

Statement of Issues

NPD / Gull

17 March 2026

Introduction

1. On 16 January 2026, the Commerce Commission registered an application (the Application) from Astra Energy Group Limited (Astra Energy or the Applicant) seeking clearance for it (or a nominee) to acquire all of the shares in GNZ Holdco Limited (including its subsidiaries, Gull) and all of the shares in NPD Group Investments Limited (including its subsidiaries, NPD) (the Proposed Merger). Astra Energy is jointly owned indirectly by the Sheridan Investment Trust (Sheridan) and Allegro Funds Pty Ltd (Allegro), who are the only shareholders in its ultimate holding company Astra Energy Holdings Limited (Holdco).¹
2. To grant clearance for the Proposed Merger, we must be satisfied that it will not have, or would not be likely to have, the effect of substantially lessening competition in a market in New Zealand.
3. This Statement of Issues (Sol) sets out the potential competition issues we have identified following our initial investigation. This is so Gull, NPD (together, the Parties), the Applicant, Allegro, and any other interested parties can provide us with submissions and further information relating to those issues.
4. In reaching the preliminary views set out in this Sol, we have considered information provided by the Parties, the Applicant, Allegro, and other industry participants. We have not yet drawn any final conclusions on the issues outlined below (or any other issues) and our views may change, and new competition concerns may arise, as the investigation continues.

The issues we are continuing to investigate

5. Based on the evidence collected to date, we are not currently satisfied that the Proposed Merger would not be likely to substantially lessen competition in one or more relevant markets. We are continuing to investigate the competitive effects of the Proposed Merger.
6. Our preliminary view is that the markets which best isolate the potential competition issues that might arise from the Proposed Merger include:

¹ A public version of the Application is available on the [case register](#) on our website.

- 6.1 markets for the retail supply of fuel, both local markets and a potential national market. We are continuing to investigate the geographic dimensions of these markets, particularly relating to any national dimensions for some aspects of competition in the retail supply of fuel; and
 - 6.2 the wholesale supply of fuel to retail fuel suppliers from Gull's Mount Maunganui terminal.
7. We are continuing to explore the possible competitive effects of the Proposed Merger in these markets. At this stage, our concerns primarily relate to potential unilateral and coordinated effects in the relevant markets.
8. Our investigation to date has focused on assessing the closeness of competition between the Parties and the degree of constraint that other retail fuel suppliers would be likely to impose on the merged entity.
9. We are concerned that the Proposed Merger would substantially lessen competition due to unilateral effects in the supply of retail fuel, leading to higher prices and/or a reduction in quality or service offering. While we are continuing to explore the potential unilateral effects, our current views are as follows:
 - 9.1 there are a number of local markets requiring further investigation in which the Parties appear to compete closely and where we are not yet satisfied that there would remain sufficient competitive alternatives post-merger;
 - 9.2 in addition to local markets where the Parties currently overlap, there may be further areas of potential future overlap and competition between the Parties that may be lost. To the extent that the Proposed Merger removes such a future dynamic competitive constraint between the Parties, it may prevent a more competitive outcome from arising than in the counterfactual. Previous Commission analysis has concluded that entry by unstaffed sites can have significant impacts on the prices of both staffed and unstaffed sites within a five-minute drive time;² and
 - 9.3 there may be relevant national dimensions of competition on which the Parties compete with each other and with rivals (eg, national or brand-level strategies and national discounting schemes). With the Proposed Merger, the competitive constraint that the Parties would provide on each other (and particularly the constraint that NPD would provide on Gull) would be lost.
10. We are not currently satisfied that the Proposed Merger would not substantially lessen competition due to coordinated effects and are continuing to consider the extent to which the Proposed Merger may make coordination more likely, complete, or sustainable in any relevant market.

² Commerce Commission, Focus Report: Impact of new unstaffed retail petrol stations on fuel prices (2 April 2024).

11. We are also not currently satisfied that the Proposed Merger would not substantially lessen competition due to vertical effects and are considering the merged entity's incentives regarding the wholesale supply of fuel to rival retail fuel suppliers from Gull's terminal.

The issues that do not currently raise concerns

12. We are currently of the view that the Proposed Merger would not be likely to cause a substantial lessening of competition due to unilateral effects in any relevant market in the supply of fuel to commercial customers because of:
 - 12.1 the minimal existing and potential overlap between the Parties for these customers, materially due to the fact that they do not currently have national networks (which the merged entity would have);³ and
 - 12.2 the likely sufficient constraint from competitors.
13. We do not discuss the supply of fuel to commercial customers further in this Sol, but we welcome any submissions on this point.

Process and timeline

14. We have agreed with the Applicant to extend the period in which to make a decision from the initial 40 working day statutory timeframe until **28 May 2026**. Further extensions may be agreed between the Commission and the Applicant.
15. We would like to receive submissions and supporting evidence from the Applicant, the Parties, Allegro, and other interested parties on the issues raised in this Sol. We request responses by close of business on **2 April 2026**, including a confidential and public version of any submission made.
16. All submissions received will be published on our website with appropriate redactions.⁴ All parties will have the opportunity to cross-submit on the public versions of submissions received from other parties. Cross-submissions must be received by close of business on **15 April 2026**.
17. If you would like to make a submission but face difficulties in doing so within the timeframe, please ensure that you register your interest with us at registrar@comcom.govt.nz so that we can work with you to accommodate your needs where possible.

³ Astra Energy's submissions on the rationale and benefits of the Proposed Merger (as summarised at [52]) note the potential for the merged entity to offer increased commercial volumes, offering more New Zealand businesses better fuel value.

⁴ Confidential information must be clearly marked (by highlighting the information and enclosing it in square brackets). Submitters must also provide a public version of their submission with confidential material redacted. At the same time, a schedule must be provided which sets out each of the pieces of information over which confidentiality is claimed and the reasons why the information is confidential (preferably with reference to the Official Information Act 1982).

Our framework

18. The Commerce Act (the Act) requires us to assess mergers and acquisitions using the substantial lessening of competition test. The Act, together with relevant case law, governs the way in which we consider all mergers, including the Proposed Merger. Our approach to this assessment is also based on the principles set out in our Mergers and Acquisitions Guidelines (Guidelines).⁵
19. We determine whether a merger or acquisition is likely to substantially lessen competition in a market by considering what would change with a merger. We do so by comparing the likely state of competition if a merger proceeds (the scenario with a merger, often referred to as the factual) with the likely state of competition if a merger does not proceed (the scenario without a merger, often referred to as the counterfactual).⁶ This allows us to assess the degree by which the Proposed Merger might lessen competition.
20. Whether or not a lessening of competition as a result of a merger is substantial depends on the particular circumstances.⁷ It is the degree to which competition has been lessened which is critical. A lessening of competition does not need to be felt across an entire market, or relate to all dimensions of competition in a market, for that lessening to be substantial. A lessening of competition that adversely affects a significant section of the market may be enough to amount to a substantial lessening of competition.⁸ Further, in markets that are already concentrated, a smaller change in competition with a merger may amount to a substantial lessening of competition than would be the case in markets that are less concentrated to begin with.⁹
21. In considering the Application and assessing whether the Proposed Merger is likely to substantially lessen competition, our focus is on what would change with the Proposed Merger. Unless we are satisfied that any lessening of competition as a result of the Proposed Merger is not likely to be substantial, we cannot give clearance.

