and/or disruption to the transition process.

Summary of final decision

The Authority's decision is to grant Meridian's application for an exemption from the obligation under clause 2.20(1) of the Code to comply with the RMM Notice for FLCK code customer data subject to the following conditions:

- (a) the exemption applies to FLCK Code customer data only
- (b) Meridian will comply with the requirements of the RMM Notice for FLCK code customer data with the exception of:
 - (i) T 3.7, T 3.20 and T 3.21 of Table 3 for data covering the period 1 January to 31 July 2025 and the month of August 2025
 - (ii) Tables 1 - 7 for data from 1 September 2025 subject to the condition the transitional services agreement (TSA) between Meridian and Flick is not extended beyond 30 September 2025
- (c) The exemption expires when the RMM Notice ceases to be in effect or if either of the requirements in (a)(i) or (ii) above are earlier removed from the RMM Notice.

¹ [Retail Market Monitoring Notice](#) (revised version was published 1 August 2025).

The Authority notes the unique circumstances of this exemption application, including Meridian's purchase of Flick and its intention to transition all customers on the FLCK code to an alternate Meridian participant code over August and September 2025.

Without an exemption there is real risk that the TSA will need to be extended beyond 30 September 2025 at considerable additional cost (\$1.65 million) and/or the transition of the FLCK code will be affected with adverse impacts on customers.

The Authority has concluded that the exemption application meets the statutory test on the basis, that compliance with the T3.7, T3.20 and T3.21 and Tables 1 - 7 after August 2025, is not necessary for the purpose of meeting its objectives under the Act. Granting the exemption would result in some improvements in efficiency and protection of small consumers. Granting the exemption would have a minimal negative impact on competition and would have no impact on reliability.

A copy of the draft gazette notice is attached as **Appendix B**.

Date of final decision

The final decision on the Meridian exemption application was made on 13 August 2025.

Next steps

The Authority will publish the exemption in the *New Zealand Gazette*. The exemption will take effect from the day after it is published.

The Authority notes that all exemptions are decided on a case-by-case basis and may only be granted where the Authority is satisfied that the statutory test in section 11 of the Act has been met.

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1. Purpose

- 1.1 This paper sets out the Authority's final decision on an application by Meridian for an exemption from the requirement under clause 2.20(1) of the Code to comply with the RMM Notice in relation to the FLCK code customer data.

2. Summary

- 2.1 The RMM Notice requires retailers to report domestic and small business customer data from 1 January 2025. The increase in volume and quality of information will improve retail market transparency and accountability and enable consumers to benefit from competition and take advantage of new products and services.
- 2.2 Meridian seeks the exemption because of the unique circumstances of its purchase of Flick customers and its intention to transition all customers on the FLCK code to an alternate Meridian participant code over August and September 2025. Meridian's key submissions are that:
 - (a) while Flick is working to meet the RMM Notice requirements (and other Code obligations) on behalf of Meridian under the TSA, it is also supporting the smooth transfer of FLCK code customers to Meridian meaning its resourcing is uniquely stretched and in the context of its business closing down
 - (b) collating and providing the three requirements in Table 3 under the RMM notice is complex and resource intensive – without an exemption there is real risk that the TSA will need to be extended beyond 30 September 2025 at considerable additional cost: (\$1.65 million) and/or there could be adverse impacts on the transition of FLCK code customers
 - (c) for FLCK code consumer data covering the period after August 2025, the number of remaining FLCK code customers is likely to be small (less than 1,000 ICPs) with all customers intended to be transferred by the end of September 2025.
- 2.3 The Authority may grant the exemption if satisfied complying with the RMM Notice is not necessary for the purpose of meeting the Authority's objectives or that granting the exemption would better achieve the Authority's objectives. In assessing whether the relevant test is met, the Authority has assessed how granting the application affects its statutory objectives in the context of the intended benefits of the RMM Notice.
- 2.4 The Authority has concluded compliance with the T3.7, T3.20 and T3.21, and Tables 1 - 7 after August 2025, is not necessary for the purpose of meeting its objectives under the Act. Granting the exemption would result in some improvements in efficiency and protection of small consumers. Granting the exemption would have a minimal impact on competition and would have no impact on reliability.
- 2.5 While granting the exemption may result in less data provided under the RMM Notice:
 - (a) Flick on behalf of Meridian will ultimately provide the Authority with the majority of the data required under the RMM Notice (Tables 1 - 8) covering the period 1 January 2025 to 31 August 2025, supporting the intended benefits of the RMM Notice
 - (b) if no exemption was granted the Authority is satisfied there is a risk of disruption to migration of customers with an associated risk of an extension of the TSA at considerable cost, which could be passed to consumers
 - (c) most customers would have transferred from the FLCK code to Meridian by mid-September 2025

- (d) in relation to the data omitted:
 - (i) analysis of the other Table 3 billing data is not dependent on T3.7 data (Opening balance);
 - (ii) T3.20 and T3.21 data may have less value for a retailer that is exiting the market;
 - (iii) data in Table 1 – 7 would be exempt for a short period time period when the FLCK code ICPs are likely to be less than 1,000 ICP
- (e) Overall, granting the exemption would improve efficiency and the additional objective of protection of small consumers outweighing the small negative impact on competition due to less data.

3. Legal Framework

Clause 2.16 notices

- 3.1 Clause 2.16 of the Code allows the Authority to publish a notice specifying information that a participant must provide, either on a regular basis or as a result of an identified event. Information may be required under clause 2.16 only for the purposes of one or more of the Authority's monitoring functions set out in section 16 of the Act.²
- 3.2 When issuing a clause 2.16 notice, the Authority is required by clauses 2.18 and 2.19 to specify the information request's purpose, cost and benefits and consult with impacted participants. Before publishing a notice, the Authority must be satisfied that benefits of the information requirements outweigh the costs and that the notice promotes one or more of the Authority's objectives.
- 3.3 Once a notice is published, clause 2.20 requires participants to comply with the requirements in a clause 2.16 notice, including collected and recording and collating the information and providing the information to the Authority.

Test under section 11 of the Act

- 3.4 The Authority may exempt a participant under section 11 of the Act from compliance with the Code, including clause 2.20(1), if satisfied that:
 - (a) it is not necessary, for the purpose of achieving the Authority's objectives under section 15, for the participant to comply with the Code or the specific provisions of the Code; or
 - (b) exempting the participant from the requirement to comply with the Code or the specific provisions of the Code would better achieve the Authority's objectives than requiring compliance.
- 3.5 The Authority may impose specific conditions where those conditions allow the Authority to be satisfied that the statutory criteria are met.
- 3.6 The Authority's main objective is to promote competition in, reliable supply by, and the efficient operation of, the electricity industry for the long-term benefit of consumers. The additional objective in section 15(2) is to protect the interests of domestic and small business consumers in relation to the supply of electricity to those consumers.
- 3.7 The relevant Authority objectives are competition and efficiency and the additional objective of protecting domestic consumers and small business consumers.

² The relevant functions are under section 16(1)(c), (f) and (g).

RMM Notice

- 3.8 In assessing the impact of Meridian's exemption on meeting its statutory objectives, the Authority has specifically considered the purpose and assessed benefits of the RMM Notice (as outlined in the Authority's [Retail market monitoring clause 2.16 information notice, Decision paper](#) (Decision paper) dated 17 March 2025).
- 3.9 The information received under RMM Notice is intended to fundamentally improve retail market transparency and accountability, benefiting all parties (including consumers) and reduce the need for multiple information requests in the future. The insights derived from the increase in the volume and quality of information will enable greater understanding of the retail market, better monitoring of the market, improved monitoring of policy interventions, and support better evidence-based decision-making in future.
- 3.10 Before finalising the RMM Notice, the Authority followed an extensive consultation and stakeholder engagement process commencing in 2023. The Authority developed and adjusted the RMM Notice in response to feedback received.
- 3.11 The Authority assessed costs of compliance against the intended benefits of the RMM Notice. It concluded the benefits significantly outweighed the costs. The Authority also noted that incremental benefits will increase substantially over time, while costs will decrease once the initial set up has been completed.³
- 3.12 The benefits that the dataset will provide rely on comprehensive and complete data across ICPs. Retailers with less than 1,000 ICPs are required to comply with only Table 8 in the RMM Notice (which covers Consumer Care Obligations data). Otherwise, all retailers are required to provide all information in Tables 1 - 8.
- 3.13 The first data submission is due no later than 31 August 2025, for data covering 1 January 2025 to 31 July 2025. From then on, information is to be submitted monthly on an ongoing basis, due on the last day of the following month. The due dates set out in the RMM Notice were determined to enable aggregated retail data and insights to be available towards the end of 2025.
- 3.14 The RMM Notice provides that the Authority may extend the deadlines set out but only in exceptional circumstances.

4. Meridian's application for an exemption

Context - Meridian's purchase of Flick

- 4.1 Meridian purchased the FLCK code, all Flick and Z Energy branded electricity customers, the existing Flick hedge book and the Flick brand on 22 July 2025.
- 4.2 Meridian advises that it intends to transfer all Flick customers to an existing Meridian participant code by mid-September 2025. The majority of Flick customers are expected to be transferred to Meridian in large batches by the end of August 2025.
- 4.3 Meridian advises that:
- (a) under the TSA entered into with Flick, Flick will continue to serve Flick customers and uphold compliance obligations under the FLCK code on behalf of Meridian
 - (b) accordingly, Flick is obliged under the TSA to comply with the RMM Notice on behalf of Meridian. All the necessary data is held in Flick systems, and not all of this data will be transferred to Meridian

- (c) this TSA will cease on 30 September 2025 unless Meridian exercises its option to extend the TSA for an additional two months. Under the TSA, this option must be notified by 31 August 2025 and must be for the full two months extending the term of the TSA to 30 November 2025
- (d) the charges under the TSA are \$825,000 per month (excluding GST). Therefore, the additional cost to Meridian for a TSA extension to 30 November 2025 would be \$1.65m (excluding GST)

4.4 The indicative timeframe for migrating FLCK code customers to Meridian is as follows:

Table 1: Timeframe for migration of FLCK code customers

Week	18-22 Aug	25 – 29 Aug	1 – Sept
ICPs	15500	19740	Wash up (<1,000)
Cumulative	15500	35240	

Summary of Meridian's application

- 4.5 Meridian's application seeks an exemption, specific to the FLCK code, from the obligation under clause 2.20 of the Code to comply with the following requirements in the RMM Notice:
- (a) data requirements T3.7, T3.20 and T3.21 in Table 3 of the RMM Notice, applying to data reported for the period 1 January 2025 - 31 August 2025.
 - (b) Tables 1 - 8 for data covering the period after 31 August 2025 – meaning the last submission of data for the FLCK code would be by 30 September 2025 for the month of August 2025.
- 4.6 Meridian seeks an exemption from the specific data requirements in Table 3 because of the complexity of system enhancements required to compile the information, noting that:
- (a) the information required is not captured under Flick's specific billing systems and would require Flick to build additional functionality and undertake resource intensive re-calculations
 - (b) this is in a context where Flick is supporting customers migrating to Meridian and the fact Flick will be closing its operations at the end of the TSA period next month
 - (c) Flick has explored building the functionality to deliver all reporting requirements, but the significant resources required risk diverting its resources away from customer transition and/or triggering a two-month extension to the TSA at considerable cost (as above); and
 - (d) the specific complexities associated with Table 3 are set out in a table in Meridian's application and discussed in the Authority's analysis in section 5 below.
- 4.7 The exemption from compliance with Tables 1 - 8 under the RMM notice for periods after August 2025 is sought on the basis that Meridian's current planned migration is to switch all customers off the FLCK participant code by the end of September 2025. The vast majority of customers are expected to have migrated by the end of August 2025. There is likely insufficient time for Flick to report on the FLCK code for those ICPs remaining in September (due by 30 October 2025) before the end of the TSA on 30 September. Extending the TSA beyond 30 September 2025 to report for September would involve considerable cost relative to the small number of ICPs remaining.
- 4.8 Since applying for an exemption, Meridian has confirmed it is seeking the exemption from Tables 1 - 7 for information after August 2025 meaning Table 8 information for FLCK code

customers remaining in September 2025 will be provided by Meridian by the end of October 2025.

4.9 Meridian submits that the section 11 test is met because:

- (a) **Efficiency:** granting the exemption would likely have a minor but positive impact on the Authority's ability to promote efficiency for the long-term benefit of consumers as it would significantly reduce the cost of the reporting obligations and enable Flick resources to focus on a smooth customer migration process. In the absence of the exemption, there may be a consumer detriment due to:
 - (i) disruption to the migration process leading to consumer uncertainty, frustration, and increased enquiry and switching costs; and/or
 - (ii) costs of approximately \$1.65 million to Meridian to extend the TSA (because migration is delayed due to resources diverted to comply with Table 3 and / or to enable submission of September 2025 data in October 2025).
- (b) **Competition:** while it is difficult to assess the impacts on competition granting the exemption would lessen the impact of costly reporting obligations on a participant that is exiting the market. In the absence of the exemption, the imposition of significant costs could lessen competition in the retail market to the extent it deters new entrants.
- (c) **Reliability:** granting the exemption would not impact on the Authority's ability to promote reliability of supply.

5. Authority's analysis

Authority's approach

- 5.1 To grant an exemption under section 11, the Authority must be satisfied compliance is not necessary to promote the Authority's objectives or that the exemption will promote the Authority's objectives. The Authority has considered the impact of an exemption on meeting its objectives in the context of the RMM Notice.
- 5.2 The Authority considers the relevant objectives in the context of the RMM Notice are competition and efficiency and the additional objective of protecting domestic consumers and small businesses.
- 5.3 When assessing a section 11 exemption, the Authority usually considers a factual against a counterfactual to determine whether compliance is necessary to meet its objectives.
- 5.4 For this exemption application, the factual is Meridian complying with the specified Table 3 requirements in the RMM Notice, including for data for the month of September 2025. This is compared to a counterfactual where the exemption is granted and T3.7, T3.20 and T3.21 is omitted from the Authority's dataset.

The RMM Notice (competition and efficiency)

- 5.5 As noted above, the intended benefits of the RMM Notice rely on complete data across ICPs except for retailers with less than 1,000 ICPs. This information will provide valuable insights into how the market has delivered benefits to consumers over the relevant period, including through insights into consumption patterns, market changes and innovations, debt and disconnections, and customer care.
- 5.6 These insights will enable better monitoring, and support policy development and evidenced based decision making in the future, promoting competition and the protection of small consumers in their dealings with retailers.

- 5.7 The streamlining of information requests will help reduce retailer costs over time and promote the Authority's efficiency objective. The data itself will also enable the Authority to promote efficiency for the benefit of consumers by providing insights over time into consumer behaviour (e.g. time-varying price plans).
- 5.8 The Authority's cost benefit analysis concluded the benefits of the RMM Notice outweighed the costs (where costs of compliance were factored in). Accordingly, expected costs of compliance is not a factor in itself that would outweigh assessed benefits (in terms of competition and efficiency) for the purposes of the test under section 11 of the Act.

Is compliance with Table 3 and provision of September data required to promote the benefits of the RMM Notice benefits

- 5.9 Table 2 sets out a summary of the Authority's analysis. It shows that the exemption should be granted in the unique circumstances of Meridian's purchase of Flick because it reduces the risk of an extension of the TSA (and associated additional costs) and disruption to Flick customers while having a minimal negative impact on the intended benefits of the RMM Notice.

