

GAS INDUSTRY COMPANY LIMITED

Reporting entity

CONTACT ENERGY LIMITED

Participant allegedly in breach

NOVA GAS LIMITED

Party to breach notice

Breach notice 2009-24

**Record of settlement of alleged breaches of rules 34.1, 58.1 and 61.1 of the Gas
(Switching Arrangements) Rules 2008**

19 May 2009

Record of settlement of alleged breaches of rules 34.1, 58.1 and 61.1 of the Gas (Switching Arrangements) Rules 2008

Breach notice: 2009-24

Between:

Reporting entity: Gas Industry Company Limited ("Gas Industry Co")

Participant allegedly in breach: Contact Energy Limited ("Contact")

Party to breach notice: Nova Gas Limited ("Nova")

Background:

- A. On 26 March 2009, Gas Industry Co notified the market administrator of alleged breaches ("2009-24") of rules 58.1 and 61.1 of the Gas (Switching Arrangements) Rules 2008 (the "Switching Rules") by Contact, namely that after Contact removed its meter from the installation control point ("ICP") at the premises of Plato's Greek Taverna Ltd on 18 March 2009, it should have updated the information on the Registry to reflect that the meter had been removed. Gas Industry Co alleged that, in failing to do so, Contact also breached rule 34.1 of the Switching Rules.
- B. On 26 March 2009, Nova notified Gas Industry Co that it wished to become a party to the alleged breaches.
- C. The market administrator referred 2009-24 to an investigator, Jacquie Kean, for investigation, on 3 April 2009.
- D. As a result of the investigation, it emerged that, due to the functionality of the Registry, it is not physically possible to make any change to the Registry in respect of an ICP if a switch is in progress at that ICP. As a switch was in progress at the time that Contact removed its meter from the ICP at Plato's Greek Taverna Ltd, Contact was unable to update the Registry.
- E. The parties have agreed to resolve 2009-24 as set out in this agreement.

Settlement:


- 1) The parties to 2009-24 agree that Contact was not in breach of any of rules 34.1, 58.1 and 61.1 of the Gas (Switching Arrangements) Rules 2008.
- 2) The parties will not pursue 2009-24 any further.
- 3) This settlement is subject to the approval of the Rulings Panel pursuant to regulation 34 of the Gas Governance (Compliance) Regulations 2008. If the Rulings Panel approves this settlement, this settlement will be final and binding on the parties to 2009-24, on all participants, and on the Rulings Panel.

Acceptance of parties to settlement:

- Gas Industry Co notified its acceptance of the terms of settlement in writing to the investigator on 19 May 2009.
- Contact notified its acceptance of the terms of settlement in writing to the investigator on 19 May 2009.
- Nova notified its acceptance of the terms of settlement in writing to the investigator on 19 May 2009.

Rulings Panel:

I approve this settlement pursuant to regulation 34 of the Gas Governance (Compliance) Regulations 2008.


Name: THE HON. SIR JOHN HANSEN
Date: 5.8.09.