

Introduction

\* 1. Name (first and last name)

\* 2. Email

\* 3. Is this an individual submission, or is it on behalf of a group or organisation?

Individual

On behalf of a group or organisation

\* 4. Which group do you most identify with, or are representing?

Iwi or hapū

General public

Environmental

Local government

Research institute / academia

Industry or industry advocates

Central government agency

Other (please specify)

Fuel importer or wholesaler

Fuel retailer

Large fuel user

Other fuel sector stakeholder

Oil and gas sector

Consultant, financial services etc

\* 5. Business name or organisation (if applicable)

BP Oil New Zealand Ltd

\* 6. Position title (if applicable)

**\* 7. Important information about your submission (important to read)**

The information provided in submissions will be used to inform the Ministry of Business, Innovation and Employment's (MBIE's) work on *Regulations under a Fuel Industry Bill and other matters*.

We will upload the submissions we receive and publish them on our website. If your submission contains any sensitive information that you do not want published, please indicate this in your submission.

The Privacy Act 1993 applies to submissions. Any personal information you supply to MBIE in the course of making a submission will only be known by the team working on the *Accelerating renewable energy and energy efficiency*.

Submissions may be requested under the Official Information Act 1982. Submissions provided in confidence can usually be withheld. MBIE will consult with submitters when responding to requests under the Official Information Act 1982.

**We intend to upload submissions to our website at [www.mbie.govt.nz](http://www.mbie.govt.nz). Can we include your submission on the website?**

- Yes  
 No

**\* 8. Can we include your name?**

- Yes  
 No

**\* 9. Can we include your organisation (if submitting on behalf of an organisation)?**

- Yes  
 No

10. All other personal information will not be proactively released, although it may need to be released if required under the Official Information Act.

**Please indicate if there is any other information you would like withheld.**

Please withhold

- Reference in response to Question 1 regarding detail to the percentage of retail sales that 91, 95 and ADF account for in the retail market, and the accompanying footnote (page 4 of this submission).
- Aspects of response to Question 16 relating to exclusive supply provisions
- Reference in response to Question 48 regarding Indicative initial and ongoing costs associated with build and delivery of reports (page 19 of this submission).

## Regulations under a Fuel Industry Bill and other matters - Have your say

### Areas you wish to provide feedback on

The *Regulations under a Fuel Industry Bill and other matters* discussion document seeks feedback on proposed content of regulations under a Fuel Industry Bill and on options for a regulatory backstop to be included in a Fuel Industry Bill at a later date. The document is divided into four sections:

- Introduction
- Wholesale fuel markets
- Consumer information
- Information disclosure and monitoring

You are invited to provide feedback and respond to questions in as many, or as few of the sections as you would like, depending on your interests.

Section 2 on wholesale fuel markets seeks feedback on a number of proposed aspects of wholesale market regulation. The section seeks feedback on the content of regulations in the following areas:

- Terminal gate pricing
- Regulating terms in wholesale contracts
- Dispute resolution processes for wholesale markets

Submissions on these proposed regulations together with feedback on consumer information and information disclosure and monitoring are sought by **5pm, Friday 25 April**.

Section 2 also includes a section for feedback on a regulatory backstop regime to be included in legislation at a later date. Submissions on the issues specifically relating to a regulatory backstop are sought by **5pm, Friday 15 May**.

## Regulations under a Fuel Industry Bill and other matters – Discussion paper questions

### Wholesale markets

## Terminal Gate Pricing

1

Should fuel products other than regular 91 grade petrol, premium 95 grade petrol and regular diesel be subject to the TGP regime, for example, aviation and marine fuels, or premium 98 grade petrol? Please give reasons.

Only the main fungible consumer grades of fuels should be subject to the TGP regime. This would include 91 octane petrol, 95 octane petrol, automotive diesel, and any biofuel blend of these products as they are essentially sold as the same finished grade. We understand these products represent over [redacted] of the retail fuels market in New Zealand. Wholesale suppliers operating terminals or depots should be required to list these products if they are stored in the terminal or depot.