Table 2: Summary of analysis

	Factual: Meridan provides all FLCK data under the RMM Notice including for September 2025	Counterfactual: Meridan provide all FLCK data except for T3.7, T3.21 and T3.22 and data for September 2025
	No exemption	Exemption
Reliability	No impact	No impact
Efficiency	Negative impact on efficiency if TSA is extended (\$1.65 million) (TSA cost over and above anticipated costs of compliance) For compliance costs, upfront costs without benefit of reduced costs over time (existing market)	Improvement in efficiency as risk of TSA extension costs of \$1.65 million reduced
Competition	Small positive impact from complete data set	Small negative impact on competition and efficiency (noting most data will be provided)
Protection of small consumers	Negative impact because of potential disruption or delay to migrations process	Small improvement as less risk to migration process

Assessment of impact on statutory objectives for compliance with T3.7, T3.20 and T3.21

Impact on efficiency and protection of small consumers

- 5.10 The Authority considers that granting the exemption will have a positive impact on efficiency as it will reduce the risk of considerable costs associated with the extension of the TSA. The Authority considers that there will be a small improvement on protection of small consumers as the risk of disruption to a smooth transition to Meridian is reduced.

Table 3 requirements - Opening balance (T3.7)

- 5.11 The Authority understands that provision of Opening balance data (T3.7) involves additional complexity and re-calculations for Flick, as its systems do not align well with the information sought. For example, it does not follow a traditional billing model (it bills on a weekly basis)

and does not capture the information sought. This means Flick is required to undertake re-calculations and build a new system to enable it to provide the data in the required form.

- 5.12 However, in the context of the Meridian purchase, we accept that these additional complexities create unique risks for Meridian, including the risk it will need to extend the TSA at considerable cost (a cost not contemplated in the cost benefit analysis undertaken by the Authority) and disruption to consumer migration to Meridian. We note that:
- (a) Flick has confirmed it has explored what is required to build a system to provide the T3.7 information and estimates it would take at least three weeks to complete, and it would need to divert key personnel away from work on the migration of customers, creating a material risk that migration will not be completed by 30 September 2025;
 - (b) compliance with T3.7 in these circumstances risks delays to the migration of customers and the associated need for an extension of the TSA at an estimated cost of \$1.65 million. We accept that this is a real risk and that this risk would be significantly reduced if the exemption was granted. These costs would be incurred by Meridian and would likely flow through to customers;
 - (c) the T3.7 information is important for understanding where customers are in terms of payments, and to identify which customers are in payment difficulty, as well as to connect to other information such as disconnections. However, other billing information provided in Table 3 does provide valuable insights independently of the opening balance information.

5.13 It is also relevant that:

- (a) Flick is planning to close its operations on 30 September 2025. While it remains set up to comply with the TSA, it has less additional capacity and resource than an ongoing retail business would have. The extra resources required to comply with T3.7, T3.20 and T3.21 will be more challenging in these circumstances
- (b) unlike retailers remaining in the market who benefit from reduced compliance costs over time (mitigating the impacts of the upfront cost), for Flick these benefits will not arise
- (c) Meridian and Flick have made considerable efforts to meet the requirements of the RMM Notice to date, including engaging with the Authority on the issues faced and attending all Authority information sessions/webinars on how to comply with the RMM Notice and exploring alternative ways to comply.

Table 3 requirements - Net import lines charges/ Net export lines charges (T3.20 and T3.21)

- 5.14 The information required by T3.20 and T3.21 is not calculated by most retailers at a customer or billing level and compliance would involve building systems to retrospectively calculate the values. Flick is, accordingly, not unique in this respect.
- 5.15 However, we accept that the resources required to meet T3.21 and T3.22 risk delaying migration of customers beyond 30 September 2025 and the need to extend the TSA at considerable cost (particularly when coupled with the additional resources that would be required to meet T3.7).
- 5.16 We note that the main value in this information is providing insights into how distribution costs get passed to customers by retailers and may inform future policy decisions about how retailers are required to pass through these costs. As Flick is closing its business the insight from this data will be of less value.

Exemption from provision of data past September 2025

- 5.17 Meridan seeks an exemption from Tables 1 - 7 of the RMM Notice for data covering the period after September 2025, given it expects less than 1,000 ICP's to be remaining in September 2025 with these remaining ICPs transferred to Meridan before mid-September.
- 5.18 The Authority notes that the information required for September 2025 is due under the RMM Notice by 31 October 2025. We accept it may be difficult to provide all information a month earlier to fall within the term of the TSA (noting the Table 8 information can be provided within this timeframe). As noted above, extending the TSA beyond 30 September 2025 involves considerable additional cost (\$1.65 million).
- 5.19 The exemption sought would avoid the risk of additional costs where any impacts on the intended benefits of the RMM Notice would be modest (given the small number of ICPs and the limited time period involved). As for retailers with less than 1,000 ICPs, Flick on Meridan's behalf will provide the Table 8 information for the September 2025 period by 30 September 2025.

Impact on competition

- 5.20 The Authority considers that granting the exemption has a minimal negative impact on competition. This is because any impact on the benefits of the RMM Notice are likely to be modest given the small amount of data exempted for a limited time period (all FLCK code ICPs are intended to be transferred by mid-September 2025).
- 5.21 We have taken account of the following factors:
- (a) the FLCK code information over 2025 will provide valuable insights into the operation of the market (particularly due to its novel customer base) and contribute to the Authority's ability to undertake proactive, effective regulatory interventions to deliver long-term benefits for consumers
 - (b) Flick has over 38,000 ICPs and is the 9th largest retailer, so considerably above the 1,000 ICP threshold under RMM Notice which exempts retailers under 1,000 ICPs from complying with Tables 1 - 7 of the RMM Notice.
- 5.22 However, the vast majority of information sought under the RMM Notice for FLCK code customers will be provided to the Authority, enabling the intended benefits of the RMM Notice to be achieved.
- 5.23 The improvements in efficiency and the additional objective of protection of small consumers discussed above outweigh the small negative impact on competition.

Impact on reliability

- 5.24 The Authority considers that granting the exemption does not have an impact on reliability.

6. The exemption meets the tests in the Act and Code

- 6.1 The Authority has concluded that compliance with T3.7, T3.20 and T3.21 in Table 3 and compliance with Tables 1 - 7 for the period from September 2025 is not necessary for the purpose of the Authority meeting its statutory objectives. Accordingly, the exemption is granted under section 11(2)(a) of the Act.
- 6.2 In the unique circumstances of Meridan's purchase of Flick, the Authority is satisfied:
- (a) there is a risk compliance with these requirements in the RMM Notice will involve material additional costs (not contemplated in the cost benefit undertaken by the Authority) and disruption to the smooth transition of Flick customers to Meridan
 - (b) granting an exemption will have relatively minor impacts on the benefits that the RMM Notice is intended to provide, including because of the limited information that would be

omitted, the value of some of this information in the context of Flick exiting the market and the limited time periods involved.

- 6.3 For completeness, we considered whether granting the exemption would better achieve the Authority’s objectives than requiring compliance (the test in section 11(2)(b) of the Act). This would require the Authority to be satisfied that the exemption would better promote efficiency and protection of small consumer objectives and that this outweighs competition and efficiency benefits in providing a complete dataset. Given our view the test in section 11(2)(a) of the Act is met, we consider it unnecessary to make a formal decision under section 11(2)(b) of the Act.

7. Attachments

- 7.1 The following appendices are attached to this paper:

Appendix A	Meridian’s exemption application
Appendix B	Draft Gazette notice

Appendix A Meridian's exemption application

Application for an exemption from the Electricity Industry Participation Code 2010

Please complete and return to compliance@ea.govt.nz

Date: 23 July 2025

1. Who is the exemption for?

Give the full legal company (or otherwise) name and address of the participant seeking the exemption and the relevant details of the contact person for the exemption. The application must be made by the participant that the exemption will apply to, though other parties (participants or otherwise) may be involved in the process.

Meridian Energy Limited
Level 2, 98 Customhouse Quay
Wellington 6011

Sam Fleming
Manager Regulatory and Government Relations
s 9(2)(a)
sam.fleming@meridianenergy.co.nz

2. When is the exemption required?

Specify the date when a decision is needed and when any exemption granted would need to be gazetted (active). For all non-urgent applications, please [refer to the Authority's instructions](#). If the application is urgent, please include the reasons for seeking urgent consideration.

The exemption would be required from 31 August 2025, the date that obligations under the Retail Market Monitoring Notice published under clause 2.16 of the Code (*the Notice*) take effect. We would appreciate the Authority considering this application as soon as possible to give Meridian and Flick certainty regarding next steps.

Urgent consideration is requested given the context of Meridian's purchase of Flick assets, including the FLCK participant code. Flick Energy Limited will be shutting down its systems and will no longer have people to support the provision of information after the Transition Services Agreement period with Meridian, which at this stage is planned for 30 September 2025. Granting an urgent exemption will enable Flick to focus resources on the smooth transition of customers over to Meridian.

3. What do you want an exemption from?

Give the provisions of the Code from which the exemption is sought.

We are seeking two exemptions specific to the FLCK participant code as follows:

- A limited exemption from submitting three specific pieces of data requested in Table 3 of the Notice. Specifically, data requirements 3.7, 3.20 and 3.21. This exemption would apply to data reported for the period 1 Jan 2025 – 31 August 2025.
- A full exemption from the Notice in respect of the FLCK participant code for periods after August 2025. This would mean the last submission of data for the FLCK participant code would be in September 2025 for the month of August 2025.

These would be limited exemptions from clause 2.20 of the Code, which requires each participant to whom a notice applies to provide to the Authority the information specified in the notice.

4. Why are you seeking this exemption?

Please specify the problem that the exemption would resolve, reasons for the problem arising, and how the exemption would address this problem.

This exemption is sought under the exceptional circumstances of Meridian's purchase of Flick assets, and its intention to transition all customers on the FLCK code to an alternate Meridian participant code over August and September 2025.

For context:

- On 12 May 2025, Flick entered into an agreement with Meridian for the sale of its assets (hedges, customers, and brand).
- The completion date for the deal is 22 July 2025. On this date Flick will transfer its participant code (FLCK) to Meridian.
- A Transition Services Agreement (TSA) is in place whereby Flick will continue to serve Flick customers and uphold compliance obligations under the FLCK code on behalf of Meridian. This services agreement will cease on 30 September 2025 unless Meridian exercise their option to extend for an additional 2 months.
- It is intended that all Flick customers will be transferred to a Meridian participant code during the TSA period. Migration is expected to be in large batches throughout August with a potential wash up of remaining ICPs in the first half of September 2025 (see indicative migration timeline below).
- While the obligation for reporting under the Notice for the FLCK code now sits with Meridian, Flick is obliged under the TSA to report this information on behalf of Meridian. All the necessary data is held in Flick systems, and not all will be transferred to Meridian.

Both exemptions sought will enable the Flick team to focus on a smooth and effective transition of customers over to Meridian, reducing the risk of additional costs being incurred through the transition period which may be passed on to consumers.

Indicative customer migration timeline as of 23 July 2025:

Week	18-22 Aug	25-29 Aug	1-5 Sept
ICPs	15500	19740	Wash up (<1000)
Cumulative	15500	35240	

Exemption sought for the specific data requirements in Table 3

The exemption sought for the specific data requirements in Table 3 is sought due to the complexity of system enhancements required to compile the information, coupled with the fact that Flick will be shutting down operations and systems at the cessation of the TSA period. The complexities in respect of this information are summarised below:

Data requirement	Complexity
<p>T3.7 – Opening Balance</p> <p>Balance at start of the payment cycle (or start of month for prepay customers). For example, if the customer owes \$100 total at start of the payment cycle set this field to '100'. If the customer does not owe any amount eg, if they paid their last bill on time, set this field to '0'. If the customer is in credit (eg, prepay or overpaid previous month) indicate this with a negative sign eg, if the</p>	<p>Producing this data would require a fundamental change in the Flick billing engine. Opening balances are calculated as a running balance at the time an invoice is generated, this value is not stored in the Flick systems.</p> <p>To back-calculate these opening balances would require using billing and transaction data far prior to 2025 to ensure historic balances were carried through to the current periods, recalculating every</p>

<p>customer has \$50 credit remaining on their account set this field to '-50'</p>	<p>transaction and bill over the required timeframe. The structure of the Flick platform makes this prospect extremely resource intense.</p> <p>Balances would be further confused by the Flick Bill Smoother product, which can result in credit being held on an account. The Flick system does not differentiate this credit from other types of credit held in the system, so is unable to be stripped out.</p>
<p>T3.20 – Net import lines charges</p> <p>Portion of total billed that is to cover the costs of connection to the distribution network in order to import electricity to the ICP(s) associated with this account.</p> <p>Import line charges should be net of any distributor discounts and dividend payments. The definition of discount is consistent with the definition of discount and customer rebate for EDBs given by the Commerce Commission</p>	<p>These are not calculated at a customer or billing level within Flick systems. To meet this obligation, we will therefore have to build a full 'shadow' billing engine to retrospectively calculate each of these values at a half hour level, given Flick retail offerings typically differ from networks' pricing structures.</p> <p>Beyond this, distributor discounts and dividends add further complexity on a month-to-month basis to incorporate, these are not held within the Flick billing engine and are handled by a stand-alone process.</p>
<p>T3.21 – Net export lines charges</p> <p>Estimate of the portion of total billed that is to cover the costs of connection to the distribution network in order to export electricity from the ICP(s) associated with this account.</p> <p>Export line charges should be net of any distributor discounts and dividend payments. The definition of discount is consistent with the definition of discount and customer rebate for EDBs given by the Commerce Commission.</p>	<p>As above, however we note the majority of networks do not charge additional rates for solar export.</p>

Exemption for periods after August 2025

The exemption for periods after August 2025 is sought on the basis that our current planned migration is to switch all customers off the FLCK code by the end of September with the vast majority migrated by the end of August 2025. We do not consider the information for a small subset of FLCK customers for a part month material for the purpose of achieving the Electricity Authority's objectives under the Act and the Notice. Further, provision of data for the September period by FLCK in October would necessitate an extension of the TSA period, resulting in significant cost to Meridian (outlined further in 6(c) below).

Currently we anticipate less than 1,000 customers remaining on the FLCK code at the start of September with the intention to migrate them over to a Meridian code in a final wash up early in the month. These customers will be included in Meridian's reporting for September from the date they are migrated. Information for these customers will be included in Meridian's reporting for the September period.

5. What alternatives to the exemption have been explored?

Please list the alternative solutions that have been explored and give details of why they are not suitable to address the problem.

Exemption for the specific data requirements in Table 3

We have explored building the functionality to deliver all reporting requirements under the Notice – this may be plausible; however, it would add significant additional cost and effort for Flick Energy Limited (a party exiting the market) and there is a risk that if resources are diverted away from the customer transition to ensure compliance the migration could be delayed. A delay in migration could trigger a 2-month extension to the TSA at significant cost to Meridian. Those costs may ultimately flow through to consumers over time.

We have also considered other methods of providing approximations of the data requested under the Notice. For example, for 3.20 and 3.21 we could derive the numbers from EIEP1 reporting. This would be imperfect data and would lead to several anomalies (for example when a customer switches during the period) and would not include dividends from networks. We are open to further discussing such an approach with the Authority.

Exemption for periods after August 2025

We have considered bringing Flick's data into Meridian's systems to enable submission – this is not a plausible approach given the differences in systems being used and how the data is stored.

We have explored Flick preparing the reporting after all customers have switched out and been billed, but prior to the end of the TSA period. This approach is plausible, but as with all software projects there is an element of timeline risk to the project, and we do not consider that there is enough time from the final customer switching out, Flick receiving metering data and producing final bills to enable this information to be produced by the end of September.

6. What effects will granting the exemption have on achieving the Authority's statutory objectives?

The Electricity Industry Act 2010 (Act) only permits the Authority to grant an exemption if it is satisfied that (a) it is not necessary, for the purpose of achieving the Authority's objectives under section 15, for the participant to comply with the Code or the specific provisions of the Code or (b) exempting the participant from the requirement to comply with the Code or the specific provisions of the Code would better achieve the Authority's objectives than requiring compliance.

