

Commercial Operator, Maui Pipeline
Maui Development Limited
PO Box 1873
Wellington



Telephone: (04) 460 2548
Fax: (04) 460 2549
Email commercial.operator@mauipipeline.co.nz

2 September 2010

Gas Industry Company Ltd
Level 8, The Todd Building
95 Customhouse Quay
Wellington

To whom it may concern:

Consultation on Exemption Application under the Gas (Downstream Reconciliation) Rules 2008

Please find attached MDLs submission on the GIC's Consultation on Exemption Application under the Gas (Downstream Reconciliation) Rules 2008.

Yours truly,

A handwritten signature in blue ink, appearing to read "Don Gray".

Don Gray

**General Manager
Commercial Operator, Maui Pipeline**

Appendix B 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. This is drawn from the questions posed in the body of this Consultation Paper. Submitters are also free to include other material on the exemption applications in their responses.

Submission from: **Maui Development Limited (MDL)**

Question	Comment
Q1: Do submitters have any comments on the proposed variation to the global 1-month UFG methodology exemptions?	MDL has no comment in relation to 1-month UFG methodology exemptions.
Q2: Do submitters have any comments on the proposed variation to the direct connect gas gates exemptions?	MDL supports the extension of direct connect gas gates exemption. There would be significant cost to MDL if these exemptions were expired. In addition, there continues to be little to no benefit of performing allocation at the direct connect gas gates on the Maui Pipeline, namely; Bertrand Road; Huntly Power Station; Mokau Compressor Station; New Plymouth Power Station; and Ngatimaru Road (Delivery). Moreover, MDL recommends a permanent exemption or de-listing of New Plymouth Power Station, as this direct connect gas gate is no longer used by Contact Energy.
Q3: Do submitters have any comments on the proposed variation to the injection information exemption?	MDL believes the suggested variation timeframe is too long considering the GIC work-stream in relation to D+1 allocation on the Vector transmission systems. A lack of daily allocation information has reduced users' ability to manage their positions, and resulting flow-through charges have undoubtedly been significant. MDL believes Vector Gas Limited should be providing (at least) daily injection data for gas gates with telemetry. MDL submits that a 6 month exemption be granted to gas gates with telemetry to provide a degree of urgency to the resolution of this outstanding non-compliance to the Rules.
Q4: Do submitters have any comments on the proposed variation to the oversized metered gas gates exemption?	MDL has no objection to the oversized metered gas gates exemptions. However, it questions why parties are being allowed more time than already granted under the original exemption to comply with the Rules. The initial exemption should have been of an ample timeframe to reasonably overcome issues such as evaluating increased demand, etc.
Q5: Do submitters have any comments on the proposed variation to the unmetered gas gates exemption?	MDL has no comment in relation to the unmetered gas gates exemption.