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16 September 2010

Andrew Walker
Gas Industry Company
95 Customhouse Quay
WELLINGTON

By email: submissions@gasindustry.co.nz

Dear Andrew

Exemption applications 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 on the consultation paper "Exemption Applications under the Gas (Downstream Reconciliation) Rule 2008" dated August 2010.

Genesis Energy's 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 "John Bright".

John Bright
Regulatory Affairs Analyst

Appendix A: Responses to Consultation Questions

QUESTION	COMMENT
Q1: Do submitters have any comments on the proposed variation to the global 1-month UFG methodology exemptions?	Genesis Energy supports the extension of this exemption.
Q2: Do submitters have any comments on the proposed variation to the direct connect gas gates exemption?	Genesis Energy supports the extension of this exemption.
Q3: Do submitters have any comments on the proposed variation to the injection information exemption?	No comment.
Q4: Do submitters have any comments on the proposed variation to the oversized metered gas gates exemption?	Genesis Energy queries whether there is clear and definite evidence that the level of flow will increase over the next few years at the specific gates mentioned. As such, Genesis Energy recommends that the exemption should only be extended for a shorter period to allow the replacement of meters unless a more compelling case can be made.
Q5: Do submitters have any comments on the proposed variation to the un-metered gas gates exemption?	<p>Genesis Energy notes that although Vector has installed one meter at Waverly there has been no mention as to when (or if) anything will be done at the remaining un-metered gates.</p> <p>Genesis Energy is comfortable with the exemption provided that there is an intention to install meters at the remaining gates. If there is no such intention then a shorter exemption period is warranted and GIC should ensure the exemption does not become a de facto rule change.</p>