The Parties and the Proposed Merger

The Applicant – Astra Energy

22. Astra Energy and its parent companies have been incorporated by Sheridan for the purposes of the Proposed Merger.
23. Astra Energy is ultimately:¹⁰

⁵ Commerce Commission, Mergers and Acquisitions Guidelines (May 2022). Available on our website [here](#).

⁶ *Commerce Commission v Woolworths Limited* (2008) 12 TCLR 194 (CA) at [63].

⁷ *ANZCO Foods Waitara Ltd v AFFCO NZ Ltd* (2005) 11 TCLR 278 at [240] (CA).

⁸ *Dandy Power Equipment Pty Ltd v Mercury Marine Pty Ltd* (1982) 64 FLR 238; ATPR 40-315, 43,888.

⁹ M Sumpter, *New Zealand Competition Law and Policy* (CCH, Auckland, 2010) at 186-187, discussing the decision in *Air New Zealand v Commerce Commission* (2004) 11 TCLR 347 (HC).

¹⁰ The Application at [4].

- 23.1 owned 50% by entities managed by Allegro which include the current shareholders of Gull; and
 - 23.2 owned 50% by the current shareholders of NPD (via HoldCo).
24. With the Proposed Merger, Astra Energy would acquire Gull and NPD.

The targets

25. Gull and NPD are both fuel suppliers operating in New Zealand predominantly, but not exclusively, via unstaffed retail sites.¹¹

Gull

26. Gull is a fuel importer and retailer currently owned by Australasian private equity manager, Allegro. It operates 124 sites in New Zealand:¹²
- 26.1 113 retail sites in the North Island;
 - 26.2 8 retail sites in the South Island; and
 - 26.3 3 marinas.
27. In addition to supplying retail customers, Gull supplies fuel to other oil companies, distributors, and commercial customers.¹³
28. Gull owns a bulk import and storage terminal at Mount Maunganui. In addition, Gull purchases fuel at other bulk supply terminals throughout New Zealand.¹⁴

NPD

29. NPD is an independent fuel supplier operating a combination of full service and unstaffed retail sites, as well as truck stops, predominantly located in the South Island. Specifically, NPD currently operates:¹⁵
- 29.1 77 retail sites in the South Island¹⁶; and
 - 29.2 18 retail sites in the North Island.
30. NPD currently obtains all its fuel requirements under wholesale fuel supply arrangements with Z Energy, Mobil, and Timaru Oil Services Limited.¹⁷

¹¹ The Application at [8].

¹² The Application at [16]-[17].

¹³ The Application at [19].

¹⁴ The Application at [19].

¹⁵ The Application at [10]-[11].

¹⁶ 19 of these sites also operate as truck stops and two of these sites also operate as marine stops. In addition, it operates 22 sites that are available to NPD cardholders only and not the general public. The Application at [11.1].

¹⁷ The Application at [11].

Market definition

31. Market definition is a tool that helps identify and assess the competitive constraints a merged entity is likely to face. Determining the relevant market requires us to judge whether, for example, two products are sufficiently close substitutes as a matter of fact and commercial common sense to fall within the same market.¹⁸
32. We define markets in the way that we consider best isolates the key competition issues that arise from a specific merger or acquisition. In many cases this may not require us to precisely define the boundaries of a market. What matters is that we consider all relevant competitive constraints, and the extent of those constraints. For that reason, we also consider products which fall outside the market, but which still impose some degree of competitive constraint on the merged entity.¹⁹
33. We are yet to form a final view on the exact scope of the relevant market(s) for assessing the competitive effects of the Proposed Merger. However, for the purposes of this Sol, our preliminary view is that the markets which would best isolate the competition issues that might arise from the Proposed Merger include:
 - 33.1 markets for the retail supply of fuel, both local markets and a potential national market; and
 - 33.2 the wholesale supply of fuel to retail fuel suppliers from Gull's Mount Maunganui terminal.
34. We discuss in turn below, our preliminary views on the product dimension of the relevant retail fuel market(s) and the geographic scope of these market(s), with reference to the evidence currently before us.
35. We invite submissions on our current approach to market definition and for parties to provide us with further evidence on the scope of the relevant market(s).

Submissions from the Applicant on retail fuel markets

36. In the Application, Astra Energy submits that the relevant markets for assessing the competitive effects with respect to retail fuel supply are likely to be local markets for the supply of fuel (ie, diesel, regular petrol, and premium petrol, collectively) to retail customers in a 2km radius.²⁰
37. However, Astra Energy also submits that customer driving patterns are complex and can differ in each location as previously recognised by the Commission, and on that basis, it also considers five-minute drive times around each of the Parties' sites in its market analysis.²¹

¹⁸ *Mergers and Acquisitions Guidelines* above n5 at [3.7]-[3.8].

¹⁹ Section 3(1A) of the Commerce Act 1986. See also *Brambles v Commerce Commission* (2003) 10 TCLR 868 at [81] and *Mergers and Acquisitions Guidelines* above n5 at [3.7]-[3.10].

²⁰ The Application at [41.1].

²¹ The Application at [49].

38. Astra Energy submits that all types of fuel (diesel, regular petrol, and premium petrol) are included in the same product market because from the supply side, the manner of distribution for different types of fuel is the same, and almost all retail sites offer all three types of fuel.²²
39. Astra Energy does not define separate product markets based on service level, for example, the difference in service offering from staffed and unstaffed sites. It submits that retailers use different service levels to differentiate supply of a homogenous commodity product within a single retail fuel product market.²³

Our current view on the relevant retail fuel markets

40. The conceptual framework we use when we define the relevant market in a merger involves a ‘hypothetical monopolist test’. We ask whether a hypothetical monopolist could profitably impose a small, but significant, non-transitory increase in price (a SSNIP) of at least one of a merged firm’s products or services. This will be the case when there are few good substitutes to the product or service in question.²⁴
41. We consider substitution by both customers and suppliers and ask, if prices increased, whether:²⁵
- 41.1 customers would switch sufficient purchases to alternative products, services, or locations so that a SSNIP is not profitable (*customer or demand-side substitution*); and/or
 - 41.2 rival firms (having observed an increase in price) would easily, profitably, and quickly (generally within one year) switch production to the products, services, or locations in question without significant cost so that a SSNIP is not profitable (*supplier or supply-side substitution*).
42. Regardless of the boundaries of any relevant markets, what ultimately matters is that we consider all relevant competitive constraints, and the extent of those constraints. If we define a market narrowly, we will consider competitive constraints from outside a market. If we define a broad market, we will consider how closely different suppliers compete within that broad market. A substantial lessening of competition in a significant section of a broad market could still amount to a substantial lessening of competition in that market overall.

Product dimension

43. At this stage, we have applied a single product market for all fuel types (ie, diesel, regular petrol, and premium petrol) to assess the Proposed Merger. Currently, we have not defined separate product markets for diesel and petrol (Regular 91, and Premium 95 and 98), as despite the lack of demand side substitution (consumers cannot substitute between petrol and diesel without switching vehicle), our

²² The Application at [43].

