

From: Richard Hale
Sent: Thursday, 17 November 2011 10:10 a.m.
To: Steve Bielby
Cc: Melanie Leonard
Subject: FY2013 Co-regulatory Forum and Levy Consultation

Steve, thanks for the email that Kerstin sent out on 7/11 and apologies for not getting back to you by yesterday.

In general we agree with the comments in the note. We submitted on this last year (as part of attending the forum) and made the point should more clearly articulate how its priorities linked back to the Gas Act and Policy Statement objectives. We will probably make the same point in any formal submission.

At this point priorities for the MGUG would be

1. The need to address capacity on the Northern Pipeline including access arrangements
2. Short term competition issues on the Vector line
3. Wholesale market development, including a market trading platform
4. The strategic position for gas in the wider economy

We think these are being picked up in the GTIP.

In addition understanding the risks around the Maui pipeline should be added as a new work stream. I don't know what that means in terms of scope but it needs to be included.

On existing market arrangements I think one of the issues emerging out of the MPOC change request around balancing has been the interface between the pipeline operators. The recent change request indicated that improving balancing arrangements will depend on the extent to which there is compatibility/alignment with Vector's arrangements. Is this an issue more wider than balancing? If not it can be addressed via the balance workstream. If it is then somehow it needs to be elevated as an issue.

I will attend tomorrow (and confirm with Kerstin).

Regards,

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