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Steve Bielby  
Gas Industry Company  
95 Customhouse Quay  
WELLINGTON

Submitted via: GIC website

Dear Steve,

## Gas Quality Requirements and Procedures

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Genesis Energy Limited welcomes the opportunity to provide a submission to the Gas Industry Company ("the GIC") on the consultation paper "Gas Quality Requirements and Procedures" dated February 2015 ("the Paper").

Genesis Energy endorses the GIC's overview of the various requirements pertaining to gas quality and how those requirements are fulfilled by parties in the gas supply chain. We intend to adopt the Paper as reference in our network and Gas Metering Service agreements.

Our comments set out below are minor and do not change the substance of the Paper. We have adopted the headings used in the paper for ease of reference.

### **Legal framework for gas quality**

The Paper sets out the penalty for breach of regulation relating to 'gas specification' but not for breaches relating to 'odorisation' or 'pressure'. Further, the penalty described under 'gas specification' needs to be amended. The relevant penalty is a 'level 2' penalty in accordance with regulation 6(2) of the Gas (Safety and Measurement) Regulations 2010 (not regulation 41(6)).

### **Obligations and means of compliance**

Although the Paper sets out a number of responsibilities and obligations, how this works in practice needs to be clarified. For example, if Genesis Energy considers

that the delivered gas is out of specification, or if it wants to clarify values, then the protocol for obtaining this information is unclear (i.e. does a gas retailer request this via MDL or Vector rather than the producer?). Also, we consider that there should be an audit by MDL and/or Vector of the gas producer's analysis and monitoring records.

If you would like to discuss any of these matters further, please contact me on 04 830 0013.

Yours sincerely



Rebekah Plachecki  
Regulatory Advisor

