

Gas (Downstream Reconciliation) Rules 2008 (Exemption DR09-04-S: Gas Gate Trading Notification) Notice 2009

Pursuant to rule 19 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 (Exemption DR09-04-S: Gas Gate Trading Notification) Notice 2009.
- (b) This notice comes into force on the day after the date this notice is published on Gas Industry Co's website.

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. Standard exemption

An exemption from the application of rules 39.2.3 is granted, subject to the following terms and conditions:

- (a) The gas gate notice required by rule 39.1 must be given to the allocation agent by no later than 1200 hours on the 3rd business day of the month following the consumption period in which the acts specified in rules 39.1.1 and 39.1.2, as applicable, occur.
- (b) The exemption will expire on 30 September 2010.

4. Reasons for standard exemption

The reasons for granting the exemption