Other products available in the New Zealand retail sector are generally more boutique grades that are either fully imported or blended in terminal such as 98 octane petrol. These products are not offered by all market players and are often a point of differentiation. Supply chains for these boutique grades are constrained with supply available only in limited quantities to the New Zealand market. As a result there is not capacity to sell these products on a spot basis.

Aviation and marine fuels are not generally sold in the retail market and were not included in the scope of the Commerce Commission study. On that basis we believe they should be excluded from the TGP regime.



2

If the regime should apply to other fuel products, what are the standards used by industry for defining these fuel products?

See above regarding other fuel products. The Engine Fuel Specifications Regulations 2011 should be used for the definition of 91, 95 and diesel grades.

3

Should there be a notice period for changes in the TGP price during a day?

The Australian Oil Code method described in Point 40 of the Consultation paper seems a sensible solution to this issue.

“A wholesale supplier must identify the terminal gate price for spot wholesale supply of the specified fuel product at each storage facility for that day. The wholesale supplier may change that price throughout the day, but only one price is in effect at any one time. The price takes effect when it is disclosed in the specified manner.”

We believe that a similar obligation should apply to this regime.

4

Do you have any comments on how terminal gate prices should be set and publicly posted?

TGP prices should be calculated independently by each wholesaler and posted publicly onto their website daily.

Pricing information should be in a tabular format showing each terminal/depot operated by the wholesaler with the grades held at those terminals/depots and corresponding TGP.

The Australian Oil Code provides a sensible standardised way to display the prices as follows:

“ a. prices must be established for the fuel product on a temperature-corrected basis

b. prices must be expressed in cents per litre “

Regarding Point 38 in the consultation paper, we agree that ambient temperature is appropriate for the New Zealand market given industry practices.

5

Is the prescribed minimum of 30,000 litres per week to one retailer or wholesaler appropriate?

We have understood the proposal to mean that each supplier at a terminal must have at least one 30,000 litre load per week available for purchase by one spot customer. In periods where supply is limited and stock needs to be carefully managed our view is that a company could supply one other company with 30,000 litres, and not permit any other spot sales for the rest of that week. This is potentially manageable; however, we note that the Australian approach appears to be effective without specifying minimum volume holdings.

6

Should the prescribed minimum be able to be changed, or varied? For example, could the prescribed minimum be different for different storage facilities, given some terminals supply larger fuel volumes than others?

30,000 litres is a standard commercial tanker size used for retail fuel deliveries in New Zealand. On that basis, we believe this is a sensible amount if a prescribed minimum is deemed to be necessary.

7

Should there be any additional grounds for refusal, such as the quantity demanded being below a de minimis amount, or reasons of force majeure? If you consider there should be, please suggest a de minimis amount or identify which force majeure reasons should apply

As previously detailed, supplying large quantities in a short period of time with minimal prior notice could create a supply problem and have potential to put suppliers in breach of contract with their customers.

In light of the above we support the position detailed in the Australian Oil Code which states that a supplier is not required to provide product “if they do not have sufficient supplies” and makes it clear that the supplier does not need to make a spot sale if that would result in the supplier being in breach of its contractual arrangements with its other customers.

This would apply in instances where the minimum prescribed amount for supply on a spot basis, if deemed necessary, had already been complied with.

8

We seek your feedback on whether occupational, health and safety requirements and creditworthiness could be determined on the day TGP supply is sought with minimal impact on the customer or the wholesale supplier?

If not, is it necessary to specify a pre-certification process with potential terminal gate customers in advance to allow an efficient assessment of whether these grounds for refusal have been met.

There are several requirements that would need to be met prior to supply of fuel, detailed as follows:

**Prior to the day of supply:**

**Customer approval:** The spot customer would need to be set up with a spot contract in our systems. This process requires completion of counterparty due diligence and credit clearance, including any agreed security required, which would need to be in place prior to the sale. These processes need to be completed well in advance of the actual day of loading and may need to be reviewed periodically.

**Terminal certification:** The vehicle used by the third party needs an industry-accepted safe load pass and the driver would need to be inducted at the terminal. They would also need to obtain a loading tag that allows them to load fuel and identifies the truck against their company.

**On the day of supply:** All the requirements set out above must be completed in advance. A reconfirmation of credit clearance on the day prior to loading would also be required.