To enable the Authority to be satisfied that compliance with the Code is not necessary to achieve the Authority's objectives under section 15, or that an exemption would better achieve the Authority's objectives than requiring compliance, please address the following questions:

- a) *Please explain, with reasons, what impact (positive or negative) granting the exemption would have on the Authority's ability to promote competition in the electricity industry for the long-term benefit of consumers?*

Given the large volume of data covered by the request, and uncertainty regarding the Authority's use of the data collected, it is difficult to assess the impact an exemption would have on the Authority's ability to promote competition. However, we note that granting the exemption would lessen the impact of costly reporting obligations on a participant that is exiting the market. In the absence of the exemption, the imposition of significant costs could lessen competition in the retail market to the extent it deters new entrants.

We also make the following observations related to the specific exemptions we are seeking:

3.7 – Opening Balance: While we understand that tracking customer overall balances may provide insight into customer hardship, this can be clouded by the application of hardship credits, promotional credits, network credits and other non-standard activity on accounts. It will be difficult to draw significant insights from this data point. Regardless, this data would only be absent from the retrospective elements of the Notice. Going forward, the Authority would have a complete data set.

3.20 - Net import lines charges: Distribution charges should be consistent across the industry on a per kWh basis within networks. If this information was deemed necessary, the Authority could create a reasonably accurate estimate based on the wider data set without impacting their ability to meet objectives.

3.21 – Net export lines charges: Very few networks currently have specific charges related to export and FLCK only services approximately 1,500 customers with export capable meters, therefore the impact of this information is likely to be negligible.

- b) *Please explain, with reasons, what impact (positive or negative) granting the exemption would have on the Authority's ability to promote reliability of supply for the long-term benefit of consumers?*

Granting the exemption would not impact the Authority's ability to promote reliability of supply for the long-term benefit of consumers. The information we are applying to be exempt from providing is not relevant to reliability of supply.

- c) *Please explain, with reasons, what impact (positive or negative) granting the exemption would have on the Authority's ability to promote efficiency for the long-term benefit of consumers?*

Granting the exemption would likely have minor but positive impact on the Authority's ability to promote efficiency for the long-term benefit of consumers. Granting the exemption would significantly reduce the cost of the reporting obligations and enable Flick resources to focus on a smooth customer migration process. In the absence of the exemption, there may be a consumer detriment due to:

- disruption to the migration process leading to consumer uncertainty, frustration, and increased enquiry and switching costs; and/or
- costs of \$1.8 million to Meridian to extend the TSA to enable submission of September 2025 data in October 2025 in respect of a small number of ICPs that may need to be washed up (the cost per ICP would be significant and may ultimately be passed on to consumers in some form).

The absence of the exempt information would not likely impact the Authority's ability to promote efficiency due to the limited data set covering a small number of ICPs. Going forward, the Authority will have a complete data set and will have no less ability to promote efficiency.

- d) *If applicable to your application, please explain, with reasons, what impact (positive or negative) granting the exemption would have on the Authority's ability to protect the interests of domestic consumers and small business consumers in relation to the supply of electricity to those consumers?*

None.

7. In your opinion, should the exemption be granted with terms or conditions? In your opinion, what terms or conditions would reasonably be considered necessary?

For the exemption for periods beyond August 2025 – it may be reasonable to grant this on the condition of the TSA ceasing at the end of September 2025. Meridian has until the end of August 2025 to trigger an extension of the TSA.

8. Are there any previous similar exemptions?

Identify any previous exemptions you have been granted, or that you are aware have been granted to other participants, that are similar to the exemption you seek, and which may provide a guide to how your application could be considered. State how the other exemptions are similar to, and different from, the exemption you are seeking.

None that we are aware of.

9. What impact will granting the exemption have on the overall scheme of the Code?

Explain what impact, in your opinion, the granting of the exemption will have on your, and other participants', ability to comply with other provisions of the Code.

None.

10. What effects will there be on other participants?

Describe who may be affected by the granting of the exemption and how they might be affected, including market operation service providers, and any costs and benefits to them (for example, whether there will be any financial or commercial effect on other participants or, if this exemption was granted to another participant, the effect it would have on you).

None.

11. How long do you need the exemption for?

Bearing in mind that an exemption is intended to be an interim measure until a permanent solution is implemented, specify how long you are seeking the exemption for. Additionally, please include details if there is a specific event (such as a substation upgrade, or the customer switches to another trader etc) that may mean that the exemption could end sooner. Give reasons for the period that you specify.

We are seeking exemptions for the FLCK participant code only. The requested exemption for specific Table 3 data for the period 1 January 2025 to 31 August 2025 is a one-off exemption at a point in time. The requested exemption from the Notice in its entirety for periods after August 2025 may cease after the end of the month following the migration of the last ICP from the FLCK participant code. Meridian will continue to provide the requested information for all other Meridian participant codes.

Appendix B Draft gazette notice

DRAFT

Exemption Under Section 11(1) of the Electricity Industry Act 2010 to Exemption No. 356 (Meridian Energy Limited)

In accordance with section 11(1) of the Electricity Industry Act 2010 (“Act”), the Electricity Authority (“Authority”) gives the following notice.

Notice

1. **Exemption**—The following persons are exempted from the requirement in clause 20(1) of the Electricity Industry Participation Code 2010 (“Code”) to comply with the Retail Market Monitoring Notice (“RMM Notice) published by the Authority
 - a. Meridian Energy Limited (“Meridian”)
2. **Conditions**—
 - a. this exemption applies to FLCK participant code customer data only
 - b. Meridan will comply with all requirements of the RMM Notice for FLCK participant code customer data with the exception of the following:
 - i. T 3.7, T 3.20 and T 3.21 of Table 3 of the RMM Notice for data covering the period 1 January to 31 July 2025 and the month of August 2025;
 - ii. Tables 1 to 7 of the RMM Notice for data from 1 September 2025 subject to the condition the transitional services agreement (“TSA”) between Meridian and Flick Electric Limited (“Flick”) is not extended beyond 30 September 2025
 - c. This exemption expires when the RMM Notice ceases to be in effect or if the requirements in (i) and (ii) are earlier removed from the RMM Notice
3. The reasons for granting exemption on 11 August 2025 under section 11(2) of the Act are:
 - a. Meridan purchased the FLCK participant code from Flick on 22 July 2025 and intends to transfer all FLCK participant code installation connection points (ICPs) to existing Meridian participation codes by the end of September 2025. Under the TSA, Flick is responsible for meeting the RMM Notice obligations for FLCK participation code customer data and migrating the FLCK participation code customers to Meridian.
 - b. The Authority is satisfied that it is not necessary for the purpose of achieving the Authority’s objectives under section 15 of the Act for Meridan to comply with clause 20(1) in respect of the parts of the RMM Notice referred to in paragraph 2(b)i and ii above because granting the exemption will:
 - i. improve efficiency
 - ii. have a small positive impact on protection of domestic consumers and small businesses
 - iii. have a minimal negative impact on competition
 - iv. reliability is not expected to be affected by granting of the amendment

Dated at Wellington this day of August 2025
For and on behalf of the Authority:

ANNA KOMINIK, Chair,
Electricity Authority

Electricity Authority Board**E-Resolution: 089-2025**

Subject: **Decision: Approval of Meridian exemption from Retail Market Monitoring Notice****Authors:** Catherine Marks**Date:** 8/08/2025**Board response requested by:** 13/08/2025

1. Purpose

- 1.1. This e-resolution paper seeks the Board's approval of an application by Meridian Energy Limited (Meridian) for an exemption under section 11 of the Electricity Industry Act 2010 (Act) from the requirement under clause 2.20(1) of the Electricity Industry Participation Code 2010 (Code) to comply with the Retail Market Monitoring Notice (RMM Notice).

2. Recommendations

- 2.1. It is recommended the Board:

- (a) **approve** Meridian's application for an exemption from the requirement under clause 2.20(1) of the Code to comply with the RMM Notice for FLCK code customer data subject to the following conditions:
- (i) this exemption applies to FLCK code customer data only
 - (ii) Meridan will comply with the requirements of the RMM Notice for FLCK code customer data with the exception of:
 - a. T 3.7, T 3.20 and T 3.21 of Table 3 of the RMM Notice for data covering the period 1 January to 31 July 2025 and the month of August 2025;
 - b. Tables 1 to 7 of the RMM Notice for data from 1 September 2025 subject to the condition the transitional services agreement (TSA) between Meridian and Flick is not extended beyond 30 September 2025
 - (iii) the exemption expires when the RMM Notice ceases to be in effect or if the requirements in (i)a. and b. above are earlier removed from the RMM Notice.
- (b) **approve** the publication of the final decision paper: Exemption application – Meridian clause 20(1) (FLCK code) attached as Appendix A
- (c) **delegate** authority to the Chief Executive to finalise and publish the final decision paper, if any amendments are required after considering any feedback from the Board or from Meridian (who will receive a copy to fact check)

- (d) **delegate** authority to the Chair, or any other Authority member if the Chair is unavailable, to finalise and sign the *Gazette notice* attached as Appendix B.

3. Background

RMM Notice

- 3.1. The RMM Notice was issued under clause 2.16 of the Code in March 2025 and requires retailers to report the domestic and small business customer information outlined in Tables 1 to 8 of the RMM Notice. Data for the period 1 January 2025 to 31 July 2025 is to be provided by 31 August 2025, and then on a monthly basis.
- 3.2. Retailers with less than 1,000 ICPs are required to comply with only Table 8 in the RMM Notice (which covers Consumer Care Obligation information). Otherwise, all retailers are required to provide all information in Tables 1 to 8.

Meridian's application

- 3.3. The application is made in the context of the unique circumstances of Meridian's purchase of Flick Limited (Flick) on 22 July 2025. The majority of Flick customers are expected to be transferred to the Meridian code by the end of August 2025, with a wash-up of the remaining ICPs by mid-September 2025.
- 3.4. While Meridian is now responsible for provision of FLCK code data under the RMM Notice, it has entered into a TSA with Flick where Flick will continue to serve Flick customers and uphold compliance obligations under the FLCK code on behalf of Meridian. Accordingly, Flick is taking steps to comply with the RMM Notice using its existing systems and provide that information directly to the Authority (the Flick data will not be transferred to Meridian).
- 3.5. Meridian is seeking a limited exemption from requirements for three data requirements in Table 3 of the RMM Notice for data covering 1 January 2025 to 31 July 2025 and the month of August 2025 (Table 3 covers billing data) and from the requirements in Tables 1 to 7 of the RMM Notice for data after 31 August 2025.
- 3.6. Meridian says compliance with the three data requirements in Table 3 of the RMM Notice will involve significant complexity as the specific requirements do not align with Flick's systems. To comply, Flick will be required to build new systems and recalculate data.
- 3.7. Meridian submits that there is a real risk the resources required to comply would slow the transition process, divert resources from supporting customers, and require extension of the TSA at considerable cost. There is also a risk the TSA would need to be extended if reporting was required for September (for the likely less than 1000 ICPs left).
- 3.8. Meridian advises that any exercise the TSA extension option must be for 2 months and would cost \$1.65m (excluding GST) \$825,000 per month. Meridian has referred staff to the relevant TSA provision.
- 3.9. The exemption is sought from clause 2.20(1) of the Code which requires participants to comply with a clause 2.16 notice.
- 3.10. Meridian has asked that its application be processed on an urgent basis. Pending a final decision Flick will need to continue to divert resources to compliance with the three data requirements, increasing risks of disruption and the extension of the TSA. Flick has advised ideally a decision would be made by the end of the week of 11 August 2025.

4. The Authority's rationale

- 4.1. The relevant test under section 11 of the test is whether compliance is necessary for the purpose of meeting the Authority's objective.
- 4.2. In the unique circumstances of Meridian's purchase of Flick, the draft decision paper concludes that the test is satisfied including because:

- (a) there is a real risk compliance with the requirements referred to by Meridian in the RMM Notice will involve considerable additional cost (not contemplated in the cost benefit undertaken by the Authority) which would be passed on to consumers. It also risks disruption to the smooth transition of Flick customers to Meridian
- (b) granting an exemption will have relatively minor impacts on the benefits that the RMM Notice is intended to provide, including because of the limited information that would be omitted, the value of some of this information in the context of Flick exiting the market and the limited time periods involved.

4.3. Overall, the draft decision paper concludes granting the exemption would improve efficiency and the additional objective of protection of small consumers outweighing the small negative impact on competition due to less data. This is where the vast majority of information sought under the RMM Notice for FLCK code customers will be provided to the Authority, enabling the intended benefits of the RMM Notice to be achieved.

4.4. Note that the draft decision paper carefully considers the impact of omission of the data sought under T3.7, T3.20 and T3.21 and considers these impacts are limited:

- (a) The T3.7 required opening balance information. While the information is useful, omission will not impact the analysis of the other billing data requested under Table 3.
- (b) The T3.20 and T3.21 data is for network import and export line charges. This is likely to have less value for a retailer that is exiting the market.

4.5. Note that:

- (a) Meridian advised while the terms of the TSA are commercially sensitive, details referred to in the Decision paper (monthly charges and ability to extend for two months) have been disclosed publicly in the NZX announcement– if approved we intend to provide Meridian with a copy before publication to fact check and identify any other commercially sensitive information
- (b) Meridian has confirmed it will be complying the Customer Care Obligations annual compliance report in relation to FLCK code customers.

5. Risks

5.1. S 9(2)(h) legal privilege

[REDACTED]

6. Next steps

6.1. Should the Board approve the recommendations, staff will:

- (a) send an embargoed copy of the final decision paper to Meridian for fact checking on 15 August 2025
- (b) finalise the final decision paper with any changes made from feedback received
- (c) publish the final decision paper by 16 August 2025
- (d) publish the amended exemption in the New Zealand Gazette by 16 August 2025

7. Attachments

7.1. The following appendices are attached to this paper:

- Appendix A Exemption decision
- Appendix B Draft gazette notice
- Appendix C Meridian exemption application

Board Reponses	Agree/Disagree Recommendation	Date
Anna Kominik (Chair)		
Dr Cristiano Marantes		
Paula Rose		
Lana Stockman		
Erik Westergaard		

Appendix A Meridian exemption decision

Appendix B Draft Gazette notice

Exemption Under Section 11(1) of the Electricity Industry Act 2010 to Exemption No. 346 (Meridian Energy Limited)

In accordance with section 11(1) of the Electricity Industry Act 2010 (“Act”), the Electricity Authority (“Authority”) gives the following notice.

Notice

1. **Exemption**—The following persons are exempted from the requirement in clause 20(1) of the Electricity Industry Participation Code 2010 (“Code”) to comply with the Retail Market Monitoring Notice (“RMM Notice”) published by the Authority
 - a. Meridian Energy Limited (Meridian).
2. **Conditions**—
 - a. This exemption applies to FLCK participant code data only
 - b. Meridian will comply with the requirements of the RMM Notice for the FLCK participant code with the exception of the following requirements:
 - i. T 3.7, T 3.20 and T 3.21 of Table 3 of the RMM Notice for data covering the period 1 January to 31 July 2025 and the month of August 2025;
 - ii. Tables 1 to 7 of the RMM Notice for data from 1 September 2025 subject to the condition the transitional services agreement (TSA) between Meridian and Flick is not extended beyond 30 September 2025
 - c. This exemption expires when the RMM Notice ceases to be in effect or if the requirements in (i)a. and b. above are earlier removed from the RMM Notice
3. The reasons for granting exemption on 13 August 2025 under section 11(2) of the Act are:
 - a. Meridian purchased the FLCK participant code on 22 July 2025 and intends to transfer all FLCK participant code ICPs to Meridian by the end of September 2025. Under the TSA, Flick is responsible for meeting the RMM Notice obligations and migrating the FLCK code customers to Meridian.
 - b. The Authority is satisfied that it is not necessary, for the purpose of achieving the Authority’s objectives under section 15 of the Act, for Meridian to comply with clause 20(1) in respect of the parts of the RMM Notice referred to in paragraph 2(a)i and ii above because granting the exemption will:
 - i. improve efficiency
 - ii. have a small positive impact on protection of domestic consumers and small businesses
 - iii. have a minimal negative impact on competition
 - iv. reliability is not expected to be affected by granting of the amendment

Dated at Wellington this day of July 2025

For and on behalf of the Authority:

ANNA KOMINIK, Chair,
Electricity Authority

Appendix C Meridian application

Application for an exemption from the Electricity Industry Participation Code 2010

Please complete and return to compliance@ea.govt.nz

Date: 23 July 2025

1. Who is the exemption for?

Give the full legal company (or otherwise) name and address of the participant seeking the exemption and the relevant details of the contact person for the exemption. The application must be made by the participant that the exemption will apply to, though other parties (participants or otherwise) may be involved in the process.

