

# **Gas (Downstream Reconciliation) Rules 2008 (Exemption DR10-11: Deemed Profiles) Notice 2010**

Pursuant to rules 19 and 20 of the Gas (Downstream Reconciliation) Rules 2008 ('Rules'), 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 (Exemption D DR10-11: Deemed Profiles) Notice 2010.
- (b) This notice comes into force on 6 December 2010.

### **2. Interpretation**

- (a) In this notice, Rules means the Gas (Downstream Reconciliation) Rules 2008 made by the Minister of Energy under section 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. Exemption**

An exemption from the application of rules 54 through 64 is granted in respect of the Allocation Agent, Nova Gas limited, E-Gas Limited and E-Gas 2000 Limited in respect of the November consumption period and subject to the following conditions:

- (a) This exemption expires on 31 December 2010.

This expiration date means that the exemption is in place for submissions related to the initial allocation of the November 2010 consumption month. As required by the Rules, Gas Industry Co will consult on this urgent exemption. Options for the treatment of the interim and final allocations for November 2010 will be discussed and considered in that consultation process.

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

The reasons for granting the exemption are:

- 1. To ensure that the amounts allocated to Nova and E-Gas are fair and in line with the purpose of the Rules and more accurately reflect the amounts consumed by Nova and E-

Gas customers during the November consumption month than if the usual allocation process prescribed by the Rules were followed.. This is in light of the Rules not envisaging that there would be a mass assignment of gas consumers in the middle of a consumption month.

2. There will be no detrimental effects on other retailers, indeed the amounts allocated to them will not change as a result of this exemption and will be allocated in the usual manner as prescribed by the rules.
3. The exemption provides an urgent solution before this issue can be properly addressed for similar future scenarios in the upcoming substantive review of the Rules.