

Appendix A Recommended Format for Submissions

To assist Gas Industry Co with the consideration of submissions, a suggested format for the preparation of submissions is set out below. This reflects the issues discussed in the main body of the paper. Submitters are free to provide any other material.

Submission from

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Question	Comment
<p><i>Q1: Do you agree or disagree that the consumer installations connected to Nova Gas' bypass networks should be included in the gas registry and subject to the Rules? Please give your reasons</i></p>	<p>MRP is opposed to the granting of this exemption.</p> <p>The Gas Registry will be the database of record for all ICPs connected to the gas transmission and distribution networks. As such the Registry will be incomplete if those customers connected to the Nova Gas network are not listed within the Registry. Not listing the customers on the Nova Gas network is a barrier to competition both in the retail and distribution sectors of the market.</p> <p>Nova's request for an exemption states that compliance with the Rules would subject Nova to additional costs and would disadvantage them in respect to their competitive position against the Vector and Powerco networks which Nova bypass. In our opinion if the GIC grants the exemption then the reverse is true in that an exemption would be handing Nova an unfair competitive advantage over both Vector and Powerco who are incurring the same costs that Nova seeks to avoid.</p> <p>The Registry Rules must apply in a non discriminatory manner to all participants including</p>

	<p>network operators whether their networks are open or closed access.</p> <p>Nova's retail business could also gain from non disclosure on the Registry. It is important that any retailer should be able to easily identify a customer's existing retailer and obtain the various supply details that allows the retailer to provide alternative pricing for the customer. If a customer is on an open access network then Nova will be able to access all of the customers' Registry information that will allow them to prepare not only a quotation for supply but also for switching networks. A Retailer who is approached by a customer on the Nova network cannot even confirm that the customer has gas connected as they will not be listed within the Registry.</p>
<p><i>Q2: Do you agree or disagree that a transitional exemption should be granted as sought? Please give your reasons.</i></p>	<p>MRP does not agree that a transitional exemption should be granted. Nova has been aware of the implications of the establishment of the Registry for the same amount of time as everyone else and in our opinion should now be in a position to comply with the Regulations.</p>
<p><i>Q3: Do you agree or disagree with Nova's proposition that a transitional exemption should be granted mainly as a holding action until the issues in relation to bypass networks under both the Rules and the Gas (Downstream Reconciliation) Rules 2008 can be properly addressed? (The alternative is to address the underlying issues in the present application on their merits immediately, and deal separately with the downstream reconciliation issues at a later time.) Either way please give reasons.</i></p>	<p>MRP does not agree that a transitional exemption should be granted. Whilst we are no experts on these matters we fail to see from our reading of the Gas Act how Nova can be anything else other than a Gas Distributor operating a Distribution system as defined in the Gas Act in order to supply natural gas to their customers.</p> <p>In any case we return to the basic concept of the Gas Registry which is to be that it will be the database of record for the gas industry, including Power Stations. To grant Nova this exemption is to undermine this basic concept.</p>
<p><i>Q4: If a transitional exemption is granted – and given the desirability as suggested by Nova Gas, of considering at the one time, the substantive issues in regard to the coverage of bypass networks by both the Rules and the Gas (Downstream Reconciliation) Rules 2008 – is there any merit in the exemption expiring other than on the same date (30 June 2009) as the existing downstream reconciliation exemption?</i></p>	<p>As we do not support an exemption we are unable to offer time frame.</p>
<p><i>Q5: Given the additional information set out above, do you consider that there would be</i></p>	<p>If Nova were granted an exemption it would impair a Retailer's ability to switch a customer from a bypass network to an open access network. It would certainly take longer to obtain</p>

<p><i>any adverse impact on other registry participants if the exemption as sought was granted? In particular would the ability of a move to occur from a customer installation on a bypass network to a new/recommissioned consumer installation on an open access network be impaired? If you think there would be adverse impacts, explain what they are and the reasons for those impacts occurring</i></p>	<p>information on the customer's supply such as load category supply pressure required, GMS size etc. all of which will be readily available on the Registry for all open access customers</p>
<p><i>Q6: The possibility of adverse impacts on the ability to move to or from a bypass network under the Rules notwithstanding, do you have any information available which would indicate that these occurrences would be likely during the proposed term of the exemption?</i></p>	<p>Customers are switching between retailers all the time and customer contracts terminate at various times throughout the year so it is very possible that Nova Gas customers could want to switch retailers and networks during any proposed period of exemption.</p>
<p><i>Q7: The ability to make a switch aside, are there any wider reasons for not granting the exemption and ensuring that data for all Nova Gas' bypass ICPs is entered into the registry? If yes, what are those wider reasons?</i></p>	<p>Yes by excluding the Registration of ICPs on the Nova networks the GIC provides Nova gas networks and Nova Gas Retail with an unfair competitive advantage over other networks and retailers who will incur the cost of loading and maintaining their current customers connected to the open access networks into the Registry.</p>
<p><i>Q8: Do you think the condition suggested by Nova Gas, ie that all of the ICPs on each bypass network should be represented by a single notional ICP, is practicable or acceptable? Give the reasons for your view. If you disagree with this alternative arrangement, do you have any views on a more acceptable alternative condition?</i></p>	<p>No the use of a notional ICP is unacceptable to MRP. As we have stated above the Registry is to be the database of record for ALL gas installations.</p> <p>In the event that the GIC were to grant this exemption then one of the issues raised was how these notional ICPs would be categorised under the Critical Contingency Management Regulations? In our opinion if the concept of a notional ICP was accepted then you would have to classify these as a notional customer and therefore it is likely that each notional ICP would be in Curtailment Band 1.</p>
<p><i>Q9: Do you consider that the nature of the exemption proposed by Nova Gas is such that Gas Industry Co has the jurisdiction to grant a transitional exemption under rule 90?</i></p>	<p>Mighty River Power believes that the GIC have the jurisdiction to grant this exemption if it considered there was no impact on other parties, however we reiterate that we are opposed to the granting of the exemption.</p>
<p><i>Q10: Do you have any views on the contention by Nova Gas that, in respect of its bypass networks, Nova Gas is not a</i></p>	<p>Yes see our reply to Question 3 above. We fail to see how Nova's gas network can mean anything else other than they are a Gas Distributor given that the definitions within the Gas Act are:-</p>

'distributor' under the Gas Act 1992 and the Rules?

- **Gas distributor** means any person who supplies line function services to any other person or persons
- **Distribution system** means all fittings, whether above or below ground, under the control of a gas distributor and used to distribute gas from—
 - The boundary of the gasworks or gate station outlet flange supplying gas for distribution; or
 - (b) The outlet of the container in which gas for distribution is stored— to the outlet of the gas measurement system of the place at which the gas is supplied to a consumer or gas refueller (or, where no such gas measurement system is provided, to the custody transfer point of the place at which the gas is supplied to a consumer or gas refueller); and, for the purposes of any regulations made under section [54](#) of this Act relating to odourisation or the measurement of calorific value, includes a gas transmission system