Meridian Energy Limited
Level 2, 98 Customhouse Quay
Wellington 6011

Sam Fleming
Manager Regulatory and Government Relations

s 9(2)(a)

sam.fleming@meridianenergy.co.nz

2. When is the exemption required?

Specify the date when a decision is needed and when any exemption granted would need to be gazetted (active). For all non-urgent applications, please refer to the Authority's instructions. If the application is urgent, please include the reasons for seeking urgent consideration.

The exemption would be required from 31 August 2025, the date that obligations under the Retail Market Monitoring Notice published under clause 2.16 of the Code (*the Notice*) take effect. We would appreciate the Authority considering this application as soon as possible to give Meridian and Flick certainty regarding next steps.

Urgent consideration is requested given the context of Meridian's purchase of Flick assets, including the FLCK participant code. Flick Energy Limited will be shutting down its systems and will no longer have people to support the provision of information after the Transition Services Agreement period with Meridian, which at this stage is planned for 30 September 2025. Granting an urgent exemption will enable Flick to focus resources on the smooth transition of customers over to Meridian.

3. What do you want an exemption from?

Give the provisions of the Code from which the exemption is sought.

We are seeking two exemptions specific to the FLCK participant code as follows:

- A limited exemption from submitting three specific pieces of data requested in Table 3 of the Notice. Specifically, data requirements 3.7, 3.20 and 3.21. This exemption would apply to data reported for the period 1 Jan 2025 – 31 August 2025.
- A full exemption from the Notice in respect of the FLCK participant code for periods after August 2025. This would mean the last submission of data for the FLCK participant code would be in September 2025 for the month of August 2025.

These would be limited exemptions from clause 2.20 of the Code, which requires each participant to whom a notice applies to provide to the Authority the information specified in the notice.

4. Why are you seeking this exemption?

Please specify the problem that the exemption would resolve, reasons for the problem arising, and how the exemption would address this problem.

This exemption is sought under the exceptional circumstances of Meridian's purchase of Flick assets, and its intention to transition all customers on the FLCK code to an alternate Meridian participant code over August and September 2025.

For context:

- On 12 May 2025, Flick entered into an agreement with Meridian for the sale of its assets (hedges, customers, and brand).
- The completion date for the deal is 22 July 2025. On this date Flick will transfer its participant code (FLCK) to Meridian.
- A Transition Services Agreement (TSA) is in place whereby Flick will continue to serve Flick customers and uphold compliance obligations under the FLCK code on behalf of Meridian. This services agreement will cease on 30 September 2025 unless Meridian exercise their option to extend for an additional 2 months.
- It is intended that all Flick customers will be transferred to a Meridian participant code during the TSA period. Migration is expected to be in large batches throughout August with a potential wash up of remaining ICPs in the first half of September 2025 (see indicative migration timeline below).
- While the obligation for reporting under the Notice for the FLCK code now sits with Meridian, Flick is obliged under the TSA to report this information on behalf of Meridian. All the necessary data is held in Flick systems, and not all will be transferred to Meridian.

Both exemptions sought will enable the Flick team to focus on a smooth and effective transition of customers over to Meridian, reducing the risk of additional costs being incurred through the transition period which may be passed on to consumers.

Indicative customer migration timeline as of 23 July 2025:

Week	18-22 Aug	25-29 Aug	1-5 Sept
ICPs	15500	19740	Wash up (<1000)
Cumulative	15500	35240	

Exemption sought for the specific data requirements in Table 3

The exemption sought for the specific data requirements in Table 3 is sought due to the complexity of system enhancements required to compile the information, coupled with the fact that Flick will be shutting

down operations and systems at the cessation of the TSA period. The complexities in respect of this information are summarised below:

Data requirement	Complexity
<p>T3.7 – Opening Balance</p> <p>Balance at start of the payment cycle (or start of month for prepay customers). For example, if the customer owes \$100 total at start of the payment cycle set this field to '100'. If the customer does not owe any amount eg, if they paid their last bill on time, set this field to '0'. If the customer is in credit (eg, prepay or overpaid previous month) indicate this with a negative sign eg, if the customer has \$50 credit remaining on their account set this field to '-50'</p>	<p>Producing this data would require a fundamental change in the Flick billing engine. Opening balances are calculated as a running balance at the time an invoice is generated, this value is not stored in the Flick systems.</p> <p>To back-calculate these opening balances would require using billing and transaction data far prior to 2025 to ensure historic balances were carried through to the current periods, recalculating every transaction and bill over the required timeframe. The structure of the Flick platform makes this prospect extremely resource intense.</p> <p>Balances would be further confused by the Flick Bill Smoother product, which can result in credit being held on an account. The Flick system does not differentiate this credit from other types of credit held in the system, so is unable to be stripped out.</p>
<p>T3.20 – Net import lines charges</p> <p>Portion of total billed that is to cover the costs of connection to the distribution network in order to import electricity to the ICP(s) associated with this account.</p> <p>Import line charges should be net of any distributor discounts and dividend payments. The definition of discount is consistent with the definition of discount and customer rebate for EDBs given by the Commerce Commission</p>	<p>These are not calculated at a customer or billing level within Flick systems. To meet this obligation, we will therefore have to build a full 'shadow' billing engine to retrospectively calculate each of these values at a half hour level, given Flick retail offerings typically differ from networks' pricing structures.</p> <p>Beyond this, distributor discounts and dividends add further complexity on a month-to-month basis to incorporate, these are not held within the Flick billing engine and are handled by a stand-alone process.</p>
<p>T3.21 – Net export lines charges</p> <p>Estimate of the portion of total billed that is to cover the costs of connection to the distribution network in order to export electricity from the ICP(s) associated with this account.</p> <p>Export line charges should be net of any distributor discounts and dividend payments. The definition of discount is consistent with the definition of discount and customer rebate for EDBs given by the Commerce Commission.</p>	<p>As above, however we note the majority of networks do not charge additional rates for solar export.</p>

Exemption for periods after August 2025

The exemption for periods after August 2025 is sought on the basis that our current planned migration is to switch all customers off the FLCK code by the end of September with the vast majority migrated by the end of August 2025. We do not consider the information for a small subset of FLCK customers for a part month material for the purpose of achieving the Electricity Authority's objectives under the Act and the Notice. Further, provision of data for the September period by FLCK in October would necessitate an extension of the TSA period, resulting in significant cost to Meridian (outlined further in 6(c) below).

Currently we anticipate less than 1,000 customers remaining on the FLCK code at the start of September with the intention to migrate them over to a Meridian code in a final wash up early in the month. These customers will be included in Meridian's reporting for September from the date they are migrated. Information for these customers will be included in Meridian's reporting for the September period.

5. What alternatives to the exemption have been explored?

Please list the alternative solutions that have been explored and give details of why they are not suitable to address the problem.

Exemption for the specific data requirements in Table 3

We have explored building the functionality to deliver all reporting requirements under the Notice – this may be plausible; however, it would add significant additional cost and effort for Flick Energy Limited (a party exiting the market) and there is a risk that if resources are diverted away from the customer transition to ensure compliance the migration could be delayed. A delay in migration could trigger a 2-month extension to the TSA at significant cost to Meridian. Those costs may ultimately flow through to consumers over time.

We have also considered other methods of providing approximations of the data requested under the Notice. For example, for 3.20 and 3.21 we could derive the numbers from EIEP1 reporting. This would be imperfect data and would lead to several anomalies (for example when a customer switches during the period) and would not include dividends from networks. We are open to further discussing such an approach with the Authority.

Exemption for periods after August 2025

We have considered bringing Flick's data into Meridian's systems to enable submission – this is not a plausible approach given the differences in systems being used and how the data is stored.

We have explored Flick preparing the reporting after all customers have switched out and been billed, but prior to the end of the TSA period. This approach is plausible, but as with all software projects there is an element of timeline risk to the project, and we do not consider that there is enough time from the final customer switching out, Flick receiving metering data and producing final bills to enable this information to be produced by the end of September.

6. What effects will granting the exemption have on achieving the Authority's statutory objectives?

The Electricity Industry Act 2010 (Act) only permits the Authority to grant an exemption if it is satisfied that (a) it is not necessary, for the purpose of achieving the Authority's objectives under section 15, for the participant to comply with the Code or the specific provisions of the Code or (b) exempting the participant from the requirement to comply with the Code or the specific provisions of the Code would better achieve the Authority's objectives than requiring compliance.

To enable the Authority to be satisfied that compliance with the Code is not necessary to achieve the Authority's objectives under section 15, or that an exemption would better achieve the Authority's objectives than requiring compliance, please address the following questions:

- a) *Please explain, with reasons, what impact (positive or negative) granting the exemption would have on the Authority's ability to promote competition in the electricity industry for the long-term benefit of consumers?*

Given the large volume of data covered by the request, and uncertainty regarding the Authority's use of the data collected, it is difficult to assess the impact an exemption would have on the Authority's ability to promote competition. However, we note that granting the exemption would lessen the impact of costly reporting obligations on a participant that is exiting the market. In the absence of the exemption, the imposition of significant costs could lessen competition in the retail market to the extent it deters new entrants.

We also make the following observations related to the specific exemptions we are seeking:

3.7 – Opening Balance: While we understand that tracking customer overall balances may provide insight into customer hardship, this can be clouded by the application of hardship credits, promotional credits, network credits and other non-standard activity on accounts. It will be difficult to draw significant insights from this data point. Regardless, this data would only be absent from the retrospective elements of the Notice. Going forward, the Authority would have a complete data set.

3.20 - Net import lines charges: Distribution charges should be consistent across the industry on a per kWh basis within networks. If this information was deemed necessary, the Authority could create a reasonably accurate estimate based on the wider data set without impacting their ability to meet objectives.

3.21 – Net export lines charges: Very few networks currently have specific charges related to export and FLCK only services approximately 1,500 customers with export capable meters, therefore the impact of this information is likely to be negligible.

- b) *Please explain, with reasons, what impact (positive or negative) granting the exemption would have on the Authority's ability to promote reliability of supply for the long-term benefit of consumers?*

Granting the exemption would not impact the Authority's ability to promote reliability of supply for the long-term benefit of consumers. The information we are applying to be exempt from providing is not relevant to reliability of supply.

- c) *Please explain, with reasons, what impact (positive or negative) granting the exemption would have on the Authority's ability to promote efficiency for the long-term benefit of consumers?*

Granting the exemption would likely have minor but positive impact on the Authority's ability to promote efficiency for the long-term benefit of consumers. Granting the exemption would significantly reduce the cost of the reporting obligations and enable Flick resources to focus on a smooth customer migration process. In the absence of the exemption, there may be a consumer detriment due to:

- disruption to the migration process leading to consumer uncertainty, frustration, and increased enquiry and switching costs; and/or
- costs of \$1.8 million to Meridian to extend the TSA to enable submission of September 2025 data in October 2025 in respect of a small number of ICPs that may need to be washed up (the cost per ICP would be significant and may ultimately be passed on to consumers in some form).

The absence of the exempt information would not likely impact the Authority's ability to promote efficiency due to the limited data set covering a small number of ICPs. Going forward, the Authority will have a complete data set and will have no less ability to promote efficiency.

- d) *If applicable to your application, please explain, with reasons, what impact (positive or negative) granting the exemption would have on the Authority's ability to protect the interests of domestic consumers and small business consumers in relation to the supply of electricity to those consumers?*

None.

7. In your opinion, should the exemption be granted with terms or conditions? In your opinion, what terms or conditions would reasonably be considered necessary?

For the exemption for periods beyond August 2025 – it may be reasonable to grant this on the condition of the TSA ceasing at the end of September 2025. Meridian has until the end of August 2025 to trigger an extension of the TSA.

8. Are there any previous similar exemptions?

Identify any previous exemptions you have been granted, or that you are aware have been granted to other participants, that are similar to the exemption you seek, and which may provide a guide to how your application could be considered. State how the other exemptions are similar to, and different from, the exemption you are seeking.

None that we are aware of.

9. What impact will granting the exemption have on the overall scheme of the Code?

Explain what impact, in your opinion, the granting of the exemption will have on your, and other participants', ability to comply with other provisions of the Code.

None.

10. What effects will there be on other participants?

Describe who may be affected by the granting of the exemption and how they might be affected, including market operation service providers, and any costs and benefits to them (for example, whether there will be any financial or commercial effect on other participants or, if this exemption was granted to another participant, the effect it would have on you).

None.

11. How long do you need the exemption for?

Bearing in mind that an exemption is intended to be an interim measure until a permanent solution is implemented, specify how long you are seeking the exemption for. Additionally, please include details if there is a specific event (such as a substation upgrade, or the customer switches to another trader etc) that may mean that the exemption could end sooner. Give reasons for the period that you specify.

We are seeking exemptions for the FLCK participant code only. The requested exemption for specific Table 3 data for the period 1 January 2025 to 31 August 2025 is a one-off exemption at a point in time. The requested exemption from the Notice in its entirety for periods after August 2025 may cease after the end of the month following the migration of the last ICP from the FLCK participant code. Meridian will continue to provide the requested information for all other Meridian participant codes.

From: Anthony Stewart <Anthony.Stewart@comcom.govt.nz>
Sent: Friday, 27 September 2024 1:32 pm
To: Doug Watt; Sarah Gifford
Cc: Tim Sparks; Airihi Mahuika; Tuong Nguyen; Sarah Gillies; Jacek Stachowski; Matthew Steiner
Subject: EA/Commerce Commission - discussion on gross pivotal data -meeting request

Hi Doug

Thanks for the reply. We are keen to have an initial chat to tell you what Concept Consulting has told us at the Commerce Commission about its gross pivotal analysis.

We will be publishing a submission from Concept Consulting about its gross pivotal analysis shortly but it is very common for us to replicate the analysis that is put to us. Concept Consulting advised that, essentially, the only way to replicate its work would be to talk to the EA.

We are free for a call on Tuesday at 10.30am or 12pm. Alternatively, if its not too short notice for you, we could have a call at 3pm Monday. Please let us know if one of these times would work for you and/or Tuong and we will send an invite.

Kind regards
Anthony



Anthony Stewart

Principal Investigator

Commerce Commission | Te Komihana Tauhokohoko

44 The Terrace | PO Box 2351 | Wellington 6140 | New Zealand

DD s 9(2)(a) | anthony.stewart@comcom.govt.nz

www.comcom.govt.nz

From: Doug Watt <Doug.Watt@ea.govt.nz>
Sent: Friday, September 27, 2024 12:35 PM
To: Sarah Gifford <Sarah.Gifford@comcom.govt.nz>; Anthony Stewart <Anthony.Stewart@comcom.govt.nz>
Cc: Tim Sparks <Tim.Sparks@ea.govt.nz>; Airihi Mahuika <Airihi.Mahuika@ea.govt.nz>; Tuong Nguyen <Tuong.Nguyen@ea.govt.nz>; Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Subject: RE: Contact/Manawa - expected clearance application to the Commerce Commission - initial request from Mergers Team

You don't often get email from doug.watt@ea.govt.nz. [Learn why this is important](#)

Hi Antony and Sarah.

