



15 September 2011

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Dear Ian

Proposed Guidelines for Application of Gas Billing Factors

Introduction

1. Mighty River Power welcomes the opportunity to respond to the Gas Industry Company's Proposed Guidelines for Application of Gas Billing Factors issued on 19 August 2011. No part of the submission is confidential and Mighty River Power is happy for it to be publicly released.

Comments

2. Mighty River Power supports the Gas Industry Company's (GIC) development and implementation of these guidelines on gas billing factors. We are however concerned that regardless of how accurate our gas billing processes are, or how strictly we adhere to the proposed guidelines, we are dependant on accurate third party information to ensure that we provide a final outcome that is accurate.
3. The GIC's is aware that certain information on the Gas Registry that has an impact on the quality of retailers' gas billing processes is not always as accurate as it should be, specifically network pressures and ICP altitudes are known not to be uniformly accurate. As the Gas Registry is now almost 3 years old it is unacceptable that retailers cannot rely on the accuracy of the information contained within it.
4. Given the old adage "garbage in, garbage out" Mighty River Power believes that the GIC should seek amendments to both the Gas (Switching and Registry) Rules 2008 and the Gas (Downstream Reconciliation) Rules 2008 to empower it to have audits undertaken on all of the participants who provide Gas Registry information.

5. Should such audits identify that information within the Gas Registry is inaccurate then the amendments to the Rules should also provide the GIC with powers to compel the participants responsible for maintaining that information to correct it within a specific time frame.
6. Mighty River Power would welcome the addition of gas metering information on the gas registry.
7. We support the proposal to investigate the development of a common dataset of ground temperature. We do not however make any commitment to adopt and implement the database when completed. Any such decision will be dependant on our assessment of the proposed database in terms of its costs and benefits for Mighty River Power.
8. Given that Contact Energy has already undertaken some development work on this project Mighty River Power would suggest that an initial meeting be held for Contact Energy to describe and discuss the process that they have undertaken. Depending on the outcome of that meeting either the Contact Energy system could be adopted as is, or it could form the basis for developing a final database.

Concluding remarks

9. If you would like to discuss any of our above comments directly with Mighty River Power, then please do not hesitate to me on 06 348 7926 or 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
Gas Manager