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Ian Wilson
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Dear Ian

Submission on MPOC Change Request by Maui Development Ltd on 8 May

The Gas Industry Co has called for submissions on MDL's proposed amendments to the Maui Pipeline Operating Code dated 8 May 2008. Vector welcomes the opportunity to comment on this change request and appreciates the GIC providing sufficient time for Vector to consider the change request to appropriately satisfy itself that the implications are not significant or adverse.

Vector notes that while only one party requested the full consultation period for this amendment, one of the changes being proposed directly affected that party more than any other participant, and the GIC therefore should be quite comfortable in deciding to run a full (rather than a shortened) process given that party's concerns.

Vector submits specifically on the proposed amendments 5 and 11 as follows:

Section	Change	Submission
8.8, 8.9 and 8.11	Change in dead-line.	The proposal requires a change to the OATIS information system and therefore requires testing. While we believe the change is relatively minor, it is nonetheless a change to OATIS that needs to be agreed between Vector and MDL, tested and then implemented prior to the MPOC change taking effect.
24.1 (b)	Technical functions for the Maui Pipeline are contracted to a Technical	The intent of the proposal by MDL reflects the current position. However the drafted wording that "operator and scheduling

	Operator.	<p>functions” are contracted to the System Operator and “technical functions” to the Technical Operator do not accurately reflect what goes on in practice and could be interpreted to suggest that the Technical Operator does not and cannot “operate” the Maui Pipeline. The Technical Operator is in fact charged with the physical operation of the Maui Pipeline. Accordingly, Vector proposes one of two solutions be adopted:</p> <ul style="list-style-type: none"> • the words “operator and” be removed from section 24.1(a) in addition to the inclusion of MDL’s suggested (b); or • MDL’s suggested (b) is amended to read: <p style="padding-left: 40px;">“operator and technical functions for the Maui Pipeline are contracted to a Technical Operator;”</p> <p>Vector believes the suggestion in the first bullet point is better from a drafting perspective.</p>
24.1 (d)	Commercial Operator, System Operator, Technical Operator, Balancing Agent and Incentives Pool Trustee to operate at arm’s length to the Maui Mining Companies in accordance with paragraph 8 of Schedule 4.	Vector notes the inconsistency of section 24.1 (which requires arm’s length operations from the Maui Mining Companies in accordance with the provisions set out in paragraph 8 of Schedule 4) and the actual paragraph 8 of Schedule 4 which requires arm’s length operations from Maui Development Limited. Vector submits that MDL’s suggested amendment should be extended to remove this inconsistency and to require these service providers to operate at arm’s length and separate from both the Maui Mining Companies and MDL – this would necessitate an amendment to paragraph 8 of Schedule 4 as well.
24.1 (e)	System Operator, Technical Operator,	Vector notes the service provision contract between Vector and MDL for system

	Balancing Agent, Incentives Pool Trustee and Commercial Operator to comply with Schedule 4.	operation needs to be amended to ensure consistency with (and compensation for) this proposed amendment and that this will need to be completed prior to suggested the amendment taking effect. As MDL has not yet sought to amend the service provision contract to cover the additional obligation that it is placing on itself via this suggested MPOC amendment, Vector will be approaching MDL itself to ensure the contract is amended.
Schedule 4, 2.1	Add the System Operator and Incentives Pool Trustee to the definition of Open Access Personnel.	This is appropriate and recognises the need for these parties to co-ordinate operations and share information that could be defined as confidential. Nonetheless, as stated above, the service provision contract between Vector and MDL for system operation requires amendment to accommodate this change.

Please do not hesitate to call me should you require any further explanation.

Kind regards



Paul Hodgson

Divisional Manager Gas Transportation