

15 May 2013

Mr I Dempster General Manager Operations Gas Industry Company Limited PO Box 10 646 Wellington 6143 Mighty River Power Limited Level 14, ANZ Centre 23-29 Albert Street Auckland 1010 PO Box 90399 Auckland 1142

Phone: +64 9 308 8200 Fax: +64 9 308 8209

www.mightyriverpower.co.nz

DDI: +64 6 348 7926

Dear lan.

Consultation Paper on Determinations, Guidelines and Exemptions under the Gas (Downstream Reconciliation) Rules 2008

Introduction

1. Mighty River Power welcomes the opportunity to provide this submission on the Gas Industry Company's Consultation on Determinations, Guidelines and Exemptions under the Gas (Downstream Reconciliation) Rules 2008 issued on 17 April 2013. No part of the submission is confidential and Mighty River Power is happy for it to be publicly released.

Comments

2. Our responses to the questions raised within the consultation document are attached below in the template format provided by the Gas Industry Company.

Concluding remarks

3. If you would like to discuss any of our above comments directly with Mighty River Power then please do not hesitate to contact me on 06 348 7926 or jim.raybould@mightyriver.co.nz.

Yours sincerely

Jim Raybould

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Gas Manager

Appendix A. Submissions template

Submission prepared by: Jim Raybould for Mighty River Power

QUESTION		COMMENT
1	Do you have any comments on, or suggested amendments to the proposed direct connect, unmetered and oversized metered gas gate lists?	We agree with the Gas Industry Company's (GIC) proposal with regards to managing the list of direct connect gas gates. With regards to unmetered and oversized metered gas gates we would prefer to see a program put in place to install or resize meters at these gas gates. We do however accept that the cost of such a program currently outweighs the benefits.
2	Do you have any comments on, or suggested amendments to the proposed determination of G1M criteria in accordance with rule 25C.1-25C.4?	We agree with the GIC's proposed criteria however we believe that both the criteria and the thresholds should be subject to regular review, say every 2-3 years.
3	Do you have any comments on, or suggested amendments to the changes to the proposed Notice of Determination? Do you have any comments on the determination of non-business days additional to weekends and national public holidays (in particular regional anniversary dates)?	We would suggest that both Wellington and Auckland Anniversary Days are formally adopted as non-business days. In addition the GIC may wish to consider if Taranaki Anniversary Day also needs to be included as a non-business day given that Gas Transfer Agent is located in New Plymouth. The alternative is that the GIC is required to make an annual decision on as to whether these regional public holidays should be deemed to be a non-business day based on when they fall during the forthcoming year.

QUESTION		COMMENT
4	Do you have any comments on, or suggested amendments to, the proposed guideline notes with material changes - in particular (1) to procedures applying to the correction of annual UFG factor (rule 46A); and (2) types of events might constitute a major change for the purpose of rule 65.4-6?	No comment
5	Do you have any comments on, or suggested amendments to, the proposed guideline notes with nonmaterial changes?	No comment
6	Do you have any comments on the revocation of the listed seven exemptions?	We agree with the GIC's proposals to revoke the seven specified exemptions when the new Rules are implemented.
7	Do you have any comments on the proposed variation to the global 1-month UFG methodology exemption?	We agree with the GIC's proposals to allow for the transition between the current exemption associated with G1M gates and the new Rules.
8	Do you have any comments on the new exemptions for SADSV calculation?	No comment