



Vector Transmission Capacity Workshop

Next Steps

15 Sept 2010

Overview of GIC's process

- Accelerated information gathering
 - No issues/options papers
 - Likely to be one formal consultation paper
- Aim to make recommendation (if necessary) before end of calendar year
- Progress report to industry important
 - GIC will circulate note on today's mtg
 - Today's presentations available on website

Three Stages

- Stage 1- Workshop design options with industry participants
- Stage 2 – Develop a SoP
- Stage 3- Make a recommendation

Gas Act requirements (Stage 1)

Section	Requirement
43N(1)(a)	Identify all reasonably practicable options for achieving the objective of the regulation
43N(1)(b)(i-iii)	Assess options by considering: benefits and costs of each option; the extent to which the objective would be promoted of achieved by each option; and any other relevant matters
43N(1)(c)	Ensure objective of regulation unlikely to be satisfactorily achieved by any reasonably practicable means other than making the regulation

Stage 1

- Today's workshop complete
 - Objective agreed
 - Have we identified all the options (s43N(1)(a))?
- Assessment of ST options (s43N(1)(b)(i-iii))
 - Started today
 - Once description complete; GIC to do full assessment

Gas Act requirements (Stage 2)

Section	Requirement
43N(1)(d)	Prepare a SoP for the purpose of consultation under section 43L(l)
43N(2)(b)(a-d)	The SoP must contain: a detailed SoP; a statement of the reasons for the proposal; an assessment of the options; including the proposal; and any other relevant info

Stage 2

- GIC develops SoP (s43N)
 - Describe reasonably practicable options in detail
 - Assessment of costs/benefits
 - Identify and propose a preferred option
- Consultation on SoP (s43L(1))
 - End of October
 - Interested parties will be given 3 weeks to make submissions
 - Submissions will be published
 - GIC will analyse submissions and determine next steps

Gas Act requirements (Stage 3)

Section	Requirement
43O(1)	No later than 10 days after submitting recommendation to the Minister the industry body must publish the recommendation and assessment completed under 43N
43ZP(1)	The Minister must decide, within 90 days of receiving a recommendation for regulations under s43F, either to accept or reject the recommendation
43ZP(3)	The Minister must publish a notice in Gazette stating his or her decision and explaining the reasons for it

Stage 3

- GIC makes recommendation to Minister (if required)
 - Aim to submit before end of calendar year
 - may differ from SoP
- Minister has 90 days to accept or reject (s43ZP(1))
- If accepted, begin implementation of arrangements