The chart below is gross pivotal from our wholesale market review.

The review is here. https://www.ea.govt.nz/documents/2150/Review-of-structure-conduct-and-performance-in-the-wholesale-electricity-marke_x3BldLb.pdf

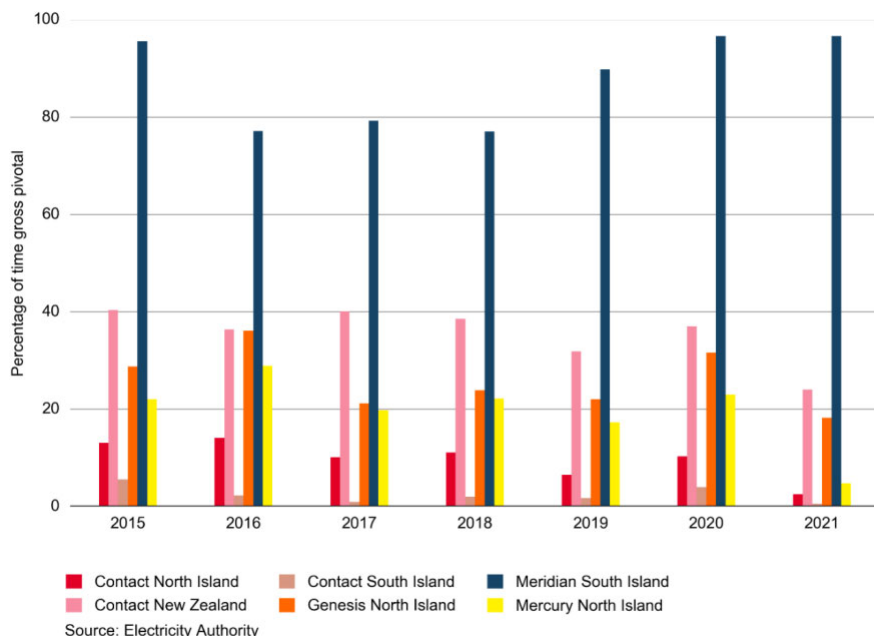
Gross pivotal is defined here: *Another measure that has been developed to overcome these criticisms is the pivotal supplier index (PSI). This measure takes into account both the supply side and demand conditions. It examines whether a given generator is necessary (ie, pivotal) in serving demand. A participant is pivotal if market demand exceeds the capacity of all other participants. In these circumstances, the participant must be dispatched (at least partly) to meet demand. The basic idea is to evaluate whether any firm is large enough relative to the market to allow it the ability to change its own output in a way that will affect the market price.*

Is this the measure you are after? I am asking because we have also done net pivotal in the past, which is a different thing.

This is done using a simulation to create this data. So we use historic data and change the offer prices *for the generator in question for all trading periods within some timeframe* to be “high”—high being beyond all other offers in the market. So the idea is that all other generators get dispatched first by the model before the generator in question gets dispatched. And the chart is simply the percentage of times they are dispatched.

Tuong is the main person to talk with. When we meet it would be a good idea to understand the timeframe you want to do this over (like 12 months, back to 2021 to match with the data below) and which generators you would like to do. Most likely it would be useful for us to do them all. We have never done Manawa/Trustpower before as it is unlikely that there will be any periods that it is necessary for dispatch as it is small.

Doug



From: Tim Sparks <Tim.Sparks@ea.govt.nz>

Sent: Friday, September 27, 2024 9:52 AM

To: Airihi Mahuika <Airihi.Mahuika@ea.govt.nz>; Doug Watt <Doug.Watt@ea.govt.nz>

Subject: FW: Contact/Manawa - expected clearance application to the Commerce Commission - initial request from Mergers Team

See below query from Manawa re net pivotal analysis.

From: Anthony Stewart <Anthony.Stewart@comcom.govt.nz>
Sent: Friday, 27 September 2024 9:42 am
To: Sarah Gillies <Sarah.Gillies@ea.govt.nz>; Tim Sparks <Tim.Sparks@ea.govt.nz>
Cc: Sarah Gifford <Sarah.Gifford@comcom.govt.nz>; Sam Holmes <Sam.Holmes@comcom.govt.nz>; Jessica White <Jessica.White@comcom.govt.nz>; Henry Fry <Henry.Fry@comcom.govt.nz>
Subject: Contact/Manawa - expected clearance application to the Commerce Commission - initial request from Mergers Team

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Dear Sarah and Tim

We wanted to let you know that the Commerce Commission expects to register the clearance application from Contact Energy for its proposed acquisition of Manawa Energy shortly. Sarah Gifford and myself will be the primary contacts in the Commission's Merger Team for this matter and, as we progress our investigation, we expect to be in regular contact with the EA.

However, we have an initial request for the EA in regards to data. We would like to speak to the EA staff, ideally next week, that have performed gross pivotal analysis.

- This is because we understand that Concept Consulting has prepared some gross pivotal analysis in the past for the EA and it has provided the Commission with similar analysis.
- Concept Consulting advised that its data set uses functionality that is held within the EA and this is what we would like to discuss with EA staff. As we understand it, the functionality relates to vSPD (vectorised scheduling, price, and dispatch) modelling and GAMS software. We understand that the relevant staff at the EA might be Tuong Nguyen and Doug Watt.

We have staff in both Auckland and Wellington so any call would likely be via MS Teams. The data set appears quite complex so any initial call might be in the order to 1-2 hours. Please let us know if there are any issues with us requesting such a call for next week.

Kind regards
 Anthony



Anthony Stewart

Principal Investigator
 Commerce Commission | *Te Komihana Tauhokohoko*
 44 The Terrace | PO Box 2351 | Wellington 6140 | New Zealand
 DDI s 9(2)(a) | anthony.stewart@comcom.govt.nz
www.comcom.govt.nz

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From: Doug Watt
Sent: Monday, 14 October 2024 11:28 am
To: Sarah Gillies; Anthony Stewart; Andrew Millar; Kirsty Hutchison; Phil Bishop
Subject: RE: Contact/Manawa - further request from Mergers Team at the Commerce Commission

Hi

I have set something up for Wednesday along these lines:

1. Viktoria talking about how we monitor and enforce trading conduct. This is relevant as CC is interested in the spot market competitive landscape post-merger, so how we monitor competition is at the heart of this.
2. Julia H is talking about the data we got from the monitoring of the OTC working group.
3. Julia A is talking about the investment pipeline as she sat in on most of the interviews for the last survey.
4. I have put CC in touch with Shaun Goldsbury as he is much better placed than us to brief the ComCom on this material.

Sorry, I sorted this all out on Friday after Tim forward the email. Anyone that has anything to contribute to the four topics can get in touch with the people above and help out.

Doug

From: Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Sent: Monday, October 14, 2024 10:23 AM
To: Anthony Stewart <Anthony.Stewart@comcom.govt.nz>; Doug Watt <Doug.Watt@ea.govt.nz>; Andrew Millar <Andrew.Millar@ea.govt.nz>; Kirsty Hutchison <Kirsty.Hutchison@ea.govt.nz>; Phil Bishop <Phil.Bishop@ea.govt.nz>
Cc: Sarah Gifford <Sarah.Gifford@comcom.govt.nz>; Jessica White <Jessica.White@comcom.govt.nz>; Henry Fry <Henry.Fry@comcom.govt.nz>; Jacek Stachowski <Jacek.Stachowski@comcom.govt.nz>; Matthew Steiner <Matthew.Steiner@comcom.govt.nz>; Sam Holmes <Sam.Holmes@comcom.govt.nz>
Subject: RE: Contact/Manawa - further request from Mergers Team at the Commerce Commission

Kia ora Anthony

Apologies for the delay in responding.

I've taken Tim off the list as this isn't within his remit, but have included Doug Watt, Andrew Millar, Kirsty Hutchison and Phil Bishop all of whose teams have involvement with some of the things you'd like to discuss.

I'll leave them to liaise with you – it may be best to have an initial meeting and plan who you need to talk to.

Ngā mihi
Sarah

Sarah Gillies (she/her)
Chief Executive

M: s 9(2)(a)



I choose to work flexibly and send emails outside normal office hours. No need to respond to my emails outside yours.

From: Anthony Stewart <Anthony.Stewart@comcom.govt.nz>
Sent: Thursday, 10 October 2024 5:04 pm
To: Sarah Gillies <Sarah.Gillies@ea.govt.nz>; Tim Sparks <Tim.Sparks@ea.govt.nz>
Cc: Sarah Gifford <Sarah.Gifford@comcom.govt.nz>; Jessica White <Jessica.White@comcom.govt.nz>; Henry Fry <Henry.Fry@comcom.govt.nz>; Jacek Stachowski <Jacek.Stachowski@comcom.govt.nz>; Matthew Steiner <Matthew.Steiner@comcom.govt.nz>; Sam Holmes <Sam.Holmes@comcom.govt.nz>
Subject: RE: Contact/Manawa - further request from Mergers Team at the Commerce Commission

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Hi again Sarah and Tim

The Mergers Team at the Commerce Commission has a further request for the EA in regards to the proposed Contact/Manawa acquisition.

- Contact's clearance application and two related reports can be found on this case page on our website. <https://comcom.govt.nz/case-register/case-register-entries/contact-energy-limited-manawa-energy-limited>

Update

In recent weeks, we have been in semi-regular contact with Tuong Nguyen and he has been very helpful in providing us feedback on some of the data analysis that Contact's submitted to us as well as the type of resourcing that would be required to test some of Contact's conclusions. We will be in touch further if the Commission has any substantive requests for Tuong Nguyen and/or Doug Watt.

Request for meeting – EA/Commerce Commission

In the meantime, the Commission is progressing its investigation into Contact's application for clearance and there are several key topics that the Mergers Team would like to discuss directly with the EA.

- Given the different work programmes that the Commission and the EA are involved in, some of these topics are likely to cross over with some of these existing work programmes and previous discussions between staff at the Commission and the EA, as well as information available on the EA's websites.
- However, the Commission's consideration of Contact's clearance application is a quasi-judicial process and any assessment is based on information collected as part of its investigation and this is why we would like to speak to the EA about the proposed Contact/Manawa acquisition.

Ideally, we would like to arrange a MS Team call with staff at the EA next week to discuss the following key topics. As the topics cover several areas, we would be happy to arrange separate discussions with particular EA staff, if that was more appropriate and/or practical.

Key topics

1. The administration and enforcement of the Electricity Industry Participation Code 2010

Contact considers that the Code limits electricity wholesalers from manipulating the spot price for electricity. We would like to know more about:

- the ability of electricity generators to use their 'pivotal' positions to increase spot prices;

- the EA's monitoring capabilities (such as those to detect 'pivotal' positions or undesirable trading situations);
- the EA's enforcement mechanisms; and
- any recent examples where the EA has identified a market participant attempting to exert some form of market power.

2. The existing and expected future supply and demand for electricity hedges

Contact considers its proposed acquisition would not have a negative impact on the future supply of electricity hedges. We would like to know more about:

- the EA's rules and regulations around the supply of hedges;
- the current demand for hedge products (including whether there are some types of hedges that are more valuable - or more important - to customers than others) and the extent to which customers switch between the different products;
- the current supply of hedge products and the extent to which wholesalers compare/contrast with one another; and
- the extent to which the demand and supply of hedge products might change in the foreseeable future.

3. Planned and expected future investment in electricity generation

Contact considers its proposed acquisition would not impact on the investment plans of any industry participant. We would like to know more about:

- the current pipeline for investment in electricity generation in New Zealand; and
- the key issues that would likely impact on this investment pipeline.

4. Comparing different electricity generation assets

Contact considers that all types of electricity generation are comparable with one another. We would like to know more about:

- how the main wholesalers' portfolio of generation assets compare with one another; and
- the extent to which "must run" and/or "run of river" generation assets impact on how wholesalers compete with one another across any given year.

Again, happy to discuss this request at any stage and to liaise with any EA staff members as necessary.

Kind regards
Anthony



Anthony Stewart

Principal Investigator

Commerce Commission | *Te Komihana Tauhokohoko*

44 The Terrace | PO Box 2351 | Wellington 6140 | New Zealand

DDI **s 9(2)(a)** | anthony.stewart@comcom.govt.nz

www.comcom.govt.nz

From: Anthony Stewart

Sent: Friday, September 27, 2024 9:42 AM

To: Sarah.gillies@ea.govt.nz; tim.sparks@ea.govt.nz

Cc: Sarah Gifford <Sarah.Gifford@comcom.govt.nz>; Sam Holmes <Sam.Holmes@comcom.govt.nz>; Jessica White <Jessica.White@comcom.govt.nz>; Henry Fry <Henry.Fry@comcom.govt.nz>

Subject: Contact/Manawa - expected clearance application to the Commerce Commission - initial request from Mergers Team

Dear Sarah and Tim

We wanted to let you know that the Commerce Commission expects to register the clearance application from Contact Energy for its proposed acquisition of Manawa Energy shortly. Sarah Gifford and myself will be the primary contacts in the Commission's Merger Team for this matter and, as we progress our investigation, we expect to be in regular contact with the EA.

However, we have an initial request for the EA in regards to data. We would like to speak to the EA staff, ideally next week, that have performed gross pivotal analysis.

- This is because we understand that Concept Consulting has prepared some gross pivotal analysis in the past for the EA and it has provided the Commission with similar analysis.
- Concept Consulting advised that its data set uses functionality that is held within the EA and this is what we would like to discuss with EA staff. As we understand it, the functionality relates to vSPD (vectorised scheduling, price, and dispatch) modelling and GAMS software. We understand that the relevant staff at the EA might be Tuong Nguyen and Doug Watt.

We have staff in both Auckland and Wellington so any call would likely be via MS Teams. The data set appears quite complex so any initial call might be in the order to 1-2 hours. Please let us know if there are any issues with us requesting such a call for next week.

Kind regards
Anthony



Anthony Stewart

Principal Investigator

Commerce Commission | *Te Komihana Tauhokohoko*

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DDI **s 9(2)(a)** | anthony.stewart@comcom.govt.nz

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Out of scope



But gentailers are working to increase both flexible and baseload supply

6.7. Gentailers are currently the only suppliers of flexible generation,⁴⁹ and also own the vast majority of baseload generation.⁵⁰

Out of scope



⁴⁹ This includes Nova, who owns two 100MW thermal generators, and Manawa who owns some small-scale hydro generation with some storage. However, Contact recently announced it will be fully acquiring Manawa (subject to Commerce Commission, shareholder, and court approvals). Contact said that ““With our diversified, and complementary, portfolio across the North and South Islands this proposal will enable Contact to sell larger volumes of fixed price electricity contracts over longer periods into the wholesale market.”

Out of scope



From: Sam Holmes <Sam.Holmes@comcom.govt.nz>
Sent: Thursday, 14 November 2024 1:07 pm
To: Sarah Gillies
Subject: RE: Contact/Manawa acquisition

Thanks so much Sarah – absolutely no apologies needed, we are very grateful for your assistance.

Kind regards,
Sam

From: Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Sent: Thursday, 14 November 2024 12:55 pm
To: Sam Holmes <Sam.Holmes@comcom.govt.nz>
Subject: RE: Contact/Manawa acquisition [CCNZ-IMANAGE.FID422005]

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Hi Sam

I've just replied – apologies for the delay, just making sure we have the resources on track.

Ngā mihi nui
Sarah

Sarah Gillies (she/her)
Chief Executive

M: s 9(2)(a)

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www.ea.govt.nz



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From: Sam Holmes <Sam.Holmes@comcom.govt.nz>
Sent: Thursday, 14 November 2024 10:35 am
To: Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Subject: RE: Contact/Manawa acquisition [CCNZ-IMANAGE.FID422005]

Kia ora Sarah

I thought I would just check in on this and see how the EA's review of our draft Terms of Engagement was progressing. Please do feel free to get in touch if it would be useful to chat anything through.

