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17 October 2012

Steve Bielby
95 Customhouse Quay
Gas Industry Company
WELLINGTON

Submitted via: Gas Industry Company website

Dear Steve

Exemption application & special allocations under the Gas (Downstream Reconciliation) Rules 2008

Genesis Power Limited, trading as Genesis Energy, welcomes the opportunity to provide a submission to the Gas Industry Company ("the GIC") on the consultation paper "Consultation on exemption application and special allocations" dated October 2012.

Genesis Energy supports the GIC's proposals to exempt the Kaimiro Mixing Station Delivery Point as a direct connect gas gate and to address errors in consumption information at the Tawa A gas gate.

Our responses to the consultation questions are in Appendix A. If you would like to discuss any of these matters further, please contact me on 04 495 6357.

Yours sincerely

A handwritten signature in black ink that reads "Lizzie Wesley-Smith".

Lizzie Wesley-Smith
Regulatory Advisor



Appendix A: Responses to Consultation Questions

QUESTION	COMMENT
<p>Q1: Do you agree that the new Kaimiro Mixing Station Delivery Point (KAI07602) should be exempted as a direct connect gas gate?</p>	<p>Yes, this satisfies the definition of a direct connect gas gate and is consistent with existing gas gate exemptions.</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>Yes, the likely differences in allocated quantities for these months are sufficiently material to warrant a special allocation.</p> <p>Corrections to the interim allocation results for Dec 2012- Jan 2012 can be applied at the final allocation stage.</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>Yes. We agree that there is merit in correcting the annual UFG and agree with the process suggested. While the numerical effect of the correction is below the threshold discussed in the DRAG meetings, the chance to correct the factor before it is used to determine any allocations supports performing this correction.</p>