²³ The Application at [44]-[48].

²⁴ *Mergers and Acquisitions Guidelines* above n5 at [3.17]-[3.18].

²⁵ *Mergers and Acquisitions Guidelines* above n5 at [3.16].

investigation indicates that nearly all retail fuel sites offer all three fuel categories or a least diesel and Regular 91.²⁶ Further, [] indicated that it does not see different competitive effects across the three fuel types. Rather, the prices of all three fuel types broadly move together.²⁷ We have however, excluded truck stops from our assessment as these sites are unlikely to be an alternative option for retail customers who have petrol vehicles. We invite submissions on the extent to which there are likely to be separate retail markets for petrol and diesel.

44. While we do not consider it necessary to define separate markets by service level, we consider that differentiation on service may affect the closeness of competition between any given site and consider this further in our assessment of potential unilateral effects.

Geographic dimension

45. Our investigation indicates that there may be local and national dimensions to competition in retail fuel markets.
46. Regarding local dynamics to competition:
- 46.1 Location is an important factor in determining a customer's choice on where to purchase fuel and there are limits on the time and distance that customers are prepared to travel to do so. Consistent with previous work of the Commission, we consider that markets for retail fuel supply are localised and geographically differentiated.²⁸ However, at this stage, we do not consider it necessary to define the precise boundaries of each local geographic market.
- 46.2 As submitted by Astra Energy, and consistent with the Commission's decision in *Z Energy/Chevron*, we consider that customer driving patterns are complex and can differ in each location. While we consider that for many local markets a 2km radius or five-minute drive time is likely appropriate to assess the potential competitive effects resulting from the Proposed Merger as it likely captures the Parties' close competitors, we also consider that there are local markets where a wider geographic market may be more suitable – for example, in rural markets where rivals are further away. This is consistent with market feedback which suggests that geographic markets can range from a few hundred metres to 20km.²⁹
- 46.3 How pricing is determined at specific retail sites is also relevant. Consistent with the Commission's findings in *Z Energy/Chevron*, we consider that retailers often monitor the price changes of their rivals located in the same

²⁶ Based on estimates calculated by the Commission using Gaspy data. Where in a specific local market a rival site does not supply all fuel types, we factor this into our assessment of competitive constraints.

²⁷ Commerce Commission interview with [].

²⁸ *Z Energy Limited and Chevron New Zealand* [2016] NZCC 10 at [130]. The importance of location is also supported by evidence from the Parties, including [].

²⁹ Commerce Commission interviews with [], [], and [].

area.³⁰ The Parties []³¹
Therefore, in addition to applying a 2km radius and a five-minute drive time around each of the Parties' sites, we also consider []³²

46.4 [] also indicate that in some cases, a wider geographic market is required to assess the potential competition effects of the Proposed Merger. []³³

47. While pricing for particular retail fuel sites is often set and adjusted based on local competitive dynamics, evidence gathered to date suggests that fuel retailers may also consider national dynamics in introducing national discount schemes, applying brand-wide competitive strategies, or responding to those of their competitors. For example:

47.1 the Parties each have national discount day promotions []³⁴ and

47.2 evidence gathered to date indicates that fuel retailers have broad, brand-wide strategies regarding pricing and competitive strategies, that are then factored into decisions at local sites.³⁵

³⁰ Z Energy Limited and Chevron New Zealand [2016] NZCC 10 at [130], [] and []
³¹ []

[]
[]

³² []
[], [] and []. Commerce Commission interviews with [] and []

³³ []

³⁴ [] and []

³⁵ Commerce Commission interviews with [], [] and [].
See also, for example, [] and []

48. At this stage, we are continuing to consider potential national dynamics of competition and the extent to which these dynamics may be adequately captured by local analyses. We discuss these potential national dynamics further in relevant subsequent sections and we invite submissions on this point.

Wholesale supply of fuel from the terminals

49. In addition to the retail fuel markets discussed above, another market potentially relevant to our assessment of the Proposed Merger is the wholesale supply of fuel to retail fuel suppliers from Gull's Mount Maunganui terminal. We have yet to form any views on the precise scope of the relevant market and we invite submissions on this point.

With and without scenarios

50. Assessing whether a substantial lessening of competition is likely requires us to:
- 50.1 compare the likely state of competition if the Proposed Merger proceeds (the scenario with the merger, often referred to as the factual) with the likely state of competition if it does not (the scenario without the merger, often referred to as the counterfactual); and
 - 50.2 determine whether competition is likely to be substantially lessened by comparing those scenarios.

With the Proposed Merger

51. With the Proposed Merger, the Parties would merge and operate under the ownership of Astra Energy.
52. Astra Energy submits that the Proposed Merger would create a national supplier of scale capable of more effectively competing with the global majors and other independents, in the face of evolving and uncertain economic, regulatory and consumer landscapes.³⁶ It further submits that the Proposed Merger would generate synergies and growth opportunities with the potential for:³⁷
- 52.1 accelerating network expansion (new sites and upgrades to existing sites) to gain increased volumes, bringing more competition to local markets;
 - 52.2 increased commercial volumes, offering more New Zealand businesses better fuel value; and
 - 52.3 fuel purchasing and supply synergies through increased throughput and operational efficiencies, increased purchasing power and supply chain

³⁶ The Application at [32]-[33].

³⁷ The Application at [34] and [36].

optimisation (with the merged entity having the ability to source majority of its fuel independently).

Without the Proposed Merger

53. Astra Energy submits that without the Proposed Merger, the Parties would continue to operate independently of one another. While NPD has incrementally added North Island sites to its South Island-based network over the last few years, and Gull has added a small number of South Island sites to its network, the Parties expect the respective South and North Island focus of their respective networks to continue.³⁸
54. Our current view is that it is appropriate to assess the Proposed Merger against a counterfactual in which the Parties continue to operate independently of one another and continue to separately develop and expand their respective retail networks. However, as we discuss further below, the Parties' broad independent expansion strategies have – in recent years – resulted in greater local overlaps and competition between the Parties. As such, we are continuing to consider the extent to which Gull and NPD are likely to continue expanding into the South Island and North Island respectively in the counterfactual, such that further local overlaps and competition would be likely to occur.
55. We further discuss the potential scenarios with and without the Proposed Merger in relevant subsequent sections.

Unilateral effects – overview

56. Unilateral effects arise when a firm merges with a competitor that would otherwise provide a significant competitive constraint (particularly relative to remaining competitors) such that the merged firm can reduce quality or profitably increase price above the level that would prevail without the merger without the profitability of that increase being thwarted by rival firms' competitive responses.³⁹
57. In the following sections we assess whether unilateral effects are likely to arise from the Proposed Merger by considering:
 - 57.1 the closeness of competition between the Parties; and
 - 57.2 the likely constraint that the merged entity would face following the Proposed Merger. This includes discussion on:
 - 57.2.1 the degree of constraint that other retail fuel suppliers would be likely to impose on the merged entity; and
 - 57.2.2 how easily and how likely rivals are to enter and/or expand into any of the relevant markets.

³⁸ The Application at [38]-[39].

