



## Office of Hon Pansy Wong

### MP for Botany

Minister for Ethnic Affairs  
Minister of Women's Affairs  
Associate Minister for ACC

Associate Minister for Disability Issues  
Associate Minister of Energy and Resources

30 AUG 2010

File No: P/019/PR006/005

Rt Hon Jim Bolger, ONZ  
Chair  
Gas Industry Co.  
Level 8, the Todd Building  
95 Customhouse Quay  
WELLINGTON 6143

Dear Mr Bolger

### INTERCONNECTION TO PRIVATE TRANSMISSION PIPELINES

Thank you for your advice on interconnection to private transmission pipelines dated 4 May 2010.

I agree to your recommendation to formalise arrangements for the collection and assessment of information regarding access disputes and related matters between the Ministry of Economic Development (**MED**) and Gas Industry Co. (**GIC**). I am therefore happy to endorse moves by my officials in June 2010 to set up this information sharing protocol, with the Commerce Commission (the **Commission**) also agreeing to be part of the arrangement.

This is a step in the right direction but is unlikely to be sufficient for GIC to deal appropriately with future access disputes. At a minimum, GIC needs to have formal powers to investigate access disputes or to obtain information in order to properly assess the need to regulate for specific regulations mandating access to private pipelines.

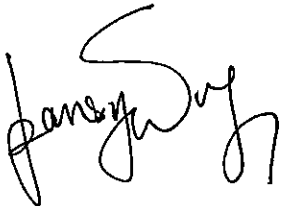
I therefore suggest that you use the empowering provisions of section 43G(2)(l) of the Gas Act 1992 that allows rules or regulations to be made for the purpose of *“providing for processes for settling particular issues within the gas industry that may result in recommendations for gas governance regulations or rules, and requiring compliance by industry participants, the industry body, and the Commission with those processes,*

*including compliance with requirements to produce documents as part of those processes”.*

This same empowering provision was used for the Gas (Processing Facilities Information Disclosure) Rules 2008 which provides for: 1) monitoring responses to requests for third party access to gas processing facilities; and 2) using that information to determine the need for rules or regulations setting reasonable terms and conditions for access to, and use of, gas processing facilities.

I consider that section 43G(2)(l) of the Gas Act 1992 provides GIC with the necessary powers and I would encourage you to examine using it to develop rules or regulations to allow GIC to monitor and, where required, fully investigate third-party access disputes to private pipelines.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Pansy Wong', written in a cursive style.

Hon Pansy Wong  
**Associate Minister of Energy and Resources**