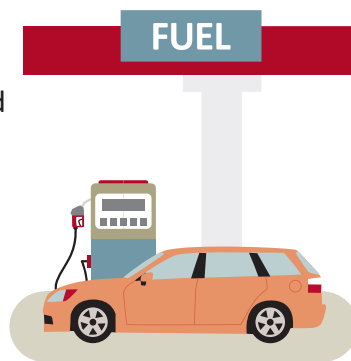


New rules promote competition in the New Zealand fuel market

Petrol stations are now required to clearly display the standard prices of all engine fuels that they sell to help motorists shop around for the best deal before they pull onto the forecourt.

Transparency in pricing is intended to allow consumers to make informed purchasing decisions. The new rules will also level the playing field for retailers and improve competition for customers looking for a better deal at the pump.



Stimulating wholesale competition in fuel markets

The Fuel Industry Act introduced new requirements designed to make it easier for retailers to access fuel at competitive wholesale prices. These requirements started coming into force from August 2021, and it came fully into force in August 2022. These are:

Terminal gate pricing

Wholesale fuel suppliers must publish a spot price for fuel and are generally required to sell it to any wholesale customers that want it at that price, even if they're competitors.

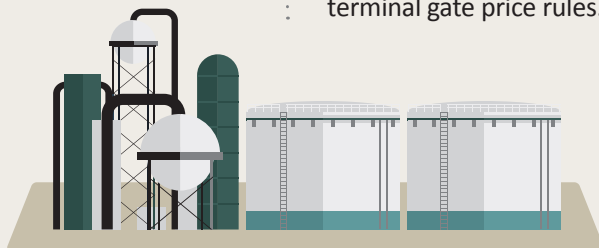
Wholesale contract rules

These limit the use of restrictive terms in wholesale contracts, freeing up wholesale customers to shop around for a better deal.

Dispute resolution

The Act provides a process for wholesale fuel suppliers and their customers to resolve disputes about wholesale contracts and terminal gate price rules.

The Commission can seek court-ordered **penalties of up to \$5 million** if fuel companies do not comply with these new rules



Monitoring the competitive performance of fuel markets

Fuel companies will also need to disclose key information to the Commission to help us monitor and report on the competitive performance of fuel markets now that these changes are in place.



The Commission also enforces other legislation that affects the fuel sector:

The Commerce Act – this prohibits anti-competitive conduct and acquisitions that substantially lessen competition

The Fair Trading Act – this prohibits false and misleading conduct and other unfair business practices.

More information about the Fuel Industry Act and the Commerce Commission's role can be found at www.comcom.govt.nz/fuel

Why are we regulating fuel?

The Government introduced the Fuel Industry Act following the Commission's 2019 fuel market study, which found a number of shortcomings in the competitiveness of fuel markets in New Zealand – particularly in the wholesale market.