³⁹ *Mergers and Acquisitions Guidelines* above n5 at [3.62].

Summary of the Applicant's views

58. In the Application, Astra Energy submits that the Proposed Merger would not be likely to substantially lessen competition due to unilateral effects in the supply of fuel to retail customers because:⁴⁰
- 58.1 the market shares of Parties on a national basis do not trigger the Commission's concentration indicators;
 - 58.2 there is minimal geographic overlap between the Parties when considering localised retail markets;
 - 58.3 in markets where there is overlap between the Parties, the merged entity would continue to be constrained by customers' ability to switch to a number of nearby rivals, depending on the particular market;
 - 58.4 in no local retail markets would the Proposed Merger result in a reduction in the number of competitors from three to two, or from two to one; and
 - 58.5 the Proposed Merger is likely to be pro-competitive at the retail level as it would provide retail customers across New Zealand with a national network of over 240 competitively priced retail fuel sites.

Summary of our current views

59. We are considering the extent to which the Proposed Merger would substantially lessen competition due to unilateral effects in any local retail markets and in a potential national retail market.
60. The evidence we have gathered to date suggests that:
- 60.1 there are a number of local markets requiring further investigation in which the Parties appear to compete closely and where we are not yet satisfied that there would be sufficient competitive alternatives post-merger to constrain the Parties from increasing price or decreasing quality;
 - 60.2 beyond local markets where the Parties currently compete, there may be further local areas of potential future competition. To the extent that the Proposed Merger may result in a loss of this potential future competition, the merger may prevent a more competitive outcome from arising; and
 - 60.3 there may be relevant national dimensions of competition on which the Parties compete with each other and with rivals (eg, national or brand-level strategies and national discounting schemes). With the Proposed Merger, the competitive constraint that the Parties would provide on each other (and particularly the constraint that NPD would provide on Gull) would be lost.

⁴⁰ The Application at [56], [59], [62], [64], [67] and [69].

Unilateral effects in local retail markets – current competition

61. In local areas where the Parties currently overlap, the Proposed Merger would likely result in a reduction in the number of competitors. We are investigating whether the Parties are close competitors and act as a competitive constraint on one another in any of these local markets, such that following the Proposed Merger, the remaining alternatives would not constrain the merged entity from unilaterally increasing prices or otherwise reducing the quality of its offering or service.
62. At this stage, applying the methodology set out further below, we have identified some local markets where the Parties currently may compete closely, and where there may be limited remaining competitive constraint from alternative retail fuel suppliers.
[
]. The Parties' sites in each of these local markets are set out in **Attachment A**.
63. For each of these local markets, we are continuing to consider the extent to which the Parties compete, the strength of the constraint provided by remaining alternatives, and the possibility of entry and expansion by rivals to constrain the merged entity. The list of sites in **Attachment A** may change once we have conducted further investigation and analysis.

Closeness of competition between the Parties

64. Fuel retailers compete across a range of attributes as consumers' purchasing decisions are decided by a combination of location, price, and service quality and offering.⁴¹ As noted earlier, Astra Energy submits that the different service offerings available reflect fuel retailers engaging in differentiation to sell an otherwise homogenous product.⁴² For example, Astra Energy submits that BP appears to have retained its focus on the quality and breadth of its service offering, Z continues to invest in its full service offering while also rolling out its unstaffed offering under U-GO, and Mobil has converted some sites to an unstaffed offering under Mobil Express.⁴³
65. While retail fuel suppliers may compete to some degree with all retail fuel suppliers in the same area as their sites, across a range of attributes, they often face stronger competition from rivals that are located close to their sites, and rivals that offer low pricing and similar quality.⁴⁴ For example,
[
].⁴⁵ The factors that rivals compete on are reflected in
[
]. In addition,

⁴¹ The Application at [47], and Commerce Commission Interviews with [] and [].

⁴² The Application at [48].

⁴³ The Application at [46].

⁴⁴ Commerce Commission interviews with [] and [].

⁴⁵ Commerce Commission interviews with [].

[
].⁴⁶

66. Submissions received have commented on unstaffed sites being the main drivers of competition and very competitive, and that as many competitors as possible are needed to maintain a competitive market.⁴⁷ Other submissions expressed the view that the Parties are the two primary discount leaders and the two operators of unstaffed sites that tend to run promotional discount days (on which they will match each other's discounts), and voiced concern that this competition and the general competitiveness between the Parties on standard prices would be removed with the Proposed Merger.⁴⁸
67. Given the above, we consider that the Parties likely compete closely with one another and face limited constraint from remaining retail fuel suppliers when the Parties are geographically proximate to one another with few rivals (staffed or unstaffed) as proximate, that are engaging in strong price competition.
68. Below we discuss the steps we have taken to test the closeness of competition between the Parties, and the constraint provided by the remaining retail fuel suppliers in all local markets where the Parties overlap.

Methodology

69. As discussed earlier, to identify the local areas of overlap where the Parties may compete for the retail supply of fuel, we defined local markets, having regard to:
- 69.1 a 2km radius around each of the Parties' sites;
 - 69.2 a five-minute drive time from each of the Parties' sites; and
 - 69.3 the sites [].
70. Additionally, we conducted a visual review of local area maps to identify locations where there may be competition between the Parties which is not captured by the above criteria. These are sites which are geographically distant, more than 2km or five-minute drive time apart, but there are few alternatives which are closer.
71. Within each of the local markets in which the Parties currently compete for the retail supply of fuel, we assessed whether the Parties are close competitors and whether there would remain sufficient competitive alternatives post-merger to constrain the merged entity from unilaterally increasing prices or otherwise reducing the quality of

⁴⁶ Commerce Commission interview with [].

⁴⁷ Submissions from Anonymous A (21 January 2026) and Anonymous B (20 January 2026).

⁴⁸ Submissions from J Welsh (29 January 2026) and Michael (3 February 2026).

its offering or service at its fuel sites. To carry out this assessment, we applied a set of criteria while also allowing for an exercise of judgement.⁴⁹

- 71.1 For markets with two or more rival sites (not under common ownership) that regularly price below the Parties, we consider that these rivals are likely to constrain the merged entity. However, if either of these rivals are far away relative to how close the Parties are to each other, or do not appear to be 'en route' when considering likely traffic flows, we consider that further investigation is required for us to be satisfied that they would constrain the merged entity.
- 71.2 For markets with one rival site that regularly prices similarly or below the Parties, we consider that further investigation is required for us to be satisfied that the rival would constrain the merged entity.
- 71.3 For markets with no rival sites that regularly price similarly or below the Parties, we do not currently consider that there would be sufficient existing alternatives to constrain the merged entity.
- 71.4 For markets where we are not yet satisfied with the existing constraint from rivals, but where there may be entry of a low-cost rival in the near-term, we consider that further investigation is required for us to be satisfied that such entry would constrain the merged entity.
72. We completed this assessment in two phases for each of the local markets in which the Parties currently compete for the retail supply of fuel.
- 72.1 Firstly, we considered the existing and planned rival sites within 2km of the Parties' sites, as well as the [].⁵⁰
- 72.2 Secondly, for the Parties' sites that the first phase identified as being close competitors and lacking strong alternatives, we further considered if there were any rival sites within a five-minute drive time that would sufficiently constrain the merged entity.⁵¹ At this stage of our investigation, the inclusion of these additional sites is not sufficient to satisfy us that the merged entity would face sufficient constraint from alternatives to prevent a unilateral increase in price or decrease in offering or service quality. The additional sites captured by this step are typically further away than the Parties are to each

⁴⁹ The price analysis was completed using Gaspy data over the period January 2025 to December 2025, focusing on the price of Regular 91 fuel. The Gaspy data includes site level daily board prices for all fuel sites in New Zealand. The data set does not include off-board discounts. In areas of overlap where our analysis of board prices indicates Gull and NPD may be each other's closest competitor, the inclusion of off-board discounting by rivals may result in Gull and NPD no longer being each other's closest competitors. In theory it is also possible that our current assessment using board prices may be affected when Gull and NPD are not each other's closest competitors on board prices but off-board discounting by the Parties results in them being close competitors. A review of off-board discounting policies indicates that this is unlikely.

