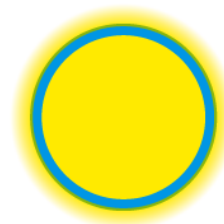


22 September 2014

Andrew Walker  
Senior Advisor  
Gas Industry Company  
PO Box 10 646  
WELLINGTON

[Submitted via Gas Industry Co website]

**POWERCO**



Dear Andrew

**Powerco Submission on Statement of Proposal: Gas Registry Amendments**

1. Powerco welcomes the opportunity to submit on the Gas Industry Co's (GIC) *Statement of Proposal: Gas Registry Amendments* (the Submission), published on 12 August 2014.
2. We support the GIC's work to review the Gas (Switching Arrangements) Rules 2008 and the proposed amendments that will improve the accuracy and functionality of the Gas Registry in line with participant needs.
3. The use of an industry working group has resulted in beneficial amendments being proposed and is a very efficient way of addressing operational issues. We encourage the GIC to adopt this approach going forward with other work areas that cut across industry participants. It reduces the need for multiple consultations and results in a more balanced consultation document being produced that focuses on the key issues.
4. In general we support the proposed amendments and have indicated in our responses below where we consider further work needs to occur to ensure the objectives are met and the amendments are workable.
5. The proposed implementation timeline provides adequate time to make the required system and process changes from our perspective.
6. Thank you for the opportunity to make this submission. If the GIC wishes to discuss any aspects of this submission further, please do not hesitate in contacting me on 06 757 3397 or [oliver.vincent@powerco.co.nz](mailto:oliver.vincent@powerco.co.nz) .

Yours sincerely,

A handwritten signature in blue ink that reads "Oliver Vincent". The signature is stylized with a long horizontal stroke extending to the right.

Oliver Vincent  
Regulatory Analyst

## APPENDIX A – Powerco responses to the consultation questions

QUESTION	COMMENT
<p>Q1: Do you agree with the definitions proposed for the three core metering fields? If not, please explain why and supply alternate definitions.</p>	<p>Agree.</p> <p>The definitions are clear and unambiguously define the requirements of each of the three fields. However, we recommend that consideration be given to using the field name 'Meter Operating Pressure' rather than 'Meter Pressure' as it provides a more accurate descriptor of the purpose of the field.</p>
<p>Q2: Do you agree with the addition of these three fields to the registry?</p>	<p>Agree.</p> <p>The addition of the three core metering fields will significantly contribute to achieving the stated objectives of:</p> <ul style="list-style-type: none"> <li>• better identifying and avoiding errors in the conversion of metered volumes to energy quantities;</li> <li>• furthering the purpose of the Registry, which is to provide an authoritative database of ICP information.</li> </ul> <p>We support the prioritisation of the proposed core fields over other potential new fields (discussed by the RAPT group) as we consider that they have the potential to maximise the benefits to the industry as a whole. We support them being mandatory.</p> <p>Introducing the three new core metering fields will not only incur additional development costs for the industry but also implementation costs and on-going business as usual costs. These secondary costs could potentially escalate unless clear procedural guidelines are put in place. We recognise that initially there may be an increased need for resources to support the implementation of the new fields and deal with issues such as conflicting data, data validation and missing information. However, we expect that the design of the proposed amendments will help ensure that these additional costs are limited to the implementation phase and do not lead to an increase in business as usual costs, which would ultimately be borne by consumers. The use of versioning as discussed in question 6 is an example of a process that could lead to an increase in business as usual costs.</p>

QUESTION	COMMENT
<p>Q3: Do you agree with the definitions proposed for TOU meter and advanced meter? If not, please explain why and supply an alternate definition.</p>	<p>Agree.</p> <p>It is important that unambiguous definitions be defined to ensure that industry participants, regardless of their experience or knowledge, can correctly categorise a meter. While we consider that the TOU meter definition is clear, further work may be needed on the advanced meter definition to ensure all meter configurations can be easily categorised.</p>
<p>Q4: Do you agree with the proposal to add the TOU flag, but not to add the other metering fields, or change the number of location codes in use?</p>	<p>Agree.</p> <p>Any change to the registry has cost implications for the industry and ultimately consumers. A high level of benefit must be proven before a change occurs. Consequently, we support the decision not to change the number of location codes in use or add other metering fields above the TOU meter and Advanced meter fields, as they do not meet the benefit threshold for supporting change.</p> <p>Where possible we would like to see fields self-populated in the Registry based on a clear set of rules. This is an efficient and effective way of managing data within the Registry while minimising the burden on participants. As such, we consider that based on the proposed definition of a TOU Meter, any site which has TOU Metering must have either a Corrector or Logger attached. As there are already 'Corrector Owner' and 'Logger Owner' fields at Registry, it would be preferable to have logic at Registry to auto-populate the TOU Meter field based on these two existing fields. (i.e. if Corrector Owner is not "NONE" OR Logger Owner is not "NONE" then TOU Meter = Y).</p> <p>Currently on page 15 of the consultation document it states that '... the TOU status of a meter is not currently deducible from the existing information present in the Registry'. If it is the case that a TOU Metering cannot be deduced based on current information it would be interesting to be given an example of a site which does not have a Logger or Corrector but does have TOU Metering.</p>

