



23 August 2013

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Dear Ian,

Vector Transmission Code Change Request Appeal 31 May 2012

Introduction

1. Mighty River Power welcomes the opportunity to provide this submission on Contact Energy's (Contact) 31 May 2013 Change Request appeal to the Gas Industry Company (GIC). No part of the submission is confidential and Mighty River Power is happy for it to be publicly released.

Comments

2. Given the Gas Industry Company's (GIC) previous comments, confirmed in their draft recommendation, regarding the complexity of multiple issue change requests and the problems that these create for the GIC is assessing change requests we are surprised by the GIC's draft recommendation not to support Contact's appeal.
3. It is important that change request issues are decided on their individual merits rather than on an unrelated contentious issue contained within the same change request. As the GIC is aware there have been issues in the past that the industry has agreed upon but shippers have been unable to support the resulting change request due to the additional unrelated issue being included within a multiple issue change request. These types of change requests have generally failed as the unrelated change was unacceptable to shippers. This has in turn created difficulties at the appeals stage which the GIC has documented in its draft recommendation.

4. Whilst we accept that there is no clear definition of a “single issue” or “series of related issues” we believe that regardless of this the change request as proposed by Contact would improve the efficiency of the change request process.
5. We do not believe that it is beyond the industry to determine what is and what is not a series of related issues and were there to be some argument about this it is simply resolved by splitting a change request into two or more change requests.
6. With regards to the GIC’s question on whether it should proceed with the development of a recommendation on Contact’s second grounds for appeal we are of the opinion that it is appropriate for the GIC to proceed with this.
7. Our reasons for taking this position are firstly that Contact has made a valid appeal to the GIC and therefore Contact deserves to have that appeal heard under both grounds for appeal.
8. Secondly it is entirely conceivable an appeal could fail under one set of grounds for appeal but be supported under a second set. We therefore believe that the GIC must consider both grounds for the Contact appeal and that if there is a conflict between their recommendations then this is a situation that has to be addressed and resolved.

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