⁵⁰ []

⁵¹ []

other, indicating that the Parties are more likely to be each other's closest competitor and diversion to these rivals may be low.

73. [].
74. The list of sites we consider require further investigation based on this assessment can be found in **Attachment A**.
75. The next stage of our assessment will involve a more detailed analysis of the remaining sites outlined in **Attachment A**. This analysis will take greater account of the differences between competitors. In particular, we will continue to consider, and welcome submissions on, the following factors that may differently impact on the extent of competition between retail fuel sites in the various local markets:
- 75.1 site characteristics and topographical features that may impact demand-side substitution (eg, non-price offerings, service quality of the site, traffic routes and/or natural barriers that may affect the time and distance customers are willing to travel to purchase fuel);
 - 75.2 the impact of price comparison apps, such as Gaspy, on consumer buying behaviour;
 - 75.3 the impact of loyalty/discount cards on competition, including how many customers hold one or many loyalty/discount cards;
 - 75.4 the constraint from existing unstaffed sites, including:
 - 75.4.1 how many rival unstaffed fuel suppliers are sufficient to constrain the merged entity in each relevant market; and
 - 75.4.2 whether in some markets customers are more willing to travel to an unstaffed site that is further away, or not 'en route';
 - 75.5 the constraint from existing staffed sites; and
 - 75.6 the constraint from future staffed or unstaffed sites (including the likelihood, sufficiency, and timeliness of any relevant entry).
76. In assessing the constraint that unstaffed, staffed and planned sites may have on the merged entity, part of our assessment will consider the effect that these alternatives would have on sales volumes were the merged entity to raise prices, and thereby assess the competitive constraint that these alternatives would have on prices with the Proposed Merger.

Unilateral effects in local markets - loss of potential future competition

77. We are considering whether the Proposed Merger would substantially lessen competition as a result of a loss of potential future competition between the Parties.

A loss of potential competition could occur because – in the counterfactual – future competition may arise between the Parties through:

- 77.1 entry by one of the Parties into local markets in which the other is currently present; or
 - 77.2 entry by both of the Parties into local markets where neither is currently present.
78. To the extent that the Proposed Merger may remove a dynamic future competitive constraint between the Parties, the Proposed Merger may prevent a more competitive outcome arising and raise competition concerns.
79. Our analysis relating to unilateral effects in local retail markets above focuses on current competition in local markets in which the Parties' have existing sites and currently may compete closely, []. It does not capture other potential future geographic areas in which the Parties may compete in the future [], nor does it consider the impact of the Parties' broader independent expansion strategies that have – in recent years – resulted in greater local overlaps and competition between the Parties. Not considering this potential future competition could under-capture the effects of losing a dynamic competitive constraint as a result of the Proposed Merger.
80. Two important questions we are considering as part our analysis of this theory of harm are:
- 80.1 would one of the Parties be likely to enter or expand in overlapping local markets absent the Proposed Merger; and
 - 80.2 how likely is this loss of potential future competition to give rise to a substantial lessening of competition, considering other constraints and potential entrants.
81. While we have not reached any final views at this stage, we consider that, as a general proposition, it is open to us to find that there is real chance the Parties would expand into local markets where the other is, or may likely be, present in the counterfactual, without needing to form a conclusive view on the precise nature or timing of that entry. This conclusion may be informed by a range of factors, including:
- 81.1 [];
 - 81.2 the general expansion plans of the Parties (including the established ways in which the Parties tend to undertake such expansion, and the areas in which the evidence available to us suggests the Parties intend for that expansion to occur); and

81.3 historic patterns of entry into local areas where the Parties are present.

82. Previous Commission analysis has concluded that entry of unstaffed sites has a significant effect on the prices of surrounding sites.⁵² The Commission has concluded that existing unstaffed sites respond more aggressively in terms of price to new entry than existing staffed sites, noting:

82.1 staffed sites within a five-minute drive time reduced their prices for Regular 91 by up to 2.9 cents per litre (cpl) in the eight weeks following new entry; and

82.2 unstaffed sites within a five-minute drive time reduced their prices for Regular 91 by up to 3.8 cpl in the eight weeks following new entry.⁵³

83. Submissions received have commented that entry by NPD into local markets to date has resulted in a reduction in prices.⁵⁴

84. Furthermore, the Commission has concluded that, on average, the presence of at least one (non-supermarket) unstaffed retail petrol station in a local market is associated with a lower average price of 6.1 cpl for Regular 91.⁵⁵

85. Based on the evidence gathered to date, we understand that:

85.1 NPD has sought to expand in recent years and has indicated that [];⁵⁶

85.2 NPD's [];⁵⁷

85.3 however, NPD's [];⁵⁸ and

85.4 [] 45% of NPD's sites in the North Island are located

⁵² Commerce Commission, Focus Report: Impact of new unstaffed retail petrol stations on fuel prices (2 April 2024).

⁵³ Commerce Commission, Focus Report: Impact of new unstaffed retail petrol stations on fuel prices (2 April 2024).

⁵⁴ Submissions from P Healey (21 January 2026) and M Gavan (21 January 2026).

⁵⁵ Commerce Commission, Focus Report: Impact of new unstaffed retail petrol stations on fuel prices (2 April 2024).

⁵⁶ [].

⁵⁷ Commerce Commission interview with [].

⁵⁸ Commerce Commission interview with [].

within 2km of a Gull site.⁵⁹

86. We are still investigating and invite submissions on:
- 86.1 the Parties' likely expansion plans with the Proposed Merger;
 - 86.2 NPD's likely expansion plans and strategy in the counterfactual, including the extent to which it would open sites in the same local markets as a Gull site, and any historical pattern of entry into local markets where Gull is active;
 - 86.3 Gull's likely expansion plans and strategy in the counterfactual, including the extent to which it would open sites in the same local markets as NPD, and any historical pattern of entry into local markets where NPD is active;
 - 86.4 the extent to which entry by NPD or Gull affects competition in local markets and how this compares to the impact of entry by other retail fuel suppliers;
 - 86.5 the extent to which the Parties are taking – or have previously taken - action in anticipation of each other's potential future potential expansion and entry;
 - 86.6 the constraint from the potential expansion plans and strategies of other retail fuel suppliers, including low-cost retail fuel suppliers (including, Waitomo, Allied Petroleum, PAK'nSAVE, U-GO, Tasman Fuels, and Mobil Express); and
 - 86.7 the specific local markets that may be impacted by this potential future loss of competition between the Parties.