Kind regards,
Sam



Sam Holmes ([he/him](#))

Head of Mergers

Commerce Commission | *Te Komihana Tauhokohoko*
55 Shortland Street | Auckland 1010 | New Zealand
DDI **s 9(2)(a)** | sam.holmes@comcom.govt.nz
www.comcom.govt.nz

From: Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Sent: Friday, 8 November 2024 1:32 pm
To: John Small <John.Small@comcom.govt.nz>
Cc: Sam Holmes <Sam.Holmes@comcom.govt.nz>
Subject: Re: Contact/Manawa acquisition

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Thanks John, will review and confirm.

Get [Outlook for iOS](#)

From: John Small <John.Small@comcom.govt.nz>
Sent: Friday, November 8, 2024 12:38:07 PM
To: Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Cc: Sam Holmes <Sam.Holmes@comcom.govt.nz>
Subject: Contact/Manawa acquisition

Kia ora Sarah

Many thanks for your time on the phone.

As discussed, please find attached a draft Terms of Engagement document which formally sets out our request for assistance from the EA. Provided these terms are acceptable to you, we can finalise them for signing.

Should the EA have its own Terms of Engagement template that it prefers, please do let us know.

Thank you very much for your assistance in this matter.

Ngā mihi
John



John Small

Chair

Commerce Commission | *Te Kōwhiri Take Kōwhiri*
44 The Terrace | PO Box 2351 | Wellington 6140 | New Zealand
john.small@comcom.govt.nz
www.comcom.govt.nz

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From: Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Sent on: Monday, November 18, 2024 7:22:25 PM
To: John Small <John.Small@comcom.govt.nz>
CC: Sam Holmes <Sam.Holmes@comcom.govt.nz>; Andrew Millar <Andrew.Millar@ea.govt.nz>
Subject: RE: Contact/Manawa acquisition

Kia ora kotuou

Just an update on this. I understand the teams have been discussing the timeline and Andrew's indicated Com Com will be reissuing the letter with revised timing.

Ngā mihi nui
Sarah

Sarah Gillies (she/her)
Chief Executive

M: s 9(2)(a)



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From: John Small <John.Small@comcom.govt.nz>
Sent: Friday, 15 November 2024 3:32 pm
To: Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Cc: Sam Holmes <Sam.Holmes@comcom.govt.nz>; Andrew Millar <Andrew.Millar@ea.govt.nz>
Subject: RE: Contact/Manawa acquisition

Thanks Sarah

All good.

Have a nice weekend.

Ngā mihi
John

From: Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Sent: Friday, 15 November 2024 3:29 pm
To: John Small <John.Small@comcom.govt.nz>
Cc: Sam Holmes <Sam.Holmes@comcom.govt.nz>; Andrew Millar <Andrew.Millar@ea.govt.nz>
Subject: RE: Contact/Manawa acquisition

Hi John

Confirming we are fine to sign this but Andrew's team are talking to the Com Com team about the details of the work and the timing of delivery. I'll wait for that conversation to happen before I confirm fully.

Ngā mihi nui
Sarah

Sarah Gillies (she/her)
Chief Executive

M: s 9(2)(a)



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From: Sarah Gillies
Sent: Thursday, 14 November 2024 12:54 pm
To: John Small <John.Small@comcom.govt.nz>
Cc: Sam Holmes <Sam.Holmes@comcom.govt.nz>
Subject: RE: Contact/Manawa acquisition

Hi John

Thanks for this. I've discussed with the team and this looks fine to sign. I'm just checking in on the resourcing at this end and then will send this back – I appreciate timing is tight.

Ngā mihi nui
Sarah

Sarah Gillies (she/her)
Chief Executive

M: s 9(2)(a)



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From: John Small <John.Small@comcom.govt.nz>
Sent: Friday, 8 November 2024 12:38 pm
To: Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Cc: Sam Holmes <Sam.Holmes@comcom.govt.nz>
Subject: Contact/Manawa acquisition

Kia ora Sarah

Many thanks for your time on the phone.

As discussed, please find **attached** a draft Terms of Engagement document which formally sets out our request for assistance from the EA. Provided these terms are acceptable to you, we can finalise them for signing.

Should the EA have its own Terms of Engagement template that it prefers, please do let us know.

Thank you very much for your assistance in this matter.

Ngā mihi
John



John Small

Chair

Commerce Commission | *Te Komihana Tauhokohoko*
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john.small@comcom.govt.nz

www.comcom.govt.nz

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8 November 2024

Sarah Gillies
Chief Executive
The Electricity Authority

By email only: sarah.gillies@ea.govt.nz

Dear Sarah

Contact/Manawa clearance application: gross and net pivotal analysis

1. The Commerce Commission (the Commission) is currently considering Contact Energy Limited's (Contact) application for clearance under section 66 of the Commerce Act 1986 (Act) to acquire all of the shares in Manawa Energy Limited (Manawa) (Application).
2. Thank you for agreeing to assist the Commission in relation to the analysis performed by Concept Consulting Group Limited (Concept) and provided to us by Contact. Further to our discussion, this letter and its **Appendix** sets out the terms of our request for an expert review.

Background

3. On 27 September 2024 Contact sought clearance from the Commission under section 66 of the Act to acquire all of the shares in Manawa.
4. As part of the Application, Contact asked Concept to assess the impact of its proposed acquisition of Manawa on the incidence of gross and net pivotal periods in the New Zealand Electricity Market and produced a publicly available report (the [Report](#)).
5. The report has been prepared by Concept using data from Contact and Manawa and Concept has also assessed gross and net pivotal periods for Meridian Energy, Genesis Energy and Mercury. We understand Concept has quantified the portion of trading periods for which a generator would have been gross and net pivotal for years ending October 2020, 2021, 2022, and the average across those three years.
6. The Commission would like to test the veracity of the gross and net pivotal analysis in these periods, but it does not have the software or expertise required to re-run

the analysis. The Commission understands that the Electricity Authority (the Authority) has this capability and, moreover, has the same data as that used by Concept in its analysis.

Scope of expert assistance required

7. In light of the above, and in accordance with the principles set out in our [Memorandum of Understanding](#), we would like the Authority to:
 - 7.1 comment on the appropriateness or otherwise of the assumptions used by Concept in its analyses, as set out in its Report, including the sensitivity of the analyses to each of these assumptions;
 - 7.2 re-run the gross and net pivotal analyses using the data held by the Authority; and
 - 7.3 describe any differences in its output compared with the output of the analyses provided by Concept to the Commission, and the reasons for those differences.

Output required

8. We would like the Authority to set out the analyses and information requested in items in 7.1 to 7.3 above in a written report.
9. The Commission may request additional sensitivity gross or net pivotality analyses if the Commission considers it relevant and/or important for its investigation. The Commission will make a separate request for these analyses, if required.
10. As part of its assessment of the Application, the Commission may wish to share the written report, or part of the report, with Contact/Concept and Manawa or its legal counsel, and possibly others, in some form.¹ It may also publish a non-confidential version of the report on its website. The Commission will ensure appropriate measures are in place to protect Confidential Information in line with the terms of the **Appendix**.

Timeframes

11. We are currently due to make a decision on the Application by 26 November 2024. It would therefore be appreciated if you could please let us know your progress by 22 November 2024, and we can update you on the progress of our investigation.

¹ An expert only version of the report could be provided to Contact and Manawa's external advisors, subject to confidentiality undertakings, if required.

Acceptance of terms

12. If the Authority is happy to assist the Commission in the manner set out in this letter, including the terms set out in the **Appendix**, could you please sign below.
13. If you or your team have any questions about the review, please do not hesitate to contact Sam Holmes, Head of Mergers sam.holmes@comcom.govt.nz or Anthony Stewart, Principal Investigator anthony.stewart@comcom.govt.nz

Yours sincerely

Dr John Small
Chair
Commerce Commission

Signed on behalf of the Electricity Authority

Sarah Gillies
Chief Executive

Appendix

Charges and payment

1. **No fee:** The Authority will undertake this review for the Commission, (together, the Parties) at no cost to the Commission.

Confidential Information

2. **Confidential Information** means any document, information, data, material or other evidence, or any part thereof, that is marked as confidential and is provided by one Party to the other under this engagement, excluding any previously confidential information that has become public (other than through a breach of the obligation of confidentiality by one of the Parties).
3. **Protection of Confidential Information:** Each Party agrees to not use or disclose the other Party's Confidential Information to any person or organisation other than:
 - 3.1 to the extent that use or disclosure is necessary for the purposes of providing expert views to the Commission or, in the case of the Commission, using the analyses provided as part of its assessment of the Application;
 - 3.2 if the other Party gives prior written approval to the use or disclosure;
 - 3.3 if the use or disclosure is required by law (including under the Official Information Act 1982 (OIA)), Ministers, parliamentary convention or any other regulation, rules or policy that is binding on that Party. If the Authority receives a request under the OIA that includes Confidential Information received under this engagement, the Authority agrees to consider transferring the request, all or in part, to the Commission; or
 - 3.4 if the information has already become public, other than through a breach of the obligation of confidentiality by one of the Parties.
4. **Obligation to inform staff:** Each Party will ensure that the relevant personnel that have access to Confidential Information:
 - 4.1 are aware of the confidentiality obligations in this engagement; and
 - 4.2 do not use or disclose any of the other Party's Confidential Information except as allowed by this engagement.
5. **Security:** Each Party will:
 - 5.1 put in place and maintain adequate security measures to safeguard the other Party's Confidential Information from unauthorised access or use by its own staff and third parties;

- 5.2 notify the other Party if it becomes aware of any suspected or actual unauthorised use, copying or disclosure of the other Party's Confidential Information; and
- 5.3 comply with any reasonable direction of the other Party in relation to any suspected or actual breach of the obligations in [3]-[5] of this Appendix as the other Party reasonably requests.

From: Anthony Stewart <Anthony.Stewart@comcom.govt.nz>
Sent: Wednesday, 27 November 2024 4:07 pm
To: Aileen Gallagher
Cc: Sarah Gillies; Andrew Millar; Phil Bishop; Sam Holmes; Sarah Gifford
Subject: RE: Contact/Manawa acquisition - letter from Commerce Commission -signed by the EA

Excellent. Many thanks to the signed document, Aileen.

Kind regards
Anthony

From: Aileen Gallagher <Aileen.Gallagher@ea.govt.nz>
Sent: Wednesday, 27 November 2024 2:40 pm
To: Anthony Stewart <Anthony.Stewart@comcom.govt.nz>
Cc: Sarah Gillies <Sarah.Gillies@ea.govt.nz>; Andrew Millar <Andrew.Millar@ea.govt.nz>; Phil Bishop <Phil.Bishop@ea.govt.nz>; Sam Holmes <Sam.Holmes@comcom.govt.nz>; Sarah Gifford <Sarah.Gifford@comcom.govt.nz>
Subject: FW: Contact/Manawa acquisition - letter from Commerce Commission - for countersigning

You don't often get email from aileen.gallagher@ea.govt.nz. [Learn why this is important](#)

Kia ora Anthony

On behalf of Sarah Gillies please find attached the countersigned letter regarding Contact / Manawa acquisition.

Ngā mihi
Aileen

Aileen Gallagher
Executive Assistant to the Chief Executive

M: s 9(2)(a)

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Level 7, AON Centre, 1 Willis Street
PO Box 10041, Wellington 6143, New Zealand
www.ea.govt.nz



From: Anthony Stewart <Anthony.Stewart@comcom.govt.nz>
Sent: Monday, 25 November 2024 11:37 am
To: Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Cc: Andrew Millar <Andrew.Millar@ea.govt.nz>; Phil Bishop <Phil.Bishop@ea.govt.nz>; Sam Holmes <Sam.Holmes@comcom.govt.nz>; Sarah Gifford <Sarah.Gifford@comcom.govt.nz>
Subject: Contact/Manawa acquisition - letter from Commerce Commission - for countersigning

Dear Sarah

Thanks again for agreeing to assist our investigation into the proposed Contact/Manawa acquisition. We have revised our previous letter with some new dates and checked the revisions with Phil Bishop, who considers them to be appropriate.

Dr Small has signed the revised letter and, if you are happy with it, we would like you to countersign the attached letter and return it for our records.

Kind regards
Anthony



Anthony Stewart

Principal Investigator
Commerce Commission | *Te Kōwhiri Take Kōwhiri*
44 The Terrace | PO Box 2351 | Wellington 6140 | New Zealand
DDI: s 9(2)(a) | anthony.stewart@comcom.govt.nz
www.comcom.govt.nz

From: Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Sent: Friday, 15 November 2024 3:29 pm
To: John Small <John.Small@comcom.govt.nz>
Cc: Sam Holmes <Sam.Holmes@comcom.govt.nz>; Andrew Millar <Andrew.Millar@ea.govt.nz>
Subject: RE: Contact/Manawa acquisition

Hi John

Confirming we are fine to sign this but Andrew's team are talking to the Com Com team about the details of the work and the timing of delivery. I'll wait for that conversation to happen before I confirm fully.

Ngā mihi nui
Sarah

Sarah Gillies (she/her)
Chief Executive

M: s 9(2)(a)



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From: Sarah Gillies
Sent: Thursday, 14 November 2024 12:54 pm
To: John Small <John.Small@comcom.govt.nz>
Cc: Sam Holmes <Sam.Holmes@comcom.govt.nz>
Subject: RE: Contact/Manawa acquisition

Hi John

Thanks for this. I've discussed with the team and this looks fine to sign. I'm just checking in on the resourcing at this end and then will send this back – I appreciate timing is tight.

Ngā mihi nui
Sarah

Sarah Gillies (she/her)
Chief Executive

M: s 9(2)(a)

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AUTHORITY** 
TE MANA HIKO

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From: John Small <John.Small@comcom.govt.nz>
Sent: Friday, 8 November 2024 12:38 pm
To: Sarah Gillies <Sarah.Gillies@ea.govt.nz>
Cc: Sam Holmes <Sam.Holmes@comcom.govt.nz>
Subject: Contact/Manawa acquisition

Kia ora Sarah

Many thanks for your time on the phone.

As discussed, please find **attached** a draft Terms of Engagement document which formally sets out our request for assistance from the EA. Provided these terms are acceptable to you, we can finalise them for signing.

Should the EA have its own Terms of Engagement template that it prefers, please do let us know.

Thank you very much for your assistance in this matter.

Ngā mihi
John



John Small

Chair

Commerce Commission | *Te Komihana Tauhokohoko*

44 The Terrace | PO Box 2351 | Wellington 6140 | New Zealand

john.small@comcom.govt.nz

www.comcom.govt.nz

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www.comcom.govt.nz

22 November 2024

Sarah Gillies
Chief Executive
The Electricity Authority

By email only: sarah.gillies@ea.govt.nz

Dear Sarah

Contact/Manawa clearance application: gross and net pivotal analysis

1. The Commerce Commission (the Commission) is currently considering Contact Energy Limited's (Contact) application for clearance under section 66 of the Commerce Act 1986 (Act) to acquire all of the shares in Manawa Energy Limited (Manawa) (Application).
2. Thank you for agreeing to assist the Commission in relation to the analysis performed by Concept Consulting Group Limited (Concept) and provided to us by Contact. Further to our discussion, this letter and its **Appendix** sets out the terms of our request for an expert review.

Background

3. On 27 September 2024 Contact sought clearance from the Commission under section 66 of the Act to acquire all of the shares in Manawa.
4. As part of the Application, Contact asked Concept to assess the impact of its proposed acquisition of Manawa on the incidence of gross and net pivotal periods in the New Zealand Electricity Market and produced a publicly available report (the [Report](#)).
5. The report has been prepared by Concept using data from Contact and Manawa and Concept has also assessed gross and net pivotal periods for Meridian Energy, Genesis Energy and Mercury. We understand Concept has quantified the portion of trading periods for which a generator would have been gross and net pivotal for years ending October 2020, 2021, 2022, and the average across those three years.
6. The Commission would like to test the veracity of the gross and net pivotal analysis in these periods, but it does not have the software or expertise required to re-run

the analysis. The Commission understands that the Electricity Authority (the Authority) has this capability and, moreover, has the same data as that used by Concept in its analysis.

