



28 October 2009

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Dear Ian

## **Maui Pipeline Change Request Notional Welded Point**

### **Introduction**

1. Mighty River Power welcomes the opportunity to respond to the Maui Pipeline Operating Code (MPOC) Change Request dated 5 October 2009 regarding the creation of a Notional Welded Point on the Maui pipeline. No part of the submission is confidential and Mighty River Power is happy for it to be publicly released.

### **Comments**

2. Mighty River Power generally supports this change request to allow the implementation of the Gas Industry Company's Trading Hub.
3. The one change about which we have some concern is the proposed new clause 22.13 which allows Maui Developments Limited (MDL) to unilaterally suspend the operation of the Notional Welded Point by giving 30 days notice. In our opinion this right is too broad and we would suggest that any notice should specify the details of the issues that MDL has identified and that suspension can only occur if the issues causing MDL's concerns are not rectified within the 30 day notice period.
4. In addition in the event that MDL invokes Clause 22.13 then the Notional Welded Party and/or the Shippers should have access to some form of independent disputes resolution process to challenge any proposed suspension of the Notional Welded Party's Interconnection Agreement should these parties consider MDL's reasons for suspension are unwarranted.

5. Finally on this issue whilst Mighty River Power believes that initially deliveries to and from the Notional Welded Point will be for spot trades it is possible that in the future some longer term contractual arrangements may be operated through that welded point. We are therefore of the opinion that should MDL exercise its right to suspend operations then any such suspension should not apply to pre-existing contractual arrangements for deliveries and receipts at the Notional Welded Point.

### **Concluding remarks**

6. If you would like to discuss any of our above comments directly with Mighty River Power, then please do not hesitate to contact me on 06 348 7926 or [jim.raybould@mightyriver.co.nz](mailto:jim.raybould@mightyriver.co.nz).

Yours sincerely

A handwritten signature in black ink that reads "Jim Raybould". The signature is written in a cursive, slightly slanted style.

**Jim Raybould**

Retail Gas Operations Manager