

Appendix 1: List of questions for submitters

Error! Reference source not found.

Submission prepared by: Sarah_Holland@moh.govt.nz or Cara_Gordon@moh.govt.nz 04 816 2418

Point of contact as above or Charles Blanch – Charles_blanch@moh.govt.nz 021 576 897

QUESTION	COMMENT
Q1: Are there any other matters that should be addressed when considering proposals to amend the CCM Regulations?	
Q2: Do you agree with the Gas Industry Co proposal to combine bands 2 and 3? If not, please provide your reasons.	
Q3: Do you consider that the option of trading gas usage rights during a critical contingency is worth exploring? Please explain your reasoning.	
Q4: Do you agree that regulation 53(1)(d)(ii) and 53(2) provide the necessary flexibility for the CCO to respond to changing circumstances?	Yes
Q5: Do you have any comments on the analysis of ESP consumers?	No

QUESTION	COMMENT
<p>Q6: Are the proposed categories appropriate? Are there any additional categories that you think should be included? If so, please provide your justification.</p>	<ol style="list-style-type: none"> 1) p. 38 The Ministry of Health (MoH) supports the concept of distinguishing essential service providers as gas consumers who provide services that society finds 'essential,' and supports the stricter criteria applied to Band 5, including one body making the ESP designation. Supported is the concept that benefits to society of providing gas to critical providers for their essential services outweighs the costs. 2) MoH suggests that additional consideration be given to the proposal that ESPs who have an alternative fuel capability are not eligible for ESP status (p40). Should this alternate fuel capability fail, unless the organisation has previously applied for ESP status (p57), the organisation will not be able to use gas during a critical contingency event. It does not seem realistic to require a consumer to apply every two years, knowing that their application will be rejected, so that they may be covered in the event that their alternative fuel source fails. 3) It may be prudent to allow for discretion regarding whether gas users who supply an essential service to an ESP are allowed themselves to be considered an ESP. The current exceptions for linen suppliers and perishable medical products are strongly supported however, consideration should be given to the fact that some of these may not be able to be identified in advance especially given the climate of contracting work out. This does not detract from the strong support for a requirement for an organisation to have robust business continuity arrangements in place. 4) MOH strongly supports the creation of a 'critical care provider' category (Band 7), and supports the types of gas users in the proposal (p41), including the inclusion of perishable medical products and laundries. 5) Also supported is the proposal to remove the 2TJ/annum minimum consumption requirements (p41). 6) MOH supports the other categories, as listed on p43, to have priority access to gas.
<p>Q7: Do you agree with the option evaluation set out above? If not, please explain why.</p>	<ol style="list-style-type: none"> 1) The Ministry of Health supports providing critical care providers with a higher priority level through the creation of Band 7 (p44). Based on the analysis discussed in the proposal, also supported is the proposal to maintain a single Band 5 (p44). 2) Supported is the concept that ESPs (including critical care providers) should only be able to consume gas for essential services. It is suggested that the application and approval process gives clear indications of essential services (eg hot water vs swimming pools). 3) MOH supports the proposal (p46) Concept Review – amended (ie create Band 7, narrow the categories for Band 5).
<p>Q8: Are there any other criteria for MLC designation that you feel would be appropriate? Please include your justification for any that you consider should be added.</p>	

QUESTION	COMMENT
Q9: Would you delete any of the proposed categories?	
Q10: Should electricity generators be eligible for MLC status, as described in the first option above? Or should there be a separate category, as described in the second option?	
Q11: Do you agree with the above evaluation of options? If not, please explain why.	
Q12: Do you agree with the above evaluation of options? If not, please give your reasons.	1) Given the analysis outlined in the proposal, MoH supports a single, independent body being responsible for the ESP / Critical Care Provider designation.
Q13: Do you agree with the 9-month timeframe for transitioning to the new ESP and MLC arrangements?	
Q14: Do you agree with the tight provisions for designations during a critical contingency event?	<p>1) The Ministry of Health does not support the consideration that ESPs who have an alternative fuel capability are not eligible for ESP status (p40). Should this alternate fuel capability fail, unless the organisation has previously applied for ESP status (p57), the organisation will not be able to use gas during a critical contingency event It does not seem realistic to require a consumer to apply every two years, knowing that their application will be rejected, so that they may be covered in the event that their alternative fuel source fails.</p> <p>2) MoH supports the ability to provide limited flexibility for ESP / MLC designations during an event to address truly unforeseen circumstances.</p>
Q15: Do you agree that the communications framework outlined above is the minimum that should be provided for in terms of public communications during a contingency event? If not, please give your reasons.	Yes