Unilateral effects in a broader national retail market – loss of existing competition

87. While we generally consider that competition occurs at a local level in retail fuel markets, we are also considering the potential competitive effects arising outside of, or extending beyond, local market boundaries. In this regard, we are considering the extent to which the Parties compete at a national level in the retail supply of fuel, and whether that loss of competition would be sufficient to raise competition concerns. This may be the case if there are relevant and sufficiently material parameters of competition between the parties that are determined at a national (or brand-wide) level.
88. We note that while pricing for particular retail fuel sites is ultimately determined at a site level with respect to local competitive dynamics, evidence gathered to date suggests that fuel retailers also implement, at a higher level, broad strategies for

⁵⁹ [and the Application at Schedule C of Attachment A3. We are still assessing []
].

supplying fuel and competing at a brand-level nationally. Examples of this include brand-level competitive strategies and national discount schemes.⁶⁰

89. In our view, the Parties currently have different competitive strategies at the brand-level.

89.1 NPD’s current strategy

[
].⁶¹

89.2 Gull currently

[
].⁶²

89.3 Our assessment of prices within the local markets where the Parties overlap suggests that NPD is often a price aggressive player in the market, whereas Gull is no longer the price-leader that it once was.⁶³ We typically find that across the local markets assessed, NPD’s unstaffed sites regularly have the lowest price in the market, although there are other unstaffed sites which often price similarly to NPD. In contrast, we find that Gull consistently prices higher than NPD and other unstaffed rivals, however this is typically still lower than the price of staffed sites. We consider that while fuel sites respond to competition in local markets, their relative position in each local market is determined at a network level as part of their brand strategy. For example, as discussed above, NPD’s current strategy

[
].

90. The Parties both have regular national discount offerings:

90.1 [
].⁶⁴

90.2 [
].⁶⁵

⁶⁰ [, and Commerce Commission interviews with [] and []. See also []

⁶¹ Commerce Commission interview with [] and []

⁶² See, for example, []

⁶³ Internal Commerce Commission analysis of local fuel markets using GASPYP pricing data.

⁶⁴ []

⁶⁵ []

91. At this stage, it is currently unclear what the merged entity's strategy would be post-merger.

91.1 Gull indicated that []⁶⁶ NPD indicated that []

].⁶⁷

91.2 []⁶⁸

91.3 []⁶⁹

91.4 []

92. However, despite any plans that the Parties may have (or may form in the future) for operating the merged entity, there is no certainty as to how the merged entity would in fact operate in the factual, or how long it would continue to operate in such a way.

93. Submissions received have voiced concerns that the merged entity may price differently and less competitively than today. Two submissions noted that Gull's prices rose following, or that it has been less price competitive since, a change in its ownership.⁷⁰ Three submissions stated that, with the Proposed Merger, the merged entity may discount less and/or Gull could pressure NPD to raise prices.⁷¹

94. The Proposed Merger could be beneficial for competition and consumers if, as Astra Energy submits, it creates a national supplier of scale capable of more effectively competing, including through resulting synergies and growth opportunities.⁷² The Proposed Merger could also be beneficial if the merged entity adopts broad strategies that increase retail competition (in particular, []). However, if the Proposed Merger results in the loss of a price-aggressive strategy at a national level [], this could negatively impact on competition across all areas where the Parties have sites (not only those local markets where they overlap).

⁶⁶ Commerce Commission interview with [].

⁶⁷ Commerce Commission interview with [].

⁶⁸ [].

⁶⁹ []

⁷⁰ Submissions from P Healey (21 January 2026) and Anonymous B (20 January 2026).

⁷¹ Submissions from P Healey (21 January 2026), J Welsh (29 January 2026) and Michael (3 February 2026).

⁷² See [52].

95. Therefore, we are continuing to investigate, and welcome submissions on:
- 95.1 the extent of any dimensions across which retail fuel suppliers compete at a national or brand-wide level, rather than at a local level;
 - 95.2 the closeness of competition between the Parties at a national or brand-wide level;
 - 95.3 the constraint from other retail fuel suppliers at a national or brand-wide level; and
 - 95.4 whether it would be commercially rational for the merged entity to soften the pricing approach at NPD sites nationally post-merger.

Coordinated effects in local retail markets

96. The Proposed Merger could substantially lessen competition if it increases the potential for the merged entity and all or some of its remaining competitors to coordinate their behaviour and collectively exercise market power such that output reduces and/or price increases across the relevant market. Unlike the unilateral effects theories of harm addressed in the preceding sections, which can arise from the merged entity acting on its own, coordinated effects require some or all of the firms in the market to act in a coordinated way.⁷³ For example, firms may accommodate each other's price increases if they consider that it is more profitable for them than competing. Coordination can be on price or any other dimension of competition or by allocating customers or territories.⁷⁴
97. It follows that successful coordination requires firms to reach at least an implicit agreement, and then to maintain that agreement by detecting and punishing any firm that deviates from that agreement.⁷⁵ In assessing whether the Proposed Merger could substantially lessen competition via coordinated effects, we assess whether:⁷⁶
- 97.1 the market is vulnerable to coordination; and
 - 97.2 the acquisition changes the conditions in the relevant market so that coordination is more likely, more complete or more sustainable (eg, by removing a particularly aggressive or destabilising competitor).
98. Successful coordination may be easier to achieve in markets characterised by some of the following features: homogenous products; a small number of competitors absent destabilising competitors or strong competition from outside the coordinating group; similar size and cost structures; limited innovation, stable demand and lack of supply shocks; transactions that are frequent and small in size;

⁷³ *Mergers and Acquisitions Guidelines* above n5 at [3.84].

⁷⁴ *Mergers and Acquisitions Guidelines* above n5 at [3.85].

⁷⁵ *Mergers and Acquisitions Guidelines* above n5 at [3.88].

⁷⁶ *Mergers and Acquisitions Guidelines* above n5 at [3.86]-[3.87].

readily observable prices and/or volume; and interrelationships between firms through association or cross partial ownership.⁷⁷

99. While these factors identify instances where a market may be more vulnerable to coordination, not all these factors need to be present for a market to be vulnerable to coordination, and the presence of any one of these factors does not necessitate that coordination is likely.⁷⁸

Submissions from the Applicant

100. In the Application, Astra Energy submits that the Proposed Merger would not make coordinated effects any more likely to emerge, or make any existing coordinated effects more sustainable or complete. Rather, it submits that the creation of a more effective competitor with more dissimilar cost structures and less structural integration with the majors with the Proposed Merger is likely to be competition enhancing.⁷⁹
101. Astra Energy references the Commission's *Z Energy/Chevron* decision which identified the presence of Gull, the high level of service differentiation, and loyalty schemes and independent price setters at the retail level, as factors affecting the likelihood of coordination.⁸⁰
102. Astra Energy further submits that since the Commission's decision on *Z Energy/Chevron* and its consideration of the fuel sector in its 2019 *Retail Fuel Market Study*, a number of features of the New Zealand fuel market have changed further, decreasing any vulnerability it may have had to coordination.⁸¹
103. Astra Energy also submits that the following factors would also constrain coordination:⁸²
- 103.1 the fast-changing profile of the industry and different competitive profiles of industry participants;
 - 103.2 the structural, regulatory, and contractual changes to the fuel sector, which have decreased the likelihood of coordination at all levels of the supply chain both locally and nationally, and which would not change with the Proposed Merger; and
 - 103.3 the networks of the Parties being mainly complementary.

