

23 February 2023

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*Gas Industry Company*  
*Level 8, The Todd Building*  
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**By email:**

**Submission on Changes to Gas Governance Arrangements – Statement of Proposal -  
Consultation Paper 15 December 2023**

1. This is Vector Limited's (Vector) submission on the Gas Industry Company's (GIC) Consultation Paper, Changes to Gas Governance Arrangements – Statement of Proposal - Consultation Paper, dated 15 December 2023. We acknowledge the GIC's related workstreams on the matters covered in this Statement of Proposal ("SOP").
2. Vector is committed to working with the GIC, the AGMI working group and other industry participants to improving the regulatory framework to support the progress of market-led activities across the rollout of advanced gas metering infrastructure, D+1 and the potential injection of renewable gases into gas distribution systems.
3. We consider all of these measures are key to unlocking value for the long-term benefit of consumers, as well as to support New Zealand's energy transition and decarbonisation goals.
4. We respond to the specific questions in the consultation paper, using the template provided below. No part of our submission is confidential.

Yours Sincerely  
For and On Behalf of Vector Limited,

Monica Choy  
Senior Regulatory and Pricing Partner

Appendix –  
Statement of Proposal: Changes to Gas Governance Arrangements

Question	Comment
1. Do you support the proposals in Section 4 (Capturing and maintaining registry information)? Please provide comments and feedback, including whether there are additional changes that Gas Industry Co should consider	<p>Vector supports the changes proposed, with the following further comments:</p> <ul style="list-style-type: none"> <li>• Adding the two new meter owner fields to the Registry will enable easier identification of Smart Meter ICPs, which will assist with network planning and operations.</li> <li>• We support the changes proposed at paragraph 4.3 to improve clarity and tidy up inconsistencies with updating ICPs on the Registry</li> <li>• We also support introducing a new definition for distribution injection points and introducing an obligation on distributors to give notice of a new distribution injection point.</li> <li>• We consider further detail is needed re the proposal that “<i>Distributor must populate details of the network injection point</i>”. What are the specific parameters and what are the rule for changes in these parameters after the notice (i.e. after commissioning and during operation)? Can we have additional clarity on this please.</li> </ul>
2. Do you support the proposals in Section 5 (Allocation groups, interrogation and submission requirements)? Please provide comments and feedback, including whether there are additional changes that Gas Industry Co should consider	<p>Vector has no comment on the proposals relating to paragraphs 5.1 to 5.5 as our business is not impacted by these changes.</p> <p>Vector supports the proposal at paragraph 5.6 (D+1 inputs provided seven days per week).</p>
3. Do you support the proposals in Section 6 (Energy conversion)? Please provide comments and feedback, including whether there are additional changes that Gas Industry Co should consider	<p>Vector supports the proposals in section 6. Further, we support a unified method for calculation of the flow-weighted average calorific value (only <b>limited</b> to networks with blended gas types), and upstream measurement of the calorific value at the renewable gases injection point.</p>

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Question	Comment
<p>4. Do you support the proposals in Section 7 (Allocation stages)? Please provide comments and feedback, including whether there are additional changes that Gas Industry Co should consider</p>	<p>No comment.</p>
<p>5. Do you support the proposals in Section 8 (Allocation methodology and UFG)? Please provide comments and feedback, including whether there are additional changes that Gas Industry Co should consider</p>	<p>Vector supports the proposed changes. Our current measured fugitive emissions indicate a lower percentage of UFG due to distribution fugitive emission. Additionally, we are of the view that due to our network configuration, the greater Auckland IP20 system, compromise of 5 gate stations, should be treated as one system in UFG calculations. Given the downstream ICPs are interconnected, the UFG estimation based on individual gate allocation would be inaccurate. All ICP gate allocations for the greater Auckland IP20 system are only based on the geographic extent of the gate station and this does not reflect the actual flow of gas from the gate to the ICP.</p>
<p>6. Do you support the proposals in Section 9 (Maintaining contract &amp; customer information)? Please provide comments and feedback, including whether there are additional changes that Gas Industry Co should consider</p>	<p>No comment</p>
<p>7. Do you support the proposals in Section 10 (Minor and technical changes)? Do you agree that these issues are minor and technical? Please provide comments and feedback, including whether there are additional changes that Gas Industry Co should consider</p>	<p>Vector supports the proposals in section 10. We agree they are minor and technical in nature. We have no other suggestions at this time.</p>
<p>8. Do you support the proposals in Section 11 (Non-regulatory changes)? Please provide comments and feedback, including whether there are additional changes that Gas Industry Co should consider</p>	<p>Yes, Vector supports the proposals in section 11.</p>