QUESTION	COMMENT
<p>Q16: Have we correctly identified the parties that should provide communications and the information that each should provide?</p>	<p>1) With reference to the comment on p22 “Add Minister of Health and Director-General of Health to the list of people that must be notified by the CCO when a critical contingency is declared” it is suggested that a more appropriate position to notify would be the Director, Emergency Management, Ministry of Health. This would be the equivalent of notifying the director of Civil Defence Emergency Management (as discussed in 7.1 (b), p62, Regulation 51). This would also ensure communication lines are consistent and resilient across events that impact the Health Sector.</p> <p>2) When identifying stakeholders (to email public statements), please remember that not all are direct gas consumers. Two examples would be the Ministry of Civil Defence and Emergency Management and the Ministry of Health.</p>
<p>Q17: Do you agree that contingency imbalances should only apply in the case of non-regional contingencies? If not, what rationale would you provide for applying contingency imbalances to all critical contingencies (given that the Vector Transmission Code already provides for shipper mismatch)?</p>	
<p>Q18: Do you agree that a set of guidelines would be the most efficient way to identify regional contingencies?</p>	
<p>Q19: Do you agree that the CCO is the best party to determine regional/non-regional status of a critical contingency? If not, who would have better information on which to base a determination?</p>	
<p>Q20: Do you agree that the CCO’s role should allow direction of system reconfiguration, as outlined above? Is it important that the CCO only make such a direction where it is supported by the affected TSO?</p>	

QUESTION	COMMENT
Q21: Do you agree with this analysis? If not, please state why.	
Q22: Do you agree that the CCO is best placed to write the performance report after a critical contingency? If not, who would be better placed?	
Q23: Do you agree with the modifications to the performance report provisions outlined above? If not, please identify those you do not agree with and explain why.	
Q24: Do you agree that the CCO should collect and publish information on scheduled outages as outlined above? If not, please explain why.	
Q25: Do you agree that if the CCO requires more granular data, the most efficient source would be the allocation agent? If not, what other means would you suggest, and why?	
Q26: Do you have any comment on the need to ensure that Gas Industry Co is always able to appoint a party as the CCO and the need to ensure that the CCO always has access to the information and data required to fulfil the role?	
Q27: Gas Industry Co proposes annual notifications to customers as a means of encouraging customers to make appropriate arrangements to cope with a critical contingency. Do you agree with this frequency and if not, why not?	1) Yes, annual notification is supported, primarily as an educational tool.

QUESTION	COMMENT
<p>Q28: Given that the seriousness of a situation that requires curtailment of Band 6, do you agree with the proposal to use text messaging to contact Band 6 customers urgently? If not, how would you propose to notify these customers in a manner that ensures they understand the need to curtail their gas use?</p>	
<p>Q29: While we are sympathetic to retailers' concerns about contacting large numbers of customers, there appears to be merit in placing a 'best endeavours' obligation on retailers to contact at least their largest customers in Band 6 regarding curtailment progress. Please provide your views on this issue.</p>	
<p>Q30: Please provide your views on the proposals outlined above for retailer curtailment plans.</p>	
<p>Q31: Do you agree that retailers are best placed to assist their customers in applying for ESP or MLC status?</p>	
<p>Q32: Do you agree with the changes proposed to improve compliance with the CCM Regulations?</p>	
<p>Q33: Do you agree that using data from the allocation agent is the most expedient way of checking compliance with curtailment directions by ToU-metered customers? If not, what alternative would you suggest, and why?</p>	

QUESTION	COMMENT
<p>Q34: Do you agree with this proposal? If not, please give your reasons.</p>	<p>We recommend the removal of “the Minister of Health can direct hospitals to cease elective surgeries” from p22. This will ensure consistency in health emergency reporting lines (to the National Health Coordination Centre). This is consistent with our recommended change in response to question 16 and will reinforce the obligation of hospitals (and other critical care facilities) to apply with the requirements associated with their band (ie can only use gas for essential services). DHBs will be expected to manage the operational impact on service delivery as they did during the Maui Gas Outage. DHBs will be expected to manage the operational impact on service delivery as they did during the Maui Gas Outage.</p>