Our current views

104. Our assessment considers whether there are factors that make the relevant markets vulnerable to coordination and whether the Proposed Merger introduces changes

⁷⁷ *Mergers and Acquisitions Guidelines* above n5 at [3.89].

⁷⁸ *Mergers and Acquisitions Guidelines* above n5 at [3.90].

⁷⁹ The Application at [82].

⁸⁰ The Application at [84]-[85].

⁸¹ The Application at [86]-[87].

⁸² The Application at [88]-[89].

that are more likely to support coordination by making it more likely, more complete, or more sustainable.

105. We are not yet satisfied that the Proposed Merger would not change the conditions in local markets, such that coordination would be more likely, complete or sustainable.
106. In our view, retail fuel markets have some features that suggest these markets are vulnerable to coordination.
- 106.1 Fuel is largely a homogenous product. While there is some level of service differentiation between retailers, the fuel products sold by these retailers (ie, regular petrol, premium petrol, and diesel) are almost identical.
- 106.2 Market demand for retail fuel is relatively inelastic, therefore firms are likely to find it profitable to jointly raise prices, as total demand will not see a large change.⁸³
- 106.3 Prices are transparent and closely monitored. Retail fuel suppliers can readily observe each other's retail prices on boards outside fuel sites and through third parties, such as Gaspy, which collect and report on fuel prices. We understand that some fuel retailers regularly use Gaspy to review prices in their local markets.⁸⁴ Off-board discounts such as loyalty programmes are also visible to rivals, as they are publicly advertised to customers on their websites. However, we acknowledge that discount offerings can be complex, including the ways they can be stacked or accumulated over time.
- 106.4 Transaction sizes are small and frequent, and prices at retail fuel sites can be adjusted multiple times within a single day.⁸⁵ This reduces the payoff from deviating from the coordinated behaviour and allows the coordinating group to quickly lower prices to punish any deviation.
107. Furthermore, in some local markets, such as Waiheke, the Commission has recently observed high localised pricing which did not reflect the underlying costs to supply fuel in that market and competition was weaker than we would generally expect.⁸⁶
108. At this stage of our investigation, we consider that the Proposed Merger may change the conditions in the local retail fuel markets such that coordination is more likely, more complete or more sustainable.
- 108.1 Within the local retail fuel markets where the Parties currently compete, the Proposed Merger would reduce the number of independent unstaffed retail fuel suppliers.

⁸³ Commerce Commission interview with [] and Z Energy Limited and Chevron New Zealand [2016] NZCC 10, dissenting opinion of Dr Jill Walker at [3].

⁸⁴ See, for example, Commerce Commission interview with [].

⁸⁵ [] and Commerce Commission interview with [].

⁸⁶ Commerce Commission, Focus report: High fuel prices on Waiheke Island (January 2025).

- 108.2 The Proposed Merger may remove a disruptive competitor in either Gull or NPD. As discussed above, we consider that NPD competes more strongly on price than Gull. Our local market analysis finds that NPD's unstaffed sites typically have the lowest price in their respective markets more often than other rivals (including Gull). In its 2019 market study into the retail fuel sector, the Commission concluded that retail outcomes tended to diverge across areas, depending in part whether a Gull site is present or not.⁸⁷ However, we consider over the period 2024-2025 the price difference between the Parties is noticeably higher, such that we observe Gull typically setting board prices that are higher than those of NPD and other unstaffed sites. Therefore, in some local markets we are considering if a potential loss of NPD's approach to pricing may be seen as the removal of a maverick, such that coordination may become more likely, complete or sustainable.
- 108.3 Following the Proposed Merger the merged entity may have a cost structure that is similar to large rivals. The Proposed Merger would result in a retailer with a national footprint, joining a number of others including the major importers (Z, BP and Mobil). Furthermore, we consider that players within each local market would have an understanding of volumes and potentially, gross margins at their rivals' sites, given their knowledge of board prices, local traffic flows, number of pumps and site offering.
- 108.4 In markets with a small number of firms, there is not always a clear distinction between unilateral and coordinated effects. In these markets, suppliers will rationally take account of both the actions, and the expected reactions of their rivals when setting their own price and output. In these markets it is possible that a collusive outcome may be reached through repeated interactions. However, it is also possible that a price rise may be the result of each firm now setting prices on the basis of the expected reactions of a smaller group of rivals, without any form of communications.⁸⁸
109. Therefore, we consider coordination may manifest through prices being sustained at a higher level than the counterfactual.
110. We are continuing to assess the extent to which the Proposed Merger may make coordination more likely, complete, or sustainable in any relevant market. We welcome submissions on this point, including the metric over which coordination may occur.

Vertical effects relating to wholesale supply from the terminal

111. A merger between suppliers (or buyers) who are not competitors but who operate in related markets can result in a substantial lessening of competition due to vertical effects. This can occur where a merger gives the merged entity a greater ability and/or incentive to engage in conduct in a market that raises rivals' costs in a related market and prevents or hinders rivals from competing effectively in that market

⁸⁷ Commerce Commission, Market study into the retail fuel sector: Final report (December 2019) at [3.126].

⁸⁸ Australia and New Zealand Banking Group Limited and Suncorp Group Limited [2024] ACompT 1 at [377]-[378].

(which we refer to as “foreclosing rivals”).⁸⁹ Foreclosure strategies can include refusing to supply competitors an important input that is essential for them to compete (total foreclosure), or raising the price it charges competitors to access that input or reducing the quality of that input supplied to competitors (partial foreclosure).

112. Our approach to assessing whether vertical effects are likely to arise from the Proposed Merger is to consider whether:
- 112.1 the merged entity has the ability to foreclose competitors:
- 112.1.1 through having market power at one or more levels of the supply chain; and
- 112.1.2 having a mechanism through which to raise the costs of its rivals in a related market;
- 112.2 the merged entity has the incentive to foreclose competition (because it is more profitable to foreclose than to continue to supply those rivals in the same way); and
- 112.3 the lost competition from the foreclosure amounts to a substantial lessening of competition.

Our current views

113. In addition to supplying retail customers, Gull also supplies fuel to other fuel importers and independent distributors.⁹⁰
114. At this stage, we are considering whether the Proposed Merger would increase the merged entity’s ability and incentive to use its position in wholesale fuel supply from its Mount Manganui terminal to foreclose downstream rivals through a refusal to supply or by raising rival’s costs. In particular, we are considering whether the merged entity would have an increased ability or incentive to either charge higher prices for terminal supply or decline to respond to fuel tenders.
115. We consider that the merged entity may have the ability to foreclose rivals:
- 115.1 the merged entity may have some market power for the wholesale supply of fuel, as [];⁹¹ and
- 115.2 we understand that the merged entity has a mechanism to foreclose rivals as terminal owners have the freedom to decline supply and set the price of fuel they supply to rivals.

