



8 November 2005

Simon Bratt
Gas Industry Company
PO Box 10-646
Wellington

Dear Simon,

GIC Consultation on Registry and Switching Services

Please find attached the appendix response document concerning the Gas Industry Company Switching Consultation document.

This response is on behalf of Nova Gas and its associated companies, Bay of Plenty Electricity and Auckland City Gas.

Any changes that will reduce switching turnaround times, decreasing switching times and costs will be beneficial to the gas industry. This consultation document is a forward in achieving this goal

Below are some questions that we believe need to be addressed and some comments additional comments.

- 1) Centralisation should be limited to each network. If a provider of registry services has the ability to provide an alternative that suits the needs of the retailer and the network more efficiently both in data management and cost, then they should be able to compete to provide for that service.

This will ensure that there is the potential for competition between providers for registry services and also those able to provide allocation services.

Competition will ensure that long term efficient outcomes occur.

- 2) We suggest a proper cost / benefit analysis (based on ICP) should be completed on all options. This analysis should be a good indication of the cost of implementation in consideration of a retailer's size.
- 3) How will this project be funded? Will funding be taken from the \$4 ICP gas levy or will additional funds be sought? If additional funds are required what will be the funding formula used?

Thank you for providing us with the opportunity to raise these concerns.

Yours Sincerely,

Charles Teichert
Downstream Trading Manager

Appendix B: Format for Submissions

To assist the Gas Industry Co in the orderly and efficient consideration of stakeholders' responses, a suggested format for submissions has been prepared. This is drawn from the questions posed throughout the body of this consultation document.

Respondents are also free to include other material in their responses.

Table 1: Format for Submissions

QUESTION	COMMENT
Part A	
Q1: Do you agree that the Gas Industry Co has identified the key issues in relation to current customer switching?	Yes
Q2: Do you agree the Gas Industry Co has identified all reasonably practicable options to meet the switching objective? If not, please provide details of any other reasonably practicable options.	Yes
Q3: Do you agree with the Gas Industry Co's analysis of the Status Quo Option?	Yes
Q4: Do you agree with the Gas Industry Co's analysis of the Reconciliation Code Enhancements Option?	Yes
Q5: Do you agree with the Gas Industry Co's analysis of the Central Registry Option?	Yes, however, the only concern/point I would like to raise is the paper seems to be skewed in favour of taking an "off the shelf product" (the electricity registry from Jade) and in using this, assumes the cost of implementation to be low.
Q6: Do you agree with the Gas Industry Co's assessment of the potential cost of the arrangement. Do you have any information about what it would cost your company to implement a Central Registry solution?	Any implementation would be expensive in cost and time. We would like to know how the cost of the system would be allocated between the industry retailers. We suggest that consideration be given towards smaller retailers concerning system implementation deadlines and audit requirements.

QUESTION	COMMENT
<p>Q7: Do you agree with the Gas Industry Co's analysis of the Central Registry integrated with Allocation Mechanism option?</p>	<p>Yes, however I would suggest that:</p> <p>1) Provision for different registry services be included in different networks such that there is the potential for competition for registry services.</p> <p>2) The Gas Industry include the Allocation Mechanism as an option for tender purposes. This way a more accurate cost could be assigned to the option being proposed. It might also provide a superior system, at a lower price than suggested.</p>
<p>Q8: Do you agree that the Central Registry option is the preferred switching option for the gas industry? What are your reasons?</p>	<p>Based on the costing provided yes, however this is based on the assumption that the integrated registry would be more expensive. This may not be the case.</p>
Part B	
<p>Q9: To what extent do you agree with the high-level description of the Central Registry's services?</p>	<p>Yes</p>
<p>Q10: Do you agree that all Premises on all current open access and non open access networks should be included on the Central Registry? What are your reasons?</p>	<p>No, Although I understand the concerns raised by the working group, I would like to see participation by network companies to be voluntary. This assumes they can meet an agreed set of minimum registry requirements. Multiple providers of registry services could stimulate competition in order to ensure that efficiencies occur and are passed through to customers.</p>
<p>Q11: Do you agree with the analysis of user interests in the Central Registry data and processes?</p>	<p>Yes</p>
<p>Q12: To what extent do you agree with the Central Registry general functionality described in this section?</p>	<p>One aspect that as not been described is the number of simultaneous logons provided to each retailer. The current electricity registry discriminates against smaller retailers by allocating login with the amount of ICPS. We would like to see this constraint removed.</p>
<p>Q13: Do you agree with the proposed ICP parameters for the registry?</p>	<p>Yes</p>
<p>Q14: To what extent do you agree with the proposed participant responsibilities, in particular the proposal that GMS parameters on the registry are maintained by meter owners?</p>	<p>Clarification is required on "other visible identifier". There should be only one enforced standard.</p>
<p>Q15: To what extent do you agree with the proposed switching information exchange process?</p>	<p>We agree with the overall process. Meter Identifier should be a mandatory field in the GNT file to ensure accuracy.</p>
<p>Q16: To what extent do you agree with the proposed switch withdrawal process?</p>	<p>Agree</p>

QUESTION	COMMENT
Q17: To what extent do you agree with the proposed transfer read renegotiation process?	Agree
Q18: Do you agree with the proposed gas registry acknowledgements and notifications process?	Yes
Q19: Do you agree with the proposed registry reporting capability?	Yes
Other Issues / Comments	
	Participation by the Networks should be Voluntary. If a registry services provider has the ability to provide a competitive alternative that suits the needs of the retailer and the network more efficiently both in data management and cost then the provision registry services on a network basis (as opposed to a national basis) could provide for a pro-competitive outcome. This could also facilitate competition for allocation and reconciliation services on a network basis.
	How will this project be funded? Will funding be taken from the \$4 ICP gas levy or will additional funds be sought? If additional funds are required what will be the funding formula used.
	We suggest a proper cost / benefit analysis (based on ICP) be completed on all options. This analysis should be a good indication of the cost of implementation in consideration of a retailer's size.