

## **Gas (Downstream Reconciliation) Rules 2008 (Urgent Exemption DR10-01-U: Direct Connect Gas Gate) Notice 2010**

Pursuant to rule 20 of the Gas (Downstream Reconciliation) Rules 2008, Gas Industry Company Limited ("Gas Industry Co"), as the industry body appointed pursuant to s43ZL of the Gas Act 1992, gives the following notice.

### **Notice**

#### **1. Title and commencement**

- (a) This notice is the Gas (Downstream Reconciliation) Rules 2008 (Urgent Exemption DR10-01-U: Direct Connect Gas Gate) Notice 2010.
- (b) This notice comes into force on the date of this notice.

#### **2. Interpretation**

- (a) In this notice, Rules means the Gas (Downstream Reconciliation) Rules 2008 made by the Minister of Energy under sections 43F, 43Q and 43S of the Gas Act 1992 by notice published in the New Zealand Gazette, as may be amended from time to time.
- (b) Any term that is defined in the Rules and used, but not defined, in this notice has the same meaning as in the Rules.

#### **3. Urgent Exemption**

An urgent exemption from the application of rules 29, 31, 32, 33, 39, 40, 48, 49, 50, 51, 52, 53, 78 and 79 is granted in respect of the Hunua 3 (HUN15303) gas gate subject to the following terms and conditions:

- (a) To avoid doubt, as no quantities of gas will be allocated to a retailer by the allocation agent in an initial allocation under rule 48 in respect of the Hunua 3 (HUN15303) gas gate, ongoing fees payable under rule 16 of the Rules do not apply to the Hunua 3 (HUN15303) gas gate.
- (b) The exemption will expire on 12 April 2010.

#### **4. Reasons for granting the urgent exemption**

The reasons for granting the urgent exemption are:

- (a) Greymouth Gas has applied to Gas Industry Co to exempt the Hunua 3 (HUN15303) gas gate from the application of the Rules, consistent with the approach adopted for existing

direct connect gas gates under the *Gas (Downstream Reconciliation) Rules 2008 (Exemption: Direct Connect Gas Gates) Notice 2008*.

- (b) On the information provided to Gas Industry Co, the Hunua 3 (HUN15303) gas gate supplies a consumer directly from the transmission system and therefore is considered to be a direct connect gas gate in the context of the *Gas (Downstream Reconciliation) Rules 2008 (Exemption: Direct Connect Gas Gates) Notice 2008*.
- (c) An urgent exemption is desirable to ensure that Gas Industry Co is able to properly consider Greymouth Gas' exemption application and to ensure the applicant is not unduly disadvantaged in the interim.
- (d) The urgent exemption is limited to 12 April 2010 to allow consultation to occur and to enable Gas Industry Co to properly consider Greymouth Gas' exemption application.

**DATED** at Wellington this 4<sup>th</sup> day of February 2010.

For and on behalf of Gas Industry Company Limited:

CHRISTINE SOUTHEY, Chief Executive.