⁸⁹ *Mergers and Acquisitions Guidelines* above n5 at [5.1]-[5.15].

⁹⁰ The Application at [19] and [73].

⁹¹ Commerce Commission interview with [].

116. We are still investigating the impact the proposed merger may have on the merged entity's incentive to foreclose rivals. A firm will only rationally foreclose competitors if it is profitable to do so, therefore we are considering:
- 116.1 the alternatives that rivals would have to getting supply from the merged entity's Mount Manganui terminal;
 - 116.2 the proportion of sales the merged entity would be able to recapture from foreclosed rivals and whether the margins gained in the downstream market outweigh the margins lost in the upstream markets;
 - 116.3 how changes in the total volumes required by the merged entity would affect its incentive to foreclose rivals (ie, if the merged entity would supply some or all NPD sites in addition to the Gull sites already supplied from the terminal);
 - 116.4 how the changes to the costs the merged entity would experience at the terminal would affect its incentive to foreclose rivals (including any costs associated with the Minimum Stockholding Obligations for that terminal).
117. We invite any submissions on the above points and on the constraint provided from other terminals.

Next steps in our investigation

118. We are currently scheduled to decide whether or not to give clearance to the Proposed Merger by 28 May 2026. However, this date may be extended with agreement of the Applicant if the material before the Commission at that time does not allow it to be satisfied that the Proposed Merger will not have, or would not be likely to have, the effect of substantially lessening competition in a market in New Zealand.⁹²
119. As part of our investigation, we will be identifying and contacting parties that we consider will be able to help us assess the issues identified above.

Making a submission

120. We are continuing to undertake inquiries and seek information from industry participants about the impact of the Proposed Merger. We welcome any further evidence and other relevant information and documents that Astra Energy, Gull, NPD, Allegro, or any other interested parties are able to provide regarding the issues identified in this Sol.
121. In **Attachment B**, we summarise the matters that we are interested in receiving submissions on.

⁹² The Commission maintains a case register on our [website](#) where we update any changes to our deadlines and provide relevant documents.

122. If you wish to make a submission, please send it to us at registrar@comcom.govt.nz with the reference “NPD/Gull” in the subject line of your email, or by mail to The Registrar, PO Box 2351, Wellington 6140. Please do so by close of business on **2 April 2026**.
123. If you would like to make a submission but face difficulties in doing so within the timeframe, please ensure that you register your interest with us at registrar@comcom.govt.nz so that we can work with you to accommodate your needs where possible.
124. Please clearly identify any confidential information contained in your submission and provide both a confidential and a public version. We will be publishing the public versions of all submissions on our website.
125. All information we receive is subject to the Official Information Act 1982 (OIA), under which there is a principle of availability. We recognise, however, that there may be good reason to withhold certain information contained in a submission under the OIA, for example in circumstances where disclosure would unreasonably prejudice the supplier or subject of the information.

Attachment A: List of sites for further investigation

[]

Attachment B: Matters on which we are interested in receiving submissions

Market/issue		Matters/questions
Market definition	<i>General</i>	<ul style="list-style-type: none"> • Our current approach to market definition and for parties to provide us with further evidence on the scope of the relevant market(s).
	<i>Retail fuel markets</i>	<ul style="list-style-type: none"> • The extent to which there are likely to be separate retail markets for petrol and diesel. • Potential national dynamics of competition and the extent to which these dynamics may be adequately captured by our local analyses.
	<i>Wholesale supply from terminals</i>	<ul style="list-style-type: none"> • The precise scope of the relevant market(s).
Unilateral effects	<i>Unilateral effects in local retail markets</i>	<ul style="list-style-type: none"> • The following factors that may differently impact on the extent of competition between retail fuel sites in the various local markets, including: <ul style="list-style-type: none"> ○ site characteristics and topographical features that may impact demand-side substitution (eg, non-price offerings, service quality of the site, traffic routes and/or natural barriers that may affect the time and distance customers are willing to travel to purchase fuel); ○ the impact of price comparison apps, such as Gaspy, on consumer buying behaviour; ○ the impact of loyalty/discount cards on competition, including how many customers hold one or many loyalty/discount cards; ○ the constraint from existing unstaffed sites, including: <ul style="list-style-type: none"> ▪ how many rival unstaffed fuel suppliers are sufficient to constrain the merged entity in each relevant market; and ▪ whether in some markets customers are more willing to travel to an unstaffed site that is further away, or not 'en route'; ○ the constraint from existing staffed sites; and ○ the constraint from future staffed or unstaffed sites (including the likelihood, sufficiency, and timeliness of any relevant entry).
	<i>Loss of potential future competition in local retail markets</i>	<ul style="list-style-type: none"> • The Parties' likely expansion plans with the Proposed Merger. • NPD's likely expansion plans and strategy in the counterfactual, including the extent to which it would open sites in the same local markets as a Gull site, and any historical pattern of entry into local markets where Gull is active. • Gull's likely expansion plans and strategy in the counterfactual, including the extent to which it would open sites in the same local markets as NPD, and any historical pattern of entry into local markets where NPD is active.

Market/issue		Matters/questions
		<ul style="list-style-type: none"> • The extent to which entry by NPD or Gull affects competition in local markets and how this compares to the impact of entry by other retail fuel suppliers. • The extent to which the Parties are taking – or have previously taken - action in anticipation of each other’s potential future potential expansion and entry. • The constraint from the potential expansion plans and strategies of other retail fuel suppliers, including low-cost retail fuel suppliers (including, Waitomo, Allied Petroleum, PAK’nSAVE, U-GO, Tasman Fuels, and Mobil Express). • The specific local markets that may be impacted by this potential future loss of competition between the Parties.
	<i>Loss of existing competition in national retail market</i>	<ul style="list-style-type: none"> • The extent of any dimensions across which retail fuel suppliers compete at a national or brand-wide level, rather than at a local level. • The closeness of competition between the Parties at a national or brand-wide level. • The constraint from other retail fuel suppliers at a national or brand-wide level. • Whether it would be commercially rational for the merged entity to soften the pricing approach at NPD sites nationally post-merger.
	Coordinated effects in local retail markets	<ul style="list-style-type: none"> • The extent to which the Proposed Merger may make coordination more likely, complete, or sustainable in any relevant market, and the metric over which coordination may occur.
	Vertical effects relating to wholesale supply from the terminal	<ul style="list-style-type: none"> • The alternatives that rivals would have to getting supply from the merged entity’s Mount Manganui terminal. • The proportion of sales the merged entity would be able to recapture from foreclosed rivals and whether the margins gained in the downstream market outweigh the margins lost in the upstream markets; • How changes in total volumes required by the merged entity would affect its incentive to foreclose rivals (ie, if the merged entity would supply some or all NPD sites in addition to the Gull sites already supplied from the terminal). • How the changes to the costs the merged entity would experience at the terminal would affect its incentive to foreclose rivals (including any costs associated with the Minimum Stockholding Obligations for that terminal). • The extent of any constraint provided from other terminals.