9	<p>What other standard terms and conditions should be prescribed for sales by a wholesale supplier for the TGP at the storage facility?</p> <p>BP does not believe any additional terms and conditions for spot sales need to be prescribed aside from a minimum purchase quantity of 30,000 litres per transaction.</p>
10	<p>Please provide comments on any other matters related to the terminal gate pricing regime.</p> <p>Regarding point 44 in the consultation document BP will not be able to supply a document that contains pricing and fees charged at the time of loading as our systems are not yet set up to create sales documents direct from terminals. These invoices will be supplied with the required details in the days after a load of fuel is taken. At the time of loading BP will supply a bill of lading that includes the exact amount of fuel provided, and this will inform the final price charged to the customer.</p>

### Regulating terms in wholesale contracts

11	<p>Should either or both of the TGP or an industry-recognised price reporting agency's price based (MOPS or equivalent) pricing methodologies be deemed to be transparent pricing methodologies?</p> <p>Either of these pricing methodologies should be deemed transparent.</p>
12	<p>Should any other pricing methodology be deemed a transparent pricing methodology?</p> <p>There may be additional pricing methodologies developed and adopted in future that are also considered transparent. Our recommendation is that future methodologies are permitted if they comply with the spirit of the legislation.</p>
	<p>Should there be any other reasonable exceptions?</p> <p>Our view is that parties should be free to enter into agreements which they each consider in their best commercial interest. In our view this would include a negotiated pricing methodology they consider appropriate.</p>



13

What cost elements of a deemed pricing methodology should be itemised?

Under a MOPS built up pricing mechanism we see the following costs elements could be itemised:

Cost of imported product (MOPS + international freight + Port Costs)

Taxes

Other costs and margin (Add-On)

By contrast the daily spot TGP price would be a published end price on the website and would not include itemised cost elements.

14

What would be an appropriate prescribed period after which distributors can terminate their wholesale fuel supply contracts?

In BP's experience parties are not being forced into signing contracts for longer periods than they would like. Instead, these are arm's length agreements negotiated to offer benefits to both parties, and this applies equally to reseller contracts.

BP's existing distributor agreements have varied tenures and reflect investments made by both parties. On this basis BP does not feel a prescribed maximum term is necessary, but that parties should be able to agree a term that meets the best commercial interests of both parties. We note that the Australian TGP legislation does not include a regulated maximum term and parties are free to enter into agreements that they believe are in their respective best commercial interests.

What proportion of a distributor's annual requirements should be permitted to be subject to exclusive supply provisions?

We believe parties should be free to contract whatever exclusive proportion they can negotiate and provided distributors are offered the option of 80% maximum they should be permitted to contract 100% if they consider it to be in their best interest.

There may be unintended consequences in imposing a maximum exclusive supply percentage, for example:

- As a supplier BP gives a product quality guarantee on fuel supplied.

[REDACTED] Some distributors advertise the fuels they offer as exclusively supplied by BP as a sign of quality assurance to their customers and may also wish to retain 100% supply from BP so they can maintain this guarantee.

[REDACTED] BP's relationship with distributors is much broader than just terminal supply.

[REDACTED]

- [REDACTED]

15	<p>Should the maximum exclusivity requirement apply as an average across the whole length of the contract? If not, how should it be applied?</p> <p>We believe this is a matter for contract negotiations and that it should be left to the two parties to agree how any exclusivity requirements will be applied, either annually or over the life of the contract.</p>
16	<p>Should the exclusivity requirement apply to the total fuel requirement of distributors, or to each fuel type?</p> <p>As above this should not be prescribed – we believe it should be up to the two parties to negotiate.</p>
17	<p>Do these terms hinder the ability of dealers or distributors to compete?</p> <p>BP does not agree that all the terms listed potentially hinder the ability of dealers or distributors to compete. Our contracts are carefully constructed to ensure this does not happen. We believe the parties have balanced negotiating positions and there are no provisions in our contracts that are overly restrictive. As above, we believe it is important that all parties have the freedom to contract as they see fit. Even if regulations prescribe certain terms as listed, the parties to any contract should have the ability to include those terms. This is on the proviso the terms have been properly considered and both parties agree it is necessary to include those terms in the contracts to best protect both parties' commercial interests.</p>
18	<p>Are there any other terms that are likely to hinder the ability of dealers or distributors to compete?</p>
	<p>Should a term in wholesale contracts which prioritises supply to a supplier's own retail sites over that of a term customer be considered as likely to limit the ability of the dealers or distributors to compete?</p> <p>We do not currently include such provisions in our contracts. We equitably manage supply across our own sites and those of our contracted customers, acknowledging our position as a supplier of an essential service in emergency situations.</p>

