

<b>NOTICE OF DETERMINATION OF MARKET ADMINISTRATOR</b>	
<b>Dated:</b>	30 September 2009
<b>Breach notice identifying number:</b>	2009-120 (2009-120A to 2009-120T)
<b>Date of receipt:</b>	6 August 2009 to 11 August 2009
<b>Name of reporting entity:</b>	E-Gas 2000 Limited (EGAS) or E-Gas Limited (EGLT)
<b>Name of participant that is alleged to have breached the Rules:</b>	Nova Gas Limited (GNVG)
<b>Name/s of other parties to breach notice:</b>	Genesis Energy (GENG) Powerco Limited (POCO)
<b>Rule/s allegedly breached:</b>	Gas (Switching Arrangements) Rules 2008 Rule 65.2.2(a) Rule 66.1 Rule 78.1 Rule 78.2.2
<b>Determination made by market administrator under regulation 18:</b>	<p>In the market administrator's opinion, the alleged breaches do not raise material issues and the market administrator has decided to take no action on the alleged breaches.</p> <p>The market administrator placed particular weight on the following criteria in making its determination:</p> <p><u>In relation to 2009-120 A:</u></p> <ul style="list-style-type: none"> <li>• regulation 19(1)(a) – the alleged breach was not severe</li> <li>• regulation 19(1)(b) – the alleged breach did not have a material impact on the operation of the market</li> <li>• regulation 19(1)(c) – the alleged breach was not deliberate</li> </ul>

In relation to 2009-120 B:

- regulation 19(1)(a) – the alleged breach was not severe
- regulation 19(1)(b) – the market impact of the alleged breach would have been minimal had E-Gas switched the ICP at the requested switch date
- regulation 19(1)(c) – the alleged breach was not deliberate
- regulation 19(1)(d) – remedial action was taken with increased staff resources, training and automation of switching process to prevent similar delays in future
- regulation 19(1)(g) – breach is admitted
- regulation 19(1)(l) – risk of reoccurrence is not high and business drivers also support timely submission of GNTs
- regulation 19(1)(m) – Nova Gas did not benefit from breach but lost revenue as a result of the delay

In relation to 2009-120 D:

- regulation 19(1)(n) – alleged breach has previously been referred to investigation (see notice of breach 2009-67 sub-identifier S-GNVG-05024) and there are no fresh material issues

In relation to 2009-120 C, E, F, G, H, I, J, K, L, M, N, O, P and Q:

- regulation 19(1)(a) – the alleged breaches were not severe
- regulation 19(1)(c) – Nova Gas did not deliberately breach its obligations, instead it had signed confirmation from the customers that the customers intended to honour contracts with Nova Gas
- regulation 19(1)(d) – remedial action was taken, including sending emails to E-Gas with documentation signed by the customers asking for the switches to occur promptly
- regulation 19(1)(e) – the alleged breaches did not have an anti-competitive effect
- regulation 19(1)(g) – the alleged breaches are denied
- regulation 19(1)(o) – Nova Gas considers the rules do not allow second and subsequent GNWs to be issued ahead of a GTN being submitted and that it may reject all such GNWs. This may raise an issue in relation to any future alleged breaches where the second or subsequent GNWs are supported by different information than the first GNW

In relation to 2009-120 R, S and T:

- regulation 19(1)(a) – the alleged breaches were not severe

	<ul style="list-style-type: none"><li>• regulation 19(1)(b) – there is unlikely to have been a material market impact of the alleged breaches and E-Gas remained the responsible retailer throughout</li><li>• regulation 19(1)(c) – the alleged breaches were not deliberate and were caused by genuine site confusion as a result of multiple sites sharing the same physical address</li><li>• regulation 19(1)(d) – remedial action was taken</li><li>• regulation 19(1)(g) – breaches are admitted</li><li>• regulation 19(1)(l) – risk of reoccurrence is not of concern</li><li>• regulation 19(1)(m) – Nova Gas did not benefit from the alleged breaches</li></ul>
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