

## Statement of Proposal: Downstream Reconciliation Rules Review

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QUESTION	COMMENT
1  Do you agree that commercial arrangements provide sufficient obligations on meter owners for the purpose of the Rules? With regard to the suggestion by the DRAG, do you consider there is an identifiable market failure that merits Gas Industry Co developing a workstream on the creation of guidelines and/or principles for metering contracts?	<p>Yes, we agree that commercial arrangements as well as the provisions of the Maui Pipeline Operating Code (MPOC), when applicable, already provide sufficient obligations on meter owners for the purpose of the Rules.</p> <p>No, we do not believe there is an identifiable market failure that merits a GIC workstream for guidelines and/or principles for metering contracts; certainly not for metering arrangements subject to the MPOC on the Maui pipeline.</p>
2  Given that the review will cover all of the long-standing exemptions do you agree that the exemptions process should be retained?	<p>Yes, we believe that a general ability to provide exemptions is useful and provides flexibility for unanticipated circumstances. The exemptions process should be retained.</p>
3  Do you agree with the proposal to codify a rule for direct connect gas gates? Do you agree with the creation of a new rule enabling Gas Industry Co and the allocation agent to access direct connect injection data as requested?	<p>Yes, we greatly appreciate a rule that allows a distinction for direct connect gas gates.</p> <p>Yes, we also support an ability for GIC and the allocation agent to access direct connect injection data on request. However, we believe this ability is already provided by OATIS. In fact, hourly metered quantities for all Large Stations on the Maui pipeline are already viewable by anyone on OATIS and on the BGX. We expect this will automatically let us satisfy the requirement set out in the new Rule 41.4.</p>
4  Do you agree with the proposed rule for G1M gas gates? Do you agree with establishing the deterministic criteria for G1M gas gates in an industry determination?	<p>No comment.</p>

QUESTION	COMMENT
5 Do you agree with the proposed rule change for unmetered and oversized metered gas gates?	We generally agree that uneconomic metering changes should not be required. Therefore, we generally support the proposed rule change.
6 Do you have any comments on Gas Industry Co's recommendation not to change the method of apportioning the ongoing fees?	No comment.
7 Do you agree with the proposed rule enabling the correction, where necessary, of an AUFG factor if it is found to be incorrect?	No comment.
8 Do you agree with the proposal for dealing with estimated daily energy quantities?	We generally support the proposal, but we note that ultimate responsibility for metering data under the MPOC lies with the Metering Owner. Therefore, we propose that the new definition for <b>daily metered energy quantities</b> be amended to replace "responsible allocation participant's best estimate" with "responsible meter owner's best estimate".
9 Do you agree with the proposal to amend the rules relating to trading notifications?	No comment.
10 Do you agree that a rule should be created enabling performance audits to cover the accuracy of data population in the registry? Do you think that audits should be limited to certain fields relevant to reconciliation or would you prefer broader audit arrangements contained within the Switching Rules?	The scope of this rule, as well as other interactions relating to allocations, should be limited to parties that actually have something that needs to be allocated. We propose this can be achieved by amending the definition for <b>allocation participant</b> to: "means a retailer, distributor, meter owner, or transmission system owner <a href="#">with allocated gas gates</a> ".  Provided that such an amendment is made, we have no further comments on audit arrangements.
11 Do you agree that rule 75 should be amended to allow the auditor more discretion in determining who should be responsible for paying the costs of an event audit?	Same response as for question 10.

QUESTION	COMMENT
<p>12 Do you agree that a rule should be created to require audits of major system changes? If so, do you agree that a post go-live audit should also be required? Do you think the definition of “major” should be specified in the Rules or in an industry guideline?</p>	<p>Same response as for question 10.</p>
<p>13 Do you agree that rule 42 is redundant and should be deleted from the Rules? Will your organisation be adversely affected by its removal? Should the obligations in rule 28.4 be extended to transmission system owners?</p>	<p>Yes, we strongly support the deletion of rule 42.</p> <p>We do not object to rule 28.4 being extended to transmission system owners, but we propose such an extension be limited to rule 28.4.2.</p> <p>We would support rule 28.4.1 as well, but would argue that this merely prescribes common sense. If it were to be extended to transmission system owners then the wording would need to be carefully reviewed to ensure the amended text would be appropriate and applicable.</p>
<p>14 Do you support the proposal to allow allocation participants access to the GAR170 report? If not, would you support disclosure of submission information consistent with the SupSub report?</p>	<p>No comment.</p>
<p>15 Do you agree with the minor and technical amendments proposed in this section? Do you agree that the proposals meet the criteria in section 43N(3) of the Gas Act?</p>	<p>No comment.</p>
<p>16 Do you have any comments on the transitional issues discussed in this section?</p>	<p>We strongly support an extension of all current exemptions until new rules take effect.</p>