

19 September 2008

Mr Ian Wilson
Gas Industry Co
Level 9, State Insurance Tower
1 Willis Street
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Dear Ian

Submission on June MPOC Change request

Contact Energy Limited ("Contact") welcomes the opportunity to provide feedback to the Gas Industry Company ("GIC") on its draft recommendation, dated 1 September 2008, on the MPOC Change Request proposed by MDL in June 2008 ("Draft Recommendation").

Contact is supportive of the Change Request but writes to clarify a number of points raised in the Draft Recommendation.

Additional Improvements

Genesis, Vector and Nova have made submissions proposing that additional improvements related to pipeline balancing are required. Contact agrees with the GIC's determination that the need for additional arrangements does not provide grounds for declining the change request proposed by MDL. Implementation of MDL's change request will remove arrangements from the MPOC that have proved contentious and the removal should not inhibit further improvements. Implementation may well encourage users of the pipeline to propose further change.

Deletion of section 1.1 definitions

Contact has no objection to the retention of the words "(including the facilities connecting the Maui Gas production station at Oaonui to the Maui Pipeline)". However, Contact believes these words are unnecessary and that there should be no need to distinguish the Oaonui Welded Point from any other Welded Points in the definition of Welded Point. Contact prefers the words are deleted as that better satisfies the intention of the Change Request which was to make the

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treatment of Maui Legacy Gas and the point where that is injected no different to the treatment of other Gas and Welded Points under the MPOC.

Amendment of section 2.19 relating to Target Taranaki Pressure (TTP)

As stated in the Draft Recommendation the current wording of section 2.19 means it is only active whilst MDL determines that Maui Gas is being injected into the Maui Pipeline. The proposed changes are designed to clarify TTP, and establish a transparent process to effect TTP change, when MDL determines Maui Gas is not being injected into the Maui Pipeline. Contact agrees that the additional wording proposed by the GIC further clarifies how TTP may change and improves the Change Request.

Section 3.2 deletion

Contact has no issue with the re-instatement of this section which asserts that the Maui Mining Companies (MMCs) have consented to MDL having the exclusive right to use the Maui Pipeline to provide services and allow Welded Parties to connect to the Maui Pipeline.

However, Contact notes that the Maui Mining Companies are not signatories to the MPOC, or Interconnection Agreements under the MPOC, or Transmission Agreements under the MPOC. Clause 3.2 therefore seems to have little purpose or significance. Instead MDL's ability to execute Interconnection Agreements under the MPOC and Transmission Services Agreements under the MPOC is set out in the Deed dated 21 September 2005, titled MMC Confirmation in Relation to the Maui Pipeline Code and published on OATIS.

Amendment of section 15.11 relating to interruptions

Contact confirms that as a party to the only surviving User Contract that it does not object to the deletion of section 15.11. Contact advises the only other party to the only surviving User Contract is the Crown.

Yours sincerely



Sharon Wray
Manager Gas Transportation