

30 January 2015

Steve Bielby  
Chief Executive  
Gas Industry Company  
PO Box 10-646  
Wellington 6143

Dear Steve

**Statement of Proposal on FY 2016 Statement of Intent and Levy**

Mighty River Power welcomes the opportunity to provide this submission on the Statement of Proposal on the FY 2016 Statement of Intent and Levy issued by the Gas Industry Company on 11 December 2013. No part of the submission is confidential and Mighty River Power is happy for it to be publicly released.

Our responses to the questions raised by the Gas Industry Company in the Statement of Proposal are attached in Appendix below.

If you would like to discuss any of our comments directly with Mighty River Power, then please do not hesitate to contact me on 06 348 7926 or [jim.raybould@mightyriver.co.nz](mailto:jim.raybould@mightyriver.co.nz).

Yours sincerely



Jim Raybould  
Gas Manager

## Appendix - Recommended Format for Submissions

To assist Gas Industry Co in the orderly and efficient consideration of stakeholders' responses, a suggested format for submissions has been prepared. Respondents are also free to include other material in their responses.

Submission prepared by: Jim Raybould – Mighty River Power

QUESTION	COMMENT
<p>Q1: Do you consider there to be any other items that should be included in the Company's intended Work Programme for FY2016? If so, please describe the work required and how that work achieves the outcomes sought under the Gas Act and GPS.</p>	<p>No. Mighty River believes that the proposed work programme is in line with current industry requirements. We do however believe that the proposed work on a daily allocation arrangement will need to be accelerated if the current MPOC MBB change request is implemented later this year.</p> <p>We are pleased to see the inclusion of our suggestion that a review of the downstream reconciliation allocation group thresholds be undertaken to determine if these are still appropriate. Likewise we are also pleased to see the inclusion of a work programme on gas metering. Mighty River Power has for a number of years now advocated that the Gas Industry Company undertake this work as gas metering is the only sector of the downstream gas market over which it has no regulatory oversight.</p>
<p>Q2: Do you consider there to be any items that should be excluded from the Company's intended Work programme for FY2016? Please provide reasons for your response.</p>	<p>No</p>
<p>Q3: We are particularly interested in industry comment on the forecast gas volumes – do stakeholders consider the projection reasonable? If not, what would they consider an appropriate gas volume estimate to be??</p>	<p>Yes we consider the projected forecast gas volume to be reasonable.</p>
<p>Q4: Do you have any comment on the proposed levy for FY2016?</p>	<p>No</p>