



## Office of Hon Phil Heatley

MP for Whangarei  
Minister of Energy and Resources  
Minister of Housing

- 5 SEP 2012

Steve Bielby  
Chief Executive  
Gas Industry Company  
PO Box 10 646  
WELLINGTON 6143

Dear Mr Bielby,

### ENDORSEMENT OF GAS DISTRIBUTION CONTRACTS OVERSIGHT SCHEME

Thank you for the Gas Industry Company's letter of 29 June 2012 and enclosed *Recommendation for the endorsement of a Gas Distribution Contracts Oversight Scheme* ("the Recommendation").

I consider that the Gas Distribution Contracts Oversight Scheme (the scheme) will improve current distribution contracts and aligns with the objectives of the Gas Act 1992 and the Government Policy Statement on Gas 2008.

The introduction of principles against which contracts will be assessed will ensure core terms and conditions are clear, reasonable and enhance market efficiency.

The scheme will complement the Retail Gas Contracts Oversight Scheme, currently in place to assess retail gas supply agreements.

I therefore agree to endorse the scheme.

I note in the Gas Industry Company's letter that the results from the first assessment will be available in June 2013. I look forward to being provided with a copy of these results as soon as they become available.

Yours sincerely

Hon Phil Heatley  
Minister of Energy and Resources