## Dispute resolution processes for wholesale markets

19	<p>Do your wholesale supply contracts currently provide for a means of dispute resolution? If so, what does this look like?</p> <p>Yes, BP contracts include standard dispute resolution processes.</p>
20	<p>Do you consider the existing arrangements for dispute resolution to be sufficient? If not, how much use do you think would be made of a new dispute resolution scheme?</p> <p>It is extremely rare for BP to have to rely on the negotiated dispute resolution provisions to settle disputes as, to the extent there is a dispute between the parties, those have been settled swiftly between the parties to achieve an outcome acceptable to all involved. To that end, we do not think there is a need to develop a new dispute resolution scheme and doing so may in fact prove to be more burdensome than helpful. If such a scheme is deemed necessary by others, we believe it should only be used as a “backstop” when the parties have genuinely tried to settle any dispute between them without resolution, and it is critical that any such scheme is cost-effective and is administered by parties with the requisite skills (which will differ depending on the nature of the dispute).</p>
21	<p>Should participating in mediation be mandatory for the other party if one party wishes to attempt to resolve the dispute using this dispute resolution process?</p>
22	<p>Should the dispute resolution scheme apply if a wholesale supplier refuses to supply fuel at TGP?</p>
	<p>Should the dispute resolution scheme apply to disputes that result from the new wholesale contract terms?</p>

23

Should the dispute resolution scheme apply to disputes that result from any provision that relates to the terminal gate pricing regime?

24

Are there any other aspects of the new regime you think the dispute resolution scheme should apply to?

25

In your view, how can we ensure the dispute resolution scheme is affordable, easily accessible, and timely for all parties involved?

26

Should each party to a dispute be required to pay half the cost of the mediation or arbitration process?

27

In your view how can we ensure the dispute resolution scheme is effective?

28

Who should provide the dispute resolution services set up under the new regulations?

29

Should the dispute resolution scheme appoint an independent nominating authority to appoint dispute resolvers under the scheme?

30

Is there a specific skillset / background the mediator / arbitrator should have?

Please feel free to provide comments on any other matters related to the dispute resolution process.

## Regulatory backstop

31

What should be the threshold and process for whether backstop regulation should be imposed on the TGP supply of specified fuel products at a terminal or terminals? Please give reasons.

As the consultation document itself suggests, it is extremely difficult to determine at which point a regulatory backstop should be triggered. We agree a clear and transparent process must be followed if backstop regulation is to be triggered but it is difficult to see at this point in the process an obvious threshold at which it will be deemed that the TGP regime “does not deliver competitive terminal gate prices”.

How should the backstop price control regime be designed to apply to specified fuel products at a terminal or terminals? Please give reasons.

It is notoriously difficult to design price control regimes, and there are numerous examples from other industries in New Zealand and around the world where regulators have spent considerable amounts of time grappling with this issue. The fuel industry in New Zealand, because of the nature of the product and the unique supply chain, adds further complexity to this issue and we do not consider that existing input methodologies could necessarily be relied on in relation to fuel making this an incredibly difficult task, particularly given the fact the regime is being designed to address a potential currently undefined problem.

32

Do you have any comments on the costs of or time required to modify or install price boards?

As has been noted previously there is a significant cost incurred in the installation of price display information for premium fuels. Some BP signage will require significant modification to fit additional pricing information. We also have a small number of sites that could require resource consent changes if the legislation states that we must display all prices at each retail site.

For additional context, we have more than 200 sites across the country and prefer the option of minimising the cost of installation and spreading the cost of capital over time. Once the requirements are understood time to procure equipment and supplies prior to progressing with installation also needs to be considered. Installation would take place over time, based on availability of labour and materials.

