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15 July 2008

Gas Industry Company, Level 9, State Insurance Tower, 1 Willis Street, PO Box 10-646 Wellington

(Attention Ian Dempster, Senior Adviser – Wholesale Markets)

Dear Ian

Maui Pipeline Operating Code - Change Request

Maui Development Limited (MDL) welcomes the opportunity to provide comments to the Gas Industry Company (GIC) on the Maui Pipeline Operating Code (MPOC) Change Request dated 20 June 2008 (Change Request).

MDL concurs the change is important to remove any doubt that Maui Legacy Gas is being treated similarly to other gas transported in the Maui Pipeline and has proposed the Change Request to make it clear that its operations are consistent with:

- dealings between MDL and users of the Maui Pipeline being transparent, commercial, at arm's length and non-preferential;
- ii) the bi-lateral contractual relationships between parties to ICAs and TSAs;
- iii) any relevant Government policy requirements; and
- iv) any relevant objective to the kind referred to in paragraph 2.3 of the Memorandum of Understanding between the GIC and MDL, dated 5 October 2006.

MDL also believes that:

- the Proposed Amendments comply with, and will not be in breach of, the Commerce Act and any other relevant law; and
- ii) are more pro-competitive than the current MPOC provisions, which may be seen to favour some pipeline users above, and at the expense of, other pipeline users.

Accordingly, MDL has no objections to the Proposed Amendments in the Change Request and supports it in its entirety.

MDL looks forward to working with the Gas Industry Company in this area and we would be pleased to meet with you to discuss the Change Request in more detail.

If you need any further information, please do not hesitate to contact me.

Yours truly,

David Bott

Commercial Operator, Maui Pipeline