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15 September 2008

Bas Walker
Gas Industry Co
PO Box 10-646
Wellington

Dear Bas,

**SUBMISSION ON ADDITIONAL INITIAL EXEMPTIONS UNDER THE GAS
(DOWNSTREAM RECONCILIATION RULES) 2008**

Vector welcomes the opportunity to submit on the additional Initial Exemptions Under the Gas (Downstream Reconciliation Rules) 2008. Please see the Appendix A for Vector's comments on the exemptions.

If you have any queries, or require further information, please feel free to contact Ewan Gebbie (ewan.gebbie@vector.co.nz ph 04 462 8657)

Kind regards

A handwritten signature in black ink that reads "Ewan Gebbie".

Ewan Gebbie
Group Manager Regulatory Performance

Recommended Format for Submissions

To assist Gas Industry Co in the orderly and efficient consideration of submitters' responses, a suggested format for submissions has been prepared. This is drawn from the questions posed in the body of this consultation paper. Submitters are also free to include other material on the exemptions in their responses.

Submission from: Vector Limited, Ewan Gebbie

Question	Comment
<i>Q1: Do submitters have any comments on the direct consumer and non-shared gas gate exemption application DR08-20-S from Nova Gas?</i>	Vector believes that the GIC should adopt a principled approach in respect of the subject matter of these exemptions where either all direct consumers/non-shared (or in other situations where a certain set of criteria exists) Gas Gates are exempt or none at all.
<i>Q2: Do submitters have any comments on the ongoing fee exemption application DR08-21-S from Nova Gas?</i>	Vector agrees that these exemptions should be granted. Vector believes a general rule should be developed whereas parties are not required to pay fees at sites in which no allocation is being performed, seeing as there is no benefit if these sites were to be allocated. Either a change to rule 16.3 in which the calculation of fees excludes these sites or a change to the definition of a gas gate would be most appropriate. Vector's preference is for the latter.

Question	Comment
<p><i>Q3: Do submitters have any comments on the unmetered Matapu and Pungarehu No. 2 gas gate exemption application DR08-22-S from Powerco?</i></p>	<p>Vector believes that the GIC should adopt a principled approach in respect of the subject matter of these exemptions where either all un metered (or in other situations where a certain set of criteria exists) Gas Gates are exempt or none at all.</p>
<p><i>Q4: Do submitters have any comments on the transitional exemption application DR08-23-T from Bay of Plenty Energy regarding the application of seasonal adjustment daily shape values?</i></p>	<p>Vector supports Bay of Plenty's desire to develop, implement and thoroughly test all relevant systems.</p>