



Genesis Energy Limited
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27 April 2021

Attn: Submissions
Electricity Authority
Level 7, Harbour Tower
2 Hunter Street
Wellington
By email: uts@ea.govt.nz

Re: Proposed Actions to Correct Undesirable Trading Situation 2019

Genesis Energy continues to evaluate the complex circumstances surrounding the 2019 Undesirable Trading Situation and the Electricity Authority's proposed actions to correct. Given the potentially material transfer of values involved, Genesis reserves its position on the most appropriate course pending review of participants' submissions. We intend to offer a substantive view at the conclusion of the cross-submissions period on or about 18 May.

In particular, Genesis believes that the ASX futures should be resettled against the reset prices. Not doing so appears to create a split market and potentially material distortion, which would create 'winners and losers' without justification.

It is not clear that the time that has elapsed between the situation and the correction is sufficient justification for not keeping the markets in balance. Accordingly, we look forward to reviewing the information provided by the ASX (and the FTR manager, clearing manager, and System Operator) before finalising our position.

Furthermore, Genesis considers there are questions of fairness concerning whether participants who have acted appropriately, and made prudent decisions in real time based on the prevailing circumstances, should later face costs or losses as a result of interventions to correct the impacts of the actions of others.

Yours faithfully

Matt Ritchie
Senior Advisor, Regulatory Affairs and Government Relations