



**Vector Limited**

101 Carlton Gore Road  
PO Box 99882, Newmarket  
Auckland 1149, New Zealand  
[www.vector.co.nz](http://www.vector.co.nz)

Corporate Telephone  
+64-9-978 7788

Corporate Facsimile  
+64-9-978 7799

30 August 2010

Jacki Eves  
Senior Legal Adviser  
Gas Industry Company  
PO Box 10-646  
Wellington

Dear Jacki

**SUBMISSION ON THE PROPOSED AMENDMENTS  
TO THE GAS SWITCHING RULES**

Vector Limited ("Vector") welcomes the opportunity to submit on the Gas Industry Company's ("GIC") consultation document, *Minor Amendments to the Gas (Switching Arrangements) Rules 2008*.

Vector generally supports the proposed changes. We understand they are necessary, and are minor and technical in nature.

We have a few comments, which are indicated in the attached submission form.

Thank you for considering this submission. If you have any questions, or require further information, please feel free to contact me at [John.Rampton@vector.co.nz](mailto:John.Rampton@vector.co.nz) or 04 803 9036.

Kind regards

**John Rampton**

Manager Industry Governance and Policy

## Appendix: Responses to Specific Questions

Name of organisation: Vector Limited

Contact person: John Rampton

Email address: John.Rampton@vector.co.nz

Phone: 04 803 9036

QUESTION	COMMENT
<p>Q2: In regard to the proposal to amend rules 24 and 25 in respect of the payment of ongoing fees:</p> <ul style="list-style-type: none"><li>• Do you agree or disagree with the proposals? Please provide reasons.</li><li>• Do you have any comments on the specific drafting proposed?</li><li>• Do you agree or disagree that the proposal meets the requirements of section 43N(3) of the Act?</li></ul>	<p>For greater accuracy, we suggest that rule 24.5.1(a) be reworded, as follows:</p> <p>(a) On the first day of a calendar month; and...</p>
<p>Q5: In relation to the proposals to delete rule 65.2.6, amend rules 67.1.2, 67.3, 69.1, 69.2, 69.3, and 72.2; and insert new rule 67.3A:</p> <ul style="list-style-type: none"><li>• Do you agree or disagree with the proposals? Please provide reasons.</li><li>• Do you have any comments on the specific drafting proposed?</li><li>• Do you agree or disagree that the proposal meets the requirements of section 43N(3) of the Act?</li></ul>	<p>The removal of rule 65.2.6 implies that all parties are covered by the Downstream Reconciliation Rules ("the Rules"). However, there are some parties in relation to direct connect gas gates that are exempt, or may in the future be exempt, from certain provisions of the Rules. We would like this provision to make it clear that such parties will need to comply with the requirements of rule 65.2.6, as amended:</p> <p>Rule 65.2.6</p> <p>Where the ICP is a <b>direct connect gas gate</b>, and is or will be supplied by more than one party, be a party to a valid and subsisting agreement with an <b>allocation agent</b> authorised to allocate gas at the <b>direct connect gas gate</b> from which gas is supplied to the ICP.</p>

QUESTION	COMMENT
<p>Q6: In relation to the proposal to amend rules 69.4, 75, 78.1, 78.3.2 and 81.1; insert new rules 69.1A, 69.4, 74A, 75.4 and 78.2A; and delete rule 78.5:</p> <ul style="list-style-type: none"><li>• Do you agree or disagree with the proposal? Please provide reasons.</li><li>• Do you have any comments on the specific drafting proposed?</li><li>• Do you agree or disagree that the proposal meets the requirements of section 43N(3) of the Act?</li></ul>	<p>We appreciate the proposed amendment to rule 78.1, which will replace the two business day rule for giving a switching withdrawal response notice with a five business day rule. This will provide sufficient time for retailers to respond to gas switching withdrawal notices. This will further achieve greater alignment with the arrangement in the electricity sector.</p>