QUESTION	COMMENT
<p>Q5: Do you agree that the proposed distributor fields do not add sufficient value to warrant addition to the Registry?</p>	<p>Agree.</p> <p>We support the analysis of the RAPT group and the conclusion that, while limited benefits may result for the introduction of the proposed distributor fields, the justification is not strong enough to warrant associated rule changes. The industry has demonstrated over a number of years that it can effectively operate without the proposed rule changes and there is no evidence to indicate that this will change as a result of any other proposed rule changes.</p>
<p>Q6: Given the extent of the changes required to retailers' systems, do you agree that a file versioning mechanism should be implemented? If so, do you support participant level versioning or individual report level versioning?</p>	<p>Partially agree.</p> <p>We agree that during an implementation period versioning would be a useful tool to enable retailers to make required system changes. However, if the benefit to retailers of the proposed additional meter fields are as significant as stated in the case for their inclusion, we would expect all retailers to develop systems to manage all the data in a timely manner. The clarity created by having versioning used for a fixed period before reverting to mandatory importing of all fields would help to reduce any on-going issues related to the switching reconciliation process due to queries that may arise from retailers that are not importing the new metering fields.</p> <p>Powerco supports the participation level versioning over individual report level versioning as we consider it provides the most practical solution.</p>

QUESTION	COMMENT
<p>Q7: Do you agree with the introduction of audit provisions to the Rules? Do you have any comments on the audit principles or proposed rule drafting?</p>	<p>Agree.</p> <p>In an industry where participants are reliant on each other to satisfy their own operational and legislative requirements, high levels of data quality and data accuracy are essential. We consider that audits are an effective and proven method to achieve this. We acknowledge the costs associated with the audit process, but consider the benefits far outweigh these. Audits often identify process improvement opportunities as well as ensuring that requirements are being met. As a result of these potential benefits we would recommend that auditing occur at least every two years depending on the level of information required. Currently, there is a level of uncertainty about the 'baseline' audit proposed and we would like to have further discussions about this before the timing and frequency of audits is set.</p> <p>When considering the introduction of amendments that may require significant resource requirements from an industry participant, such as audits, we recommend that the GIC consider the level of other resource intensive requirements being placed on participant by other agencies, e.g. the Commerce Commission.</p>
<p>Q8: Do you agree with the introduction of a validation check on the content of the Gas Transfer Notice? Do you agree that this validation should not be applied for ICPs with TOU meters?</p>	<p>Agree.</p> <p>We support the view of the RAPT that the introduction of a validation check on the content of the GTN should incentivise retailers to maintain accurate data in their billing systems and reduce the quantity of mismatching data between retailers and distributors that is present in the registry. We also agree that validation should not be applied to TOU meters, as the switching process necessitates communication between the retailer and distributor to obtain site information.</p>
<p>Q9: Do you agree with the reduction of the allowed switch timeframe from 23 business days to 10 business days?</p>	<p>Agree.</p> <p>The proposed timeframes will put pressure on industry parties in situations where data needs checking due to mismatching between systems. However, on balance we consider the proposal will provide benefits to both customers and switching parties.</p> <p>We recommend that the GIC give further consideration to how data discrepancy situations are managed.</p>

QUESTION	COMMENT
<p>Q10: Do you agree with the amended wording of rule 61.1.1, to accommodate switches where contracts have been entered into significantly in advance of the supply commencement date?</p>	<p>Agree.</p>
<p>Q11: Do you agree that a meter owner should have the ability to populate an ICP's metering parameters, and the responsible meter owner field, before retailer uplift of an ICP?</p>	<p>Agree.</p> <p>Powerco strongly supports the proposed amendment as it addresses a very real issue that negatively affects the new meter connection process and the accuracy of the data held within the Registry. We consider the costs are significantly outweighed by the benefits.</p>
<p>Q12: Do you agree that ICP parameters should be able to be edited by their respective owners during a switch? Are there any ICP parameters that should remain restricted?</p>	<p>Agree.</p> <p>Powerco strongly supports the proposed amendment as it will improve the efficiency and accuracy of the switching process.</p> <p>Additionally, we consider that the GIC should consider the issue of decommissioning as we believe that decommissioning should be able to occur on an ICP that is in the process of switching. Currently an ICP can only be decommissioned from status INACP. (The ICP status of INACTIVE-PERMANENT denotes that gas is not able to flow to the consumer installation due to a permanent disconnection of supply). We question whether an ICP should be able to switch while in this status. Furthermore, switching retailers has no impact on the physical decommissioning of a site – if the service and meter have been removed from a site then the distributor should be able to move that ICP to DECOM status irrespective of any other changes at the Registry.</p>

QUESTION		COMMENT
Q13:	Do you agree that a connection status for temporary disconnections, as provided for in Rule 59, should be added to the Registry?	Agree. However, for the proposed amendment to operate efficiently and not lead to possible perverse outcomes, there needs to be a three month limit on how long the ICP can retain that status. As proposed by RAPT, the new connection status code should only apply to the ACTC (Active Contracted) status and it would be helpful if it was easily identifiable as a Temporary status (for example the connection status code could be TMP).
Q14:	Do you support the development and implementation of a gas data hub?	Yes. We consider a gas data hub could have significant benefits for all industry participants and recommend that the GIC include its specific development alongside a full suite of GIEPs in its future work programme as a specific work stream.
Q15:	Do you have any other comments on enhancements to the Registry interfaces or other information exchange mechanisms?	No.
Q16:	Do you support the proposed minor changes?	Yes.