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18 October 2012

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Andrew Walker
Gas Industry Company
PO Box 10-646
Wellington

Dear Andrew

CONSULTATION ON EXEMPTIONS AND SPECIAL ALLOCATIONS

Thank you for the opportunity to comment on the exemptions and special allocations under the Gas (Downstream Reconciliation) Rules 2008. I am responding on behalf of Energy Direct NZ (EDNZ).

We agree with the recommendations to exempt the new Kaimiro Mixing Station Delivery Point and complete special allocations for March 2011 to July 2011 for the Tawa A Gas Gate.

We do not believe recalculation of the annual UFG factor for Tawa A is necessary, as the difference between the current annual UFG factor and corrected annual UFG factor is very small.

If you would like to discuss our comments further please contact me by email at tara.gannon@energydirectnz.co.nz or by phone on DDI 06 349 2055. Alternatively you can contact our General Manager, Michael Ram, by email at michael.ram@energydirect.co.nz or by phone on 06 349 0129.

Yours sincerely

A handwritten signature in black ink that reads "Tara Gannon".

Tara Gannon
Energy Trading Manager

QUESTION	COMMENT
<p>Q1: Do you agree that the new Kaimiro Mixing Station Delivery Point (KAl07602) should be exempted as a direct connect gas gate?</p>	<p>EDNZ agrees that the new Kaimiro Mixing Station Delivery Point (KAl07602) should be exempted as a direct connect gas gate.</p>
<p>Q2: Do you support Gas Industry Co's view that special allocations should be directed for March 2011 to July 2011 final consumption periods only?</p>	<p>EDNZ supports the GIC's view that special allocations should occur only for the affected periods that already have final allocations – March to July 2011.</p>
<p>Q3: Would you support Gas Industry Co granting an exemption to the allocation agent to allow for the recalculation and republication of the annual UFG factor for the Tawa A gas gate?</p>	<p>EDNZ does not support an exemption to recalculate the annual UFG factor for the Tawa A gas gate. We do not believe that the difference would be material enough to make recalculation worthwhile.</p>