Scope of expert assistance required

7. In light of the above, and in accordance with the principles set out in our [Memorandum of Understanding](#), we would like the Authority to:
 - 7.1 comment on the appropriateness or otherwise of the assumptions used by Concept in its analyses, as set out in its Report, including the sensitivity of the analyses to each of these assumptions;
 - 7.2 re-run the gross and net pivotal analyses using the data held by the Authority; and
 - 7.3 describe any differences in its output compared with the output of the analyses provided by Concept to the Commission, and the reasons for those differences.

Output required

8. We would like the Authority to set out the analyses and information requested in items in [7.1] to [7.3] above in a written report.
9. The Commission may request additional sensitivity gross or net pivotality analyses if the Commission considers it relevant and/or important for its investigation. The Commission will make a separate request for these analyses, if required.
10. As part of its assessment of the Application, the Commission may wish to share the written report, or part of the report, with Contact/Concept and Manawa or its legal counsel, and possibly others, in some form.¹ It may also publish a non-confidential version of the report on its website. The Commission will ensure appropriate measures are in place to protect Confidential Information in line with the terms of the **Appendix**.

Timeframes

11. We are currently due to make a decision on the Application by 24 December 2024. It would therefore be appreciated if you could please provide the written report requested in [8] above by 11 December 2024.

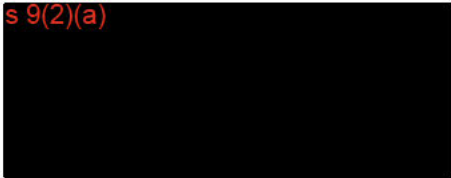
¹ An expert only version of the report could be provided to Contact and Manawa's external advisors, subject to confidentiality undertakings, if required.

Acceptance of terms

12. If the Authority is happy to assist the Commission in the manner set out in this letter, including the terms set out in the **Appendix**, could you please sign below.
13. If you or your team have any questions about the review, please do not hesitate to contact Sam Holmes, Head of Mergers sam.holmes@comcom.govt.nz or Anthony Stewart, Principal Investigator anthony.stewart@comcom.govt.nz

Yours sincerely

s 9(2)(a)



Dr John Small
Chair
Commerce Commission

Signed on behalf of the Electricity Authority

A handwritten signature in black ink, appearing to read 'SGillies'.

Sarah Gillies
Chief Executive

Appendix

Charges and payment

1. **No fee:** The Authority will undertake this review for the Commission, (together, the Parties) at no cost to the Commission.

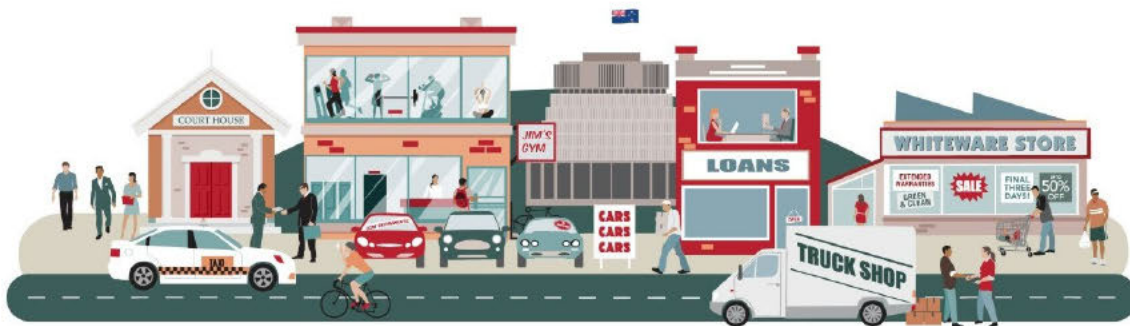
Confidential Information

2. **Confidential Information** means any document, information, data, material or other evidence, or any part thereof, that is marked as confidential and is provided by one Party to the other under this engagement, excluding any previously confidential information that has become public (other than through a breach of the obligation of confidentiality by one of the Parties).
3. **Protection of Confidential Information:** Each Party agrees to not use or disclose the other Party's Confidential Information to any person or organisation other than:
 - 3.1 to the extent that use or disclosure is necessary for the purposes of providing expert views to the Commission or, in the case of the Commission, using the analyses provided as part of its assessment of the Application;
 - 3.2 if the other Party gives prior written approval to the use or disclosure;
 - 3.3 if the use or disclosure is required by law (including under the Official Information Act 1982 (OIA)), Ministers, parliamentary convention or any other regulation, rules or policy that is binding on that Party. If the Authority receives a request under the OIA that includes Confidential Information received under this engagement, the Authority agrees to consider transferring the request, all or in part, to the Commission; or
 - 3.4 if the information has already become public, other than through a breach of the obligation of confidentiality by one of the Parties.
4. **Obligation to inform staff:** Each Party will ensure that the relevant personnel that have access to Confidential Information:
 - 4.1 are aware of the confidentiality obligations in this engagement; and
 - 4.2 do not use or disclose any of the other Party's Confidential Information except as allowed by this engagement.
5. **Security:** Each Party will:
 - 5.1 put in place and maintain adequate security measures to safeguard the other Party's Confidential Information from unauthorised access or use by its own staff and third parties;

- 5.2 notify the other Party if it becomes aware of any suspected or actual unauthorised use, copying or disclosure of the other Party's Confidential Information; and
- 5.3 comply with any reasonable direction of the other Party in relation to any suspected or actual breach of the obligations in [3]-[5] of this Appendix as the other Party reasonably requests.

From: Commerce Commission <competition@comcom.govt.nz>
Sent: Monday, 3 February 2025 3:00 pm
To: Sarah Gillies
Subject: Competition Highlights: A look back on 2024 and ahead for 2025

[View this email in your browser](#)



Tēnā koe Sarah,

I hope you had a good break over the festive period and your 2025 is off to a great start. It's certainly shaping up to be a busy year for the Commission and I wanted to share some of the highlights from last year alongside a look at what's to come in 2025.

As you're probably aware, we made some changes to our operational structure last year. One of the significant changes was the amalgamation of our Competition, Fair Trading and Credit work into a single branch - Competition, Fair Trading and Credit Branch (CFTC Branch). I'm delighted to be heading up the branch, strengthening connections across our competition and consumer areas so that we can deliver on our [Enforcement Priorities](#).

Competitive markets play a crucial role in economic recovery and growth. The recent announcement of the targeted review of the Commerce Act, and the governance and effectiveness of the Commission, present further opportunities to improve our tools and effectiveness to promote competition in markets for New Zealanders.

The Christmas break gave me an opportunity to reflect on some of the significant wins achieved over the course of last year and the opportunities ahead of us – read on for more.

We are always grateful for the input of our wider stakeholder community, so I want to take the opportunity to thank you for engaging so positively with us – I look forward to more of this in 2025.

Ngā mihi,

Vanessa

General Manager, Competition, Fair Trading and Credit

Competition highlights

- [Enforcing the law](#)
 - [Market study into personal banking services](#)
 - [Mergers and authorisations](#)
 - [Investigations](#)
 - [International](#)
 - [Advocacy, education and outreach](#)
-

[Enforcing the law](#)

Key actions and impacts during 2024:

- **Valocity changes its online property valuation ordering system (VOS):** An investigation into Valocity has led to changes to its VOS platform, giving borrowers the ability to reject the fee set by Valocity and request quotes from valuers through the platform. These changes will take effect from March 2025 and have an impact on tens of thousands of New Zealanders each year.
- **Proceedings filed against Winstone Wallboards:** Filed for anti-competitive conduct under sections 27 and 36 of the Commerce Act. The Commission alleges that Winstone Wallboard's use of retroactive tiered rebates in its merchant supply agreements has prevented entry and expansion by competitors, causing consumers to pay higher prices.
- **First ever criminal cartel prosecution:** Our first ever criminal prosecution for cartel conduct led to the sentencing of company director Munesh Kumar to community detention and community service, and a \$500,000 fine on his construction company, MaxBuild Limited. The case involved the bid-rigging of public procurement contracts. A second company and its director are due to face trial in October 2025.

- **Foodstuffs North Island:** Penalised \$3.25 million by the Wellington High Court for lodging anti-competitive land covenants with the purpose of blocking competitors under section 28 of the Commerce Act.
 - **Commercial cleaning cartel in Canterbury:** Canterbury Industrial Scrubbing Ltd fined \$51,000 for longstanding cartel agreements with a competitor. Higher penalties would have been imposed except for the current financial circumstances of the defendants.
-

Market study into Personal Banking Services

In June 2023, the Government asked us to carry out a 14-month study into the factors affecting competition for personal banking services. Market studies aim to promote competition for the long-term benefit of consumers in New Zealand.

Our final report was published on 20 August 2024. We found that the major banks, ANZ, ASB, BNZ and Westpac, do not face strong competition and we made 14 recommendations designed to support new entry and expansion, reduce the regulatory barriers to competition and empower consumers to get better prices and services.

We are working with the Government to follow up and see through implementation of the study's recommendations.

Mergers and authorisations

Our voluntary mergers regime enables us to assess potential mergers and acquisitions and prevent transactions that have the potential to cause harm to competition. We encourage businesses to consider competition early in their decision-making process and to tell us about competition concerns.

Last year, we:

- Granted clearance to merger applications which involved animal nutrition, cash-in-transit services, courier services, LPG, medical alarms and telecommunications.
- Declined merger clearance applications in the grocery, and DJ hardware and software markets.
- Authorised Payments NZ to further develop its open banking framework, to make it easier for third parties to work with Application Programming Interface (API) providers and accelerate the delivery of open banking in New Zealand.

In 2024 (1 January – 31 December) we:

- received 4 merger clearance applications and 1 merger authorisation
 - decided 8 merger applications: 6 cleared unconditionally (the merger authorisation was cleared); 2 declined
 - received and authorised 1 trade practices authorisation.
-

Investigations

Cartels, other types of anti-competitive arrangements, and the misuse of market power cause harm to markets and consumers.

That's why our 2024-25 enforcement priorities include:

- cartel conduct, with a focus on public procurement and infrastructure contracts, and non-compete agreements
- anti-competitive conduct, prioritising the misuse of market power or anti-competitive agreements that cause significant harm to competition.

We currently have 9 cartel and 7 competition investigations ongoing.

In 2024 (1 January – 31 December), we:

- opened 19 investigations: 9 cartel, 10 competition
- decided 20 investigations: 13 cartel, 7 competition
- outcomes* of decided investigations: 2 litigation, 8 compliance advice, 4 warnings, 7 no further action.

* One of the decided investigations had various aspects which resulted in two separate outcomes in the investigation.

Read our [Enforcement Response Guidelines](#) for information about our enforcement tools.

International

We continued to work closely with our international counterpart agencies and forums, including the OECD and International Competition Network (ICN). A highlight was the growth of the newly established Pacific Island Network of Competition Consumer and Economic Regulators (PINCCER). The first PINCCER

Annual Forum was held in-person in Fiji, and the network continued to implement new tools to assist Pacific agencies in their development, including the first technical training presented by the Commission.

Advocacy, education and outreach

Advocacy, education and outreach are crucial for promoting competition and encouraging New Zealanders to report competition concerns. Highlights include:

- Our Competition Assessment Guidelines, co-authored with MBIE, were referenced in a Cabinet circular on Impact Analysis Requirements. This is an important step in ensuring that competition is considered early in decisions or actions that could influence markets. Our 2-page [Quick Guide](#) is practical and easy to read.
- Outreach for [cartels](#) targeting public procurement and the health sector. We continue to promote our leniency policy and encourage businesses to report concerns.
- Developing resources for small and medium sized businesses who might be affected by the misuse of market power. Learn more [here](#).

In 2025, we will:

- continue to provide information and outreach for businesses to understand how to [avoid anti-competitive behaviour](#) and know where to [report concerns](#).
 - update our Mergers and Acquisitions Guidelines.
-

Contact us

If you have any questions about our work, you can contact us at Competition@comcom.govt.nz.



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From: Emma King
Sent: Wednesday, 20 August 2025 4:09 pm
To: Peter Southey-Jensen
Cc: Sarah Gillies; Kathryn Rush; Nathan Spence
Subject: Electricity Authority weekly email - 20 August 2025

Kia ora Peter

Please see below for this week's email update.

Out of scope



Items to raise with the Minister's office:

- For your information: On 11 August 2025 the Board decided to exempt Meridian Limited from providing a small data subset required under the Retail Market Monitoring Notice (Notice) issued under clause 2.16 of the Code. This Notice requires mandatory retailer reporting of domestic and small business customer data to help increase transparency and accountability in the retail electricity market. The exemption was granted under section 11 of the Electricity Industry Act 2010.

The exemption was made in the unique context of Meridian's purchase of the FLCK participation code from Flick Electric Limited and Meridian's intention to transition all customers on the FLCK code to an alternate Meridian participant code over August and September 2025. The exemption concerns a very limited amount of Flick consumer data where compliance was likely to disrupt the smooth transfer of customers. The vast majority of the Flick consumer data will be provided under the Retail Market Monitoring Notice.

Out of scope



Ngā mihi nui
Emma

Emma King ([she/her](#))
SENIOR ANALYST, OFFICE OF THE CHIEF EXECUTIVE



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From: Cara McKinnon <Cara.McKinnon@parliament.govt.nz>
Sent: Thursday, 30 October 2025 1:31 pm
To: Hon Nicola Willis
Cc: Jolene Williams; Info Electricity Authority; Consumer Care
Subject: RE: Formal Complaint Meridian takeover of Flick Energy

Some people who received this message don't often get email from cara.mckinnon@parliament.govt.nz. [Learn why this is important](#)

Hi Katy,

Thanks for checking. 😊 Just confirming, issues around competition in the electricity retail market, including potential anti-competitive acquisitions and impacts on consumers, do fall under the Minister of Commerce and Consumer Affairs' portfolio.

EA team: Jolene, thank you for your time on the phone. Since the complaint is addressed to the Electricity Authority, may I request that you respond directly to the sender's concerns and please cc the office of Commerce and Consumer Affairs email address when sending your response, CCAAdmin@parliament.govt.nz, to keep the Ministry in the loop.

Thanks all.



Cara McKinnon | Private Secretary

For the offices of:
Minister for Commerce and Consumer Affairs
Minister for Small Business and Manufacturing
Minister for Building and Construction

E: cara.mckinnon@parliament.govt.nz

M: s 9(2)(a)

From: Hon Nicola Willis <Nicola.Willis@parliament.govt.nz>
Sent: Thursday, 30 October 2025 12:27 PM
To: Cara McKinnon <Cara.McKinnon@parliament.govt.nz>
Subject: FW: Formal Complaint Meridian takeover of Flick Energy

Hi Cara

Would this be one for your Minister?

Katy Greco-Ainslie
Private Secretary | Office of Hon Nicola Willis
Minister of Finance
Minister for Economic Growth
Minister for Social Investment



Phone: s 9(2)(a) Website: www.Beehive.govt.nz
 Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

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From: Martin Reinbach <martin@reinbach.kiwi>
Sent: Friday, 3 October 2025 4:13 pm
To: consumercare@ea.govt.nz
Cc: Simon Watts (MIN) <S.Watts@ministers.govt.nz>; Nicola Willis (MIN) <N.Willis@ministers.govt.nz>
Subject: Formal Complaint Meridian takeover of Flick Energy

Dear Sir/Madame

I have attached a formal complaint regarding Gentailer Meridians 'killer acquisition' of the nimble retailer Flick Energy.

I have tried to engage with Meridian direct but have so far only received computer generated replies.

It appears Meridian didn't even plan for capacity to engage with the customers they acquired.

Anecdotal sizeable number of those customers have moved to other suppliers.
 I have chosen the route to file a formal complaint and question why this "killer acquisition" was permitted in the first place.

With regards
 Martin Reinbach
 Cockle Bay, Auckland
 New Zealand
 mob: +64 21 64 8089
 e-mail: martin@reinbach.kiwi

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From: Consumer Care
Sent: Monday, 3 November 2025 1:47 pm
To: Emma King
Cc: Jolene Williams; Nathan Spence; Benny Yuen; Ginni Murray; Heather Webster
Subject: RE: Formal Complaint Meridian takeover of Flick Energy
Attachments: Follow-up Submission – Meridian Energy Limited’s Acquisition of Flick Energy Limited ref ENC0019963

Follow Up Flag: Follow up
Flag Status: Completed

Categories: CCOs

Hi Emma,

Yes that’s right. Benny closed it on 6 October which was before that directive was given.

I see the consumer responded and cc’d Minister Watts and Minister Willis, then added in Minister Simpson to his subsequent email to the ComCom. So I suspect the office of Commerce and Consumer Affairs will have seen it anyway – but if you want, I can forward the entire email chain (as attached) to CCAAdmin@parliament.govt.nz just to be sure?

The consumer is recorded as accepting our privacy waiver so shouldn’t be any issues in doing so.

Ngā mihi nui,
Ben

Ben Tuifao-Jenkinson
Advisor – Consumer Compliance and Projects
DDI: s 9(2)(a)

From: Emma King <emma.king@ea.govt.nz>
Sent: Monday, 3 November 2025 1:12 pm
To: Consumer Care <consumercare@ea.govt.nz>
Cc: Jolene Williams <Jolene.Williams@ea.govt.nz>; Nathan Spence <Nathan.Spence@ea.govt.nz>; Benny Yuen <Benny.Yuen@ea.govt.nz>; Ginni Murray <Ginni.Murray@ea.govt.nz>
Subject: FW: Formal Complaint Meridian takeover of Flick Energy

Kia ora

Sending this to you in Ginni’s absence. Please can you consider the below and attached?

Ngā mihi nui
Emma

Ngā mihi nui

Emma

Emma King ([she/her](#))
SENIOR ANALYST, OFFICE OF THE CHIEF EXECUTIVE



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From: Emma King
Sent: Monday, 3 November 2025 9:26 am
To: Ginni Murray <Ginni.Murray@ea.govt.nz>
Cc: Benny Yuen <Benny.Yuen@ea.govt.nz>; Jolene Williams <Jolene.Williams@ea.govt.nz>; Nathan Spence <Nathan.Spence@ea.govt.nz>
Subject: RE: Formal Complaint Meridian takeover of Flick Energy

Kia ora Ginny

I have a question about this correspondence.

Last week on Thursday the office of the Minister for Commerce and Consumer Affairs got in touch with Jolene about an email they'd received from Martin Reinbach (see **attached**).

Jolene (cc'd) emailed me about it – and I realised that it's an email that I had talked to Benny about a few weeks ago, that presumably he's closed out (see **below**).

The directive from the Minister's office is for the Authority to cc CCAdmin@parliament.govt.nz into the response. I assume our response was sent some time ago? If so I am thinking that best way forward our response to the CCAdmin@parliament.govt.nz email address. **What do you think?**

Ngā mihi nui
Emma

Emma King ([she/her](#))
SENIOR ANALYST, OFFICE OF THE CHIEF EXECUTIVE



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www.ea.govt.nz



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From: Benny Yuen <Benny.Yuen@ea.govt.nz>
Sent: Wednesday, 8 October 2025 4:26 pm
To: Emma King <emma.king@ea.govt.nz>
Subject: RE: Formal Complaint Meridian takeover of Flick Energy

Thank you Emma for having a look at this. Will close it out.

Nga mihi nui
Benny

Benny Yuen
Advisor – Consumer, Compliance & Projects
DDI: s 9(2)(a)
www: [Consumer Care Obligations | Electricity Authority](#)
Email: consumercare@ea.govt.nz
Freephone: 0800 62 62 44



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From: Emma King <emma.king@ea.govt.nz>
Sent: Wednesday, 8 October 2025 4:25 pm
To: Benny Yuen <Benny.Yuen@ea.govt.nz>
Subject: RE: Formal Complaint Meridian takeover of Flick Energy

Kia ora Benny

Thanks for your patience and making us aware of this (definitely helps with my understanding of how things work and what engagement we have!).

I've discussed this correspondence with Nathan and we're happy for you guys to respond as you normally would, regardless of the Ministers being cc'd. No special action required.

If you've got any further concerns I'm happy to chat, but I'm sure you have it nailed.

Ngā mihi nui
Emma

From: Benny Yuen <Benny.Yuen@ea.govt.nz>
Sent: Monday, 6 October 2025 4:13 pm
To: Emma King <emma.king@ea.govt.nz>
Subject: FW: Formal Complaint Meridian takeover of Flick Energy

Nga mihi nui
Benny

Benny Yuen
Advisor – Consumer, Compliance & Projects
DDI: § 9(2)(a)
www: [Consumer Care Obligations | Electricity Authority](#)
Email: consumercare@ea.govt.nz
Freephone: 0800 62 62 44



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From: Martin Reinbach <martin@reinbach.kiwi>
Sent: Friday, 3 October 2025 4:13 pm
To: Consumer Care <consumercare@ea.govt.nz>
Cc: s.watts@ministers.govt.nz; n.willis@ministers.govt.nz
Subject: Formal Complaint Meridian takeover of Flick Energy

You don't often get email from martin@reinbach.kiwi. [Learn why this is important](#)

Dear Sir/Madame

I have attached a formal complaint regarding Gentailer Meridians 'killer acquisition' of the nimble retailer Flick Energy.

I have tried to engage with Meridian direct but have so far only received computer generated replies.

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Anecdotally sizeable number of those customers have moved to other suppliers.

I have chosen the route to file a formal complaint and question why this "killer acquisition" was permitted in the first place.

With regards

Martin Reinbach

Cockle Bay, Auckland

New Zealand

mob: +64 21 64 8089

e-mail: martin@reinbach.kiwi

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From: Ben Tuifao-Jenkinson
Sent: Tuesday, 4 November 2025 1:31 pm
To: Ginni Murray; Heather Webster
Subject: RE: Formal Complaint Meridian takeover of Flick Energy

Categories: CCOs

Yep picked up yesterday 👍

Ngā mihi nui,
Ben

Ben Tuifao-Jenkinson
Advisor – Consumer Compliance and Projects
DDI: s 9(2)(a)

From: Ginni Murray <Ginni.Murray@ea.govt.nz>
Sent: Tuesday, 4 November 2025 1:21 pm
To: Ben Tuifao-Jenkinson <Ben.Tuifao-Jenkinson@ea.govt.nz>; Heather Webster <Heather.Webster@ea.govt.nz>
Subject: FW: Formal Complaint Meridian takeover of Flick Energy

Hello

Can one of you pick this one up please for Emma?

Thanks.

Ngā mihi nui
Ginni

Ginni Murray ([she/her](#))
Manager – Consumer Compliance & Projects
DDI: s 9(2)(a)
www: [Consumer Care Obligations | Electricity Authority](#)
email: consumercare@ea.govt.nz
freephone: 0800 62 62 44

**ELECTRICITY
AUTHORITY** 
TE MANA HIKO

Level 7, AON Centre, 1 Willis Street
PO Box 10041, Wellington 6143, New Zealand
www.ea.govt.nz



From: Emma King <emma.king@ea.govt.nz>
Sent: Monday, 3 November 2025 1:12 pm
To: Consumer Care <consumercare@ea.govt.nz>
Cc: Jolene Williams <Jolene.Williams@ea.govt.nz>; Nathan Spence <Nathan.Spence@ea.govt.nz>; Benny Yuen <Benny.Yuen@ea.govt.nz>; Ginni Murray <Ginni.Murray@ea.govt.nz>
Subject: FW: Formal Complaint Meridian takeover of Flick Energy

Kia ora

Sending this to you in Ginni's absence. Please can you consider the below and attached?

Ngā mihi nui
Emma

Ngā mihi nui
Emma

Emma King ([she/her](#))
SENIOR ANALYST, OFFICE OF THE CHIEF EXECUTIVE



Level 7, AON Centre, 1 Willis Street
PO Box 10041, Wellington 6143, New Zealand
www.ea.govt.nz



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From: Emma King
Sent: Monday, 3 November 2025 9:26 am
To: Ginni Murray <Ginni.Murray@ea.govt.nz>
Cc: Benny Yuen <Benny.Yuen@ea.govt.nz>; Jolene Williams <Jolene.Williams@ea.govt.nz>; Nathan Spence <Nathan.Spence@ea.govt.nz>
Subject: RE: Formal Complaint Meridian takeover of Flick Energy

Kia ora Ginny

I have a question about this correspondence.

Last week on Thursday the office of the Minister for Commerce and Consumer Affairs got in touch with Jolene about an email they'd received from Martin Reinbach (see **attached**).

Jolene (cc'd) emailed me about it – and I realised that it's an email that I had talked to Benny about a few weeks ago, that presumably he's closed out (see **below**).

The directive from the Minister's office is for the Authority to cc CCAAdmin@parliament.govt.nz into the response. I assume our response was sent some time ago? If so I am thinking that best way forward our response to the CCAAdmin@parliament.govt.nz email address. **What do you think?**

Ngā mihi nui
Emma

Emma King ([she/her](#))
SENIOR ANALYST, OFFICE OF THE CHIEF EXECUTIVE



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From: Benny Yuen <Benny.Yuen@ea.govt.nz>
Sent: Wednesday, 8 October 2025 4:26 pm
To: Emma King <emma.king@ea.govt.nz>
Subject: RE: Formal Complaint Meridian takeover of Flick Energy

Thank you Emma for having a look at this. Will close it out.

Nga mihi nui
Benny

Benny Yuen
Advisor – Consumer, Compliance & Projects
DDI: [s 9\(2\)\(a\)](#)
www: [Consumer Care Obligations | Electricity Authority](#)
Email: consumercare@ea.govt.nz
Freephone: 0800 62 62 44



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From: Emma King <emma.king@ea.govt.nz>
Sent: Wednesday, 8 October 2025 4:25 pm
To: Benny Yuen <Benny.Yuen@ea.govt.nz>
Subject: RE: Formal Complaint Meridian takeover of Flick Energy

Kia ora Benny

Thanks for your patience and making us aware of this (definitely helps with my understanding of how things work and what engagement we have!).

I've discussed this correspondence with Nathan and we're happy for you guys to respond as you normally would, regardless of the Ministers being cc'd. No special action required.

If you've got any further concerns I'm happy to chat, but I'm sure you have it nailed.

Ngā mihi nui
Emma

From: Benny Yuen <Benny.Yuen@ea.govt.nz>
Sent: Monday, 6 October 2025 4:13 pm
To: Emma King <emma.king@ea.govt.nz>
Subject: FW: Formal Complaint Meridian takeover of Flick Energy

Nga mihi nui
Benny

Benny Yuen
Advisor – Consumer, Compliance & Projects
DDI: s 9(2)(a)
www: [Consumer Care Obligations | Electricity Authority](#)
Email: consumercare@ea.govt.nz
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From: Martin Reinbach <martin@reinbach.kiwi>
Sent: Friday, 3 October 2025 4:13 pm
To: Consumer Care <consumercare@ea.govt.nz>
Cc: s.watts@ministers.govt.nz; n.willis@ministers.govt.nz
Subject: Formal Complaint Meridian takeover of Flick Energy

You don't often get email from martin@reinbach.kiwi. [Learn why this is important](#)

Dear Sir/Madame

I have attached a formal complaint regarding Gentailer Meridians 'killer acquisition' of the nimble retailer Flick Energy.

I have tried to engage with Meridian direct but have so far only received computer generated replies.

It appears Meridian didn't even plan for capacity to engage with the customers they acquired.

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With regards

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e-mail: martin@reinbach.kiwi

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From: [Electricity Authority](#)
To: martin@reinbach.kiwi
Subject: CCN-385574 - We are unable to consider your concern further
Date: Monday, 6 October 2025 12:04:55 pm

Kia ora,

Thank you for contacting the Electricity Authority Te Mana Hiko with your concerns about Meridian.

We understand your frustration, however we would like to clarify that the Electricity Authority does not regulate or approve commercial acquisitions. The acquisition and matters relating to competition or consumer protection fall outside our regulatory scope.

If you believe the acquisition raises concerns about competition or market conduct, you may wish to contact the **Commerce Commission**, which is the agency responsible for enforcing competition and consumer laws in New Zealand. Their contact details are:

- **Phone:** 0800 943 600
- **Email:** contact@comcom.govt.nz
- **Website:** www.comcom.govt.nz

We appreciate you taking the time to raise your concerns and encourage you to follow up with the Commerce Commission if you feel your complaint warrants further investigation.

Ngā mihi,
Electricity Authority

Electricity Authority - Te Mana Hiko
ea.govt.nz | consumercare.ea.govt.nz

From: [Emma King](#)
To: [Peter Kerr](#)
Subject: RE: Formal Complaint Meridian takeover of Flick Energy
Date: Monday, 3 November 2025 1:09:00 pm
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)

Cool, thanks!

From: Peter Kerr <Peter.Kerr@ea.govt.nz>
Sent: Monday, 3 November 2025 12:57 pm
To: Emma King <emma.king@ea.govt.nz>
Subject: RE: Formal Complaint Meridian takeover of Flick Energy

Hi – yeah might be better to send to CCP team – Ben is on the duty roster this week for it

PK

From: Emma King <emma.king@ea.govt.nz>
Sent: Monday, 3 November 2025 9:56 am
To: Peter Kerr <Peter.Kerr@ea.govt.nz>
Subject: RE: Formal Complaint Meridian takeover of Flick Energy

No, didn't think you would have – I can fire off to the CCP address if that's easier, but yes, basically just keen to know whether a response has been sent, and if so, if it can be forwarded on to the Minister's office to close out.

Ngā mihi nui
Emma

From: Peter Kerr <Peter.Kerr@ea.govt.nz>
Sent: Monday, 3 November 2025 9:36 am
To: Emma King <emma.king@ea.govt.nz>
Subject: RE: Formal Complaint Meridian takeover of Flick Energy

Morning Emma
Sorry I didn't have any visibility of this until now.

Did you want me to see if a response had been sent to the complainant?

PK

From: Emma King <emma.king@ea.govt.nz>

Sent: Monday, 3 November 2025 9:29 am

To: Peter Kerr <Peter.Kerr@ea.govt.nz>

Cc: Ginni Murray <Ginni.Murray@ea.govt.nz>; Benny Yuen <Benny.Yuen@ea.govt.nz>; Jolene Williams <Jolene.Williams@ea.govt.nz>; Nathan Spence <Nathan.Spence@ea.govt.nz>

Subject: FW: Formal Complaint Meridian takeover of Flick Energy

Kia ora Peter

Forwarding to you in Ginni's absence – hopefully you can run your eye over this or let me know if I should go to the wider CCP team instead.

Ngā mihi nui

Emma

From: Emma King

Sent: Monday, 3 November 2025 9:26 am

To: Ginni Murray <Ginni.Murray@ea.govt.nz>

Cc: Benny Yuen <Benny.Yuen@ea.govt.nz>; Jolene Williams <Jolene.Williams@ea.govt.nz>; Nathan Spence <Nathan.Spence@ea.govt.nz>

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Subject: FW: Formal Complaint Meridian takeover of Flick Energy

Nga mihi nui

Benny

Benny Yuen

Advisor – Consumer, Compliance & Projects

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Martin Reinbach

Cockle Bay, Auckland

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