



14 May 2008

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Dear Jay

**Determinations by Gas Industry Company under the Gas (Switching Arrangements) Rules 2008**

Genesis Power Limited, trading as Genesis Energy, welcomes the opportunity to submit on the Gas Industry Company's consultation paper 'Determinations by the Industry Body (Gas Industry Co) under the Gas (Switching Arrangements) Rules 2008' dated April 2008.

Genesis Energy's responses to the consultation questions are attached as an appendix.

If you would like to discuss any of these matters further, please contact me on 04 495 6357 or Tracey Kaio on 09 580 4885.

Yours sincerely

A handwritten signature in black ink, appearing to read "John A Carnegie".

John A Carnegie  
Regulatory Affairs Manager  
Genesis Energy

## Appendix One – Responses to specific consultation questions

QUESTION	COMMENT
<p><b>Q1:</b> Do submitters have any general comments on the proposed determinations or the intended process to be adopted by the Gas Industry Company in making these determinations?</p>	<p>Genesis Energy welcomes the Gas Industry Company's decision to consult on the full suite of proposed determinations.</p>
<p><b>Q2:</b> Do submitters agree with the proposed process for making changes to the proposed determinations?</p>	<p>Genesis Energy would prefer for the Gas Industry Company to invite submissions from all participants for all future changes to the determinations.</p> <p>This approach would allow participants to decide for themselves whether a proposed change warrants comment. It would also ensure that the Gas Industry Company faces the discipline of documenting the rationale for any proposed change and exposing that rationale to scrutiny. This ought to offer the Gas Industry Company some protection against causing unintended consequences from seemingly innocuous changes.</p> <p>Genesis Energy suggests that this more inclusive approach wouldn't be unduly onerous or costly for the Gas Industry Company, as the level of documentation and analysis required would be minimal for minor changes.</p>
<p><b>Q3:</b> Do submitters have any comments on the proposed determinations to be made under Rule 5 (definition of financial year and ICP identifier content)?</p>	<p>Genesis Energy supports the ICP identifier code being static, rather than changing along with network ownership. It is not important for the ICP identifier to indicate the current owner.</p> <p>The determination is silent on the format of the base ICP number. It would be useful for the determination document to provide some guidance or comment on this.</p>

QUESTION	COMMENT
<p><b>Q4:</b> Do submitters have any comments on the proposed determinations to be made under Rule 33 (report access and registry information access)?</p>	<p>Genesis Energy suggests that the determinations in sections 5 and 6 err too far in favour of trying to restrict information access. Genesis Energy would favour a greater level of transparency and workability – competitive markets thrive on information after all.</p> <p>In terms of transparency, Genesis Energy notes that the Electricity Commission publishes a fairly comprehensive set of retail statistics - including ‘number of ICPs per retailer per NSP’. It is difficult to see why any lesser amount of market information should be provided in the gas retail sector.</p> <p>In terms of workability, it is not clear whether para 6.2 supports retailers requesting details on a list of ICPs for which they are not the responsible retailer. Genesis Energy recommends that retailers <i>should</i> be able to request information on a list of ICPs for which they are not the responsible retailer.</p> <p>To illustrate the need – when reconciling their billing system against the registry each month, a retailer may end up with a substantial list of ICPs for which they need to contact the registered retailer and discuss ownership.</p> <p>Rather than providing carte blanche access via such requests (as is permitted with the electricity registry), Genesis Energy suggests that it would be sufficient for list-based requests on ICPs for which a retailer is not the responsible retailer to return only:</p> <ol style="list-style-type: none"> <li>1. the current retailer;</li> <li>2. the latest switch (GTN) date; and</li> <li>3. current ICP status.</li> </ol> <p>Genesis Energy considers that para 6.3 could result in an unnecessarily excessive volume of notifications and suggests that notification is limited to instances where there have been more than, say, 100 requests in a 24 hour period.</p>

QUESTION	COMMENT
<p><b>Q5:</b> Do submitters have any comments on the proposed determinations to be made under Rule 44 (ICP parameter codes)?</p>	<p><u>Retail Participant Codes</u></p> <p>Genesis Energy requests the use of two separate retail participant codes - GENC for time-of-use and GENE for mass-market retail. As Genesis Energy manages these market segments separately, separate codes would fit in with our processes and provide flexibility to subcontract business functions. Genesis Energy believes that this approach would not disadvantage any other participant.</p> <p><u>Connection Status Codes</u></p> <p>Genesis Energy queries whether the combination ACTC-GCN should be valid? If the metering system has been removed and the connection capped, then it is difficult to see how the connection could be 'active'.</p> <p>Genesis Energy is wary that the large number of connection status variants for inactive-transitional ICPs may introduce unnecessary complexity and queries whether fewer codes would suffice?</p>
<p><b>Q6:</b> Do submitters have any comments on the proposed determination to be made under Rule 62 (retention of information on resolution of discrepancies)?</p>	<p>Genesis Energy queries the rationale for requiring information on resolution of discrepancies to be retained indefinitely. Genesis Energy suggests that a timeframe consistent with the Limitations Act would be more appropriate, namely six years.</p>
<p><b>Q7:</b> Do submitters have any comments on the proposed determination to be made under Rule 64 (codes relevant to switching)?</p>	<p>Genesis Energy would like to see some technical discussion around the register content codes. On the face of it, many of the proposed codes are variable and therefore of limited value during an ICP switch.</p> <p>If a register content code for 'supercompressibility corrected' is to be retained, then Genesis Energy suggests that the code should be 'SU' rather than 'S'. This would avoid any potential for confusion with the switch type code 'S'.</p> <p>Genesis Energy suggests there should be an acceptance code to reflect ICPs that have advanced meters attached – perhaps 'AD'.</p>

QUESTION	COMMENT
<p><b>Q8:</b> Do submitters have any comments on the proposed determination to be made under Rule 84 (registry participant compliance reporting)?</p>	<p>Genesis Energy recommends that the 'breach type' selection criterion needs to include the option to generate a report covering all breach types. That is, there needs to be an 'all' option.</p> <p>Genesis Energy questions the logic behind allowing a switching withdrawal notice (GNW) to be sent any time from when a switch is initiated on an ICP to when the next switch is initiated, even if the first switch has been finalised in the interim.</p> <p>Genesis Energy appreciates that this is fixed in the rules and cannot be altered using the determinations. However, Genesis Energy suggests that this should be reviewed and that Genesis Energy will challenge any GNW requested after a switch has been completed and the retailer status has been changed in the registry.</p>