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29 August 2008

Mr I Wilson
Gas Industry Company
PO Box 10-464
Wellington

Dear Ian

**SUBMISSION ON THE MPOC CHANGE REQUEST PROPOSED BY MDL
(AUGUST 2008)**

Thank you for the opportunity to comment on the August 2008 consultation paper. I am responding on behalf of Energy Direct NZ (EDNZ) the retail division of Wanganui Gas Limited (WGL).

I apologize for our late submission, we had not realised until this morning that the changes were more significant than the previous proposed revisions. We are aware that the lateness means that our submission may not be able to be considered.

We accept all of the minor changes to the MPOC.

While we do not oppose the removal of section 3 Maui Legacy Gas in principle, we believe that there are a number of issues relating to how gas will be balanced which have not been fully addressed by the proposed changes to MPOC. Clear balancing arrangements should be in place for Maui legacy gas, including transparent mismatch price and balancing services cost setting, and responsibilities for balancing services.

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@energydirectnz.co.nz or by phone on 06 349 0129.

Yours sincerely

Tara Gannon
Energy Trading Supervisor
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SECTION	COMMENT
1.1 Definitions and Interpretation Incentives Pool definition changes Maui Legacy Contracts definition changes Taranaki Target Pressure definition change Welded Point definition change	EDNZ accepts these changes.
2A. Early Open Access MDL has requested that section 2A of MPOC, which relates solely to Early Open Access, be removed. This is because the Early Open Access period has passed and these sections are now spent.	EDNZ accepts this change.
3. Maui Legacy Contracts Removal of entire section.	We do not oppose this change but believe that the sections removed need to be fully addressed in other parts of the MPOC.
Changes throughout the Code relating to removal of the Maui Legacy Contracts Section including 2. Pipeline Services 7. Authorised Quantities 8. Nominations and Renominations 12. Operational Imbalances 14. Incentives Pool 15. Interruptions 16. Measurement and Testing 29. Modifications to this Operating Code 38. Privity of Contract.	References to Maui Legacy Gas and contracts have been removed throughout the document. These changes do not comprehensively address how pipeline balancing would occur in the absence of section 3. We believe that further work needs to be carried out to confirm the new balancing arrangements, including transparent mismatch price and balancing services cost setting, and responsibilities for balancing services.
4.1 Information available on the MDL IX Removal of footnote regarding intra-day nomination times.	EDNZ accepts this change.
4.2 Information restricted to each shipper on the MDL IX Change to the time that nominated quantities are to be posted to align with business practices.	EDNZ accepts this change.

SECTION	COMMENT
8. Nominations and Renominations 8.5 Change to section reference 8.8-8.9, 8.11 Change of shipper nomination deadline from 2pm to 4pm.	EDNZ accepts this change.
Typographical errors	EDNZ accepts these changes.
24.1 Confidentiality – Ring Fencing Changes to ring fencing section.	EDNZ accepts these changes.