Based on the above considerations we consider that the 18 months suggested from the passing of legislation to complete the installation of premium pricing information on roadside signage a reasonable period.

Which grades of fuel should the requirement to display apply to? Should it apply to all grades of fuel including premium, or to premium fuels only?

If there is to be legislation on displaying fuel prices it should apply to the liquid fuels sold on the retail site in question, which would be 91 octane, diesel and/or one premium octane fuel, depending on the premium fuel strategy of each brand.

We believe displays should be as simple and as standardised as possible to ensure customers can easily read and interpret pricing information.

In our view some fuels should be exempt from the requirements, for example LPG, which is only available at a small number of sites. Future fuels such as electricity and hydrogen should be exempt from display as it is not yet clear which future fuels will be most commonly sold and used at a retail level. Space should be maintained on the display signs for the inclusion of future fuels as available networks are likely to be limited in the early years of adoption.

Do you consider that an obligation to display price should apply to all grades of premium fuel, or only to the main grades of premium fuel sold?

For ease of reference and comparison the price for 95 octane, the most commonly available premium fuel in the market, should be displayed. In BP's case this would mean if a site had both 95 and 98 octane fuels available, the price of the 95 octane product would be displayed as it is the most commonly sold premium fuel in the market, and most comparable with other premium products available. If a BP site only had 98 octane fuel available as a premium fuel then the price of the 98 octane fuel would be displayed.



Do you consider that there should be specifications in regulations on the layout, size or other requirements of a price board?

- For example, should there be a requirement for a particular ordering or colour coding of prices that are displayed on a price board?
- Are there any other requirements you consider should be applied consistently across price boards?

Our understanding is that the main objective of displaying premium fuel prices is for consumers to more easily make informed choices using pricing information of comparable fuel across various sites. Due to the number and variety of fuels in the market, the display of pricing for all fuel types available at a site would result in a very cluttered board making comparisons difficult. This would be further amplified by any additional fuels sold on the site in the future.

We propose that the three most commonly sold fuels on a site have their prices featured on a display board of some kind. This would include a premium grade of fuel in alignment with the Commerce Commission's recommendation.

Fuel companies should have the choice of which colour they display their prices in. Colour coding is already in place and existing companies have generally chosen colours that fit with their corporate colours. Any change to this would be an additional cost to companies that would add no value and potentially cause customer confusion. In our view maintaining a consistent order that fuels are displayed on the board is more effective and supportive of easy interpretation than colour.

We would prefer that a standard for pricing signage is developed so consumers can quickly and easily understand the information displayed, with a common standard maintained across all sites retailing fuel to the public. This would include a standard order of fuels displayed by fuel type, i.e. petrol first and in grade order, i.e. 91 octane then 95 octane, with diesel at the bottom, allowing consumers to easily compare the price of the most used grades very quickly.

We want to avoid the costly need to replace our pricing signage due to a colour, font or text sizing issue as we believe that most of the signage we have in place today is fit for purpose.

Pricing information on roadside signs at some sites can be difficult to read from a moving vehicle, particularly where small sandwich-style boards are used for pricing. BP believes a standard should be developed for these sandwich boards, particularly for the size of pricing information displayed, following the principles above. The standard should allow a wide range of options that cover what is used in the market today so additional costs are not imposed on smaller site operators.

Overall we suggest simple guidelines for a variety of pricing signage options.

33

Should there be an exception from the requirement to display a price of a particular grade of fuel if the volume of that type of fuel being sold at a particular retail site is below a certain minimum volume? If so, why, and what would be a reasonable threshold for such an exception?

We believe this should apply only in instances where more than one grade of premium fuel is available at a site. In this case the site would display the price of the most popular premium fuel on roadside signage.

Note we do not consider unmanned commercial truck stops as retail sites where these regulations would apply. These truck stops typically only sell diesel and are primarily designed to service large trucking customers with the site the layout designed specifically for safe traffic flow of large heavy vehicles, rather than passenger vehicles. The vast majority of transactions at these locations are made using BP Fuelcards to commercial customers with contracted prices.

In instances where unmanned sites offer both petrol and diesel and have a more significant proportion of non-Fuelcard sales to retail customers we believe prices should be included on roadside signage for the products on sale. In this instance BP Hutt Road and BP Porirua would post prices of both fuels available because they each have a reasonable proportion of non-Fuelcard sales made to retail customers.

34

Should there be an exception from the requirement to have a price board displaying fuel prices if the total volume of fuel sold at a particular retail site is below a certain minimum volume? If so, why, and what would be a reasonable threshold for such an exception?

We believe there should be a level playing field for all fuel retailers in the market, and this means any site selling fuel on a retail basis/to the general public should display pricing for all grades of fuel the regulation stipulates.

Is an exception needed for the situation where sellers must comply with NZTA requirements for signage on state highways?

Are there any other situations where an exception might be needed? For example:

- is an exception required in relation to local authority bylaws?

are you aware of any issues that would mean that requirements on the display of price boards would conflict with local council requirements for signs under bylaws or the Resource Management Act? If so, describe these issues?

There should be exceptions where resource consent conditions or NZTA requirements mean a site could not comply with the regulations. We do not think it is cost effective or in the public interest to ask for existing rulings that have been put into place for good, primarily safety-related reasons to be changed to enable the display of fuel prices.

Are there any other issues that you think should be considered in development of regulations relating to the display of prices on price boards?

There is an additional consideration for 98 octane fuels that should also be factored into the above points. As we have previously stated, not all 98 octane fuels available in New Zealand are the same.

BP's 98 octane fuel is a 100% mineral fuel, however some 98 octane fuels available in the market are ethanol and mineral oil blends. There are also some higher octane fuels available formulated from a base of 95 octane mineral fuel with an additive to create a higher octane rating.

On the basis that these fuels each have different attributes and offer different benefits to users they should not be compared solely based on octane rating, as it is only one measure of a fuel's properties. For this reason, as per the point made above, 95 octane fuel should be the primary premium fuel displayed as it is the most widely available premium fuel in the market.

Do you have any comments that you wish to make on other matters relating to transparency of information for consumers?

**Additional points of differentiation:**

We believe differentiation has never been so important when competing in the fuel market. For this reason, it is our view that companies should retain the ability to include information regarding other aspects of their offers on roadside display signs.

**Availability of information:**

There is already a high level of transparency in the market. Every pump displays fuel pricing information for each grade that pump dispenses, including at truck stop sites, allowing consumers to check the price they will be paying before they make a purchase. Many consumers also have access to web-based applications that offer price comparisons by geographical area and by fuel grade.

**Information display during power disruption:**

We believe there need to be guidelines provided which cater for events such as power disruptions or maintenance where price displays may not be functioning for a short period of time.

**Loyalty programmes:**

Loyalty schemes are also a prominent feature of the market, with many customers benefiting from substantial savings from using these schemes, and fuel companies benefiting from customer loyalty. We do not know what our loyalty offers will look like in the future, but we expect them to evolve over time as the fight between competitors for each litre continues.

Do you have any specific feedback or comments on the information identified in the above table that industry participants would be required to collect and disclose?

There is a significant amount of commercial information proposed for disclosure. It is not entirely clear what is meant by 'disclosure' and whether that is disclosure to the Commission or Ministers or public disclosure by those entities to the wider public. As we have detailed below, a great deal of this information is commercially sensitive, and BP would not expect it to be disclosed publicly under any circumstances.

There are several aspects we would like assurance on to ensure information provided is relevant to the desired outcomes of the legislation, and that commercial confidentiality can be maintained:

- What level of security would the information provided be stored under, and how would our data be protected both now and in future?
- Who will have access to the data, both historical and current? This commercially sensitive data disclosed in any reporting in such a way as to disclose competitive advantages or disadvantages. This information should also not be made available to the public, media and other government agencies under any circumstances. We would expect the opportunity to comment on any OIA request made to the relevant organisation in respect of our data.

Wholesale contract information is incredibly commercially sensitive information and we cannot see that the necessity to disclose this. To provide the information listed would be extremely onerous. For example, providing revenue and volume data by customer is a very granular and we would like to understand the value of providing this level of detail. It is also not clear how discounted prices and size of discounts could be collected across the whole retail sector.

We believe taxes could be calculated by the government agency managing the data. This way as tax changes are made government agencies can react and we can build up our reporting in a tax free state to simplify our inputs.

Information already supplied to government agencies should also be reviewed so that we are only required to supply data to one source and that could be used by whatever government agencies require it.

We believe the 'Financial Information' stipulated is currently available from the NZ Companies Office files.



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For Fuel Industry participants, what costs would there be for your business to collect and disclose this information?

We estimate new reports would need to be built to ensure information can be provided in the proposed detail and format and in an accurate and timely manner. We expect this would cost in the vicinity of ██████ to set up. There would be an estimated ongoing cost of ██████ per quarter to run, collate and check the reports.

38

For Fuel Industry participants, is the information outlined above currently collected by your business?

- If so, is it collected in a form or manner that would be consistent with what's outlined above, or would changes to your information collection processes be required?
- If not, what costs would be incurred in collecting this information?

The data is not currently collected in the formats described.

Costs are estimated as above in Q48.

39

Are there any other factors not discussed above that could have an impact on the compliance cost of collecting and disclosing information? What are these factors?

There are several aspects we would appreciate clarity on:

- What is definition of regions mentioned in the 'Retail Market'?
- What is the expectation regarding management of customer revenue and volume data supplied from multiple terminals?
- What is the definition of discounted fuels referred to in the data collection table under Retail market/Retail fuel prices?
- Terminal gate price information will be available online daily. Rather than providing in a monthly report we recommend government agencies collect the data directly from these websites.

Are there any importing costs not captured in Table One that are relevant to understanding the cost of supplying fuel from a terminal in New Zealand?

It appears that all the costs can be covered within the categories given for importers costs.

40	<p>Have the proposed parties outlined as the owners and suppliers of information in Table One been correctly identified?</p> <ul style="list-style-type: none"> <li>• Could data returns for dealers who sell fuel under the brand of a wholesaler, and do not set their own price, be completed by suppliers? If not, do you have any comments on options for minimising compliance costs in this situation?</li> </ul> <p>BP can supply data for BP dealer sites who do not set their own prices, specifically those referred to as Dealer Agency Sites.</p> <p>Where dealers set their own prices we assume the dealer would be required to directly provide the information requested. Many of these dealers are small family operations and providing the level of information requested would be a substantial undertaking, however we believe consistent provision of the information required would be necessary to gain a true and full picture of the retail market.</p>
41	<p>Do you have any comments on the proposed frequencies for collection and disclosure of information outlined in Table One?</p> <p>It is not clear why short frequencies for data supply is required or how this will lead to a more competitive wholesale or retail market.</p> <p>Our recommendation is that all the final agreed data set is collected annually except for terminal gate pricing, which could be collected quarterly. The data should be held and released to the authorities only when requested.</p> <p>Please specify what 'disclosure' will mean in relation to this proposal.</p>
42	<p>Do you consider that the proposals outlined above strike the right balance between certainty and adaptability? Would you prefer that requirements such as frequency of information collection are set by agencies or set out in regulations?</p> <p>We are in favour of the obligation to hold the information in the prescribed formats but only supplying it when requested at agreed intervals and for specified periods.</p>
	<p>Do you have any comments on proposals for agencies to develop templates to ensure that information is disclosed in a consistent format?</p> <p>Having not seen the templates this is difficult to answer but we are happy to work with the authorities on template design to get something that works for everyone.</p>

For information that is proposed to be used for periodic analysis:

- Should such information still be required to be disclosed on a regular basis, or should that information be held by the companies until needed?

As above - we are comfortable with the obligation to hold the information in the prescribed formats but only supplying it when requested at agreed intervals and for specified periods.

Do you have any other comments that you wish to make on matters relating to information disclosure and monitoring?

Overall, the requirements appear to be onerous and when the “list” is finalised there needs to be a thorough assessment to ensure that only information that is strictly necessary to achieve the stated purpose it is collected for.

We do not consider the question regarding the collection of information on “investment indicators” relating to reliability and resilience to be within the scope of this regulation. There are already established processes in place for providing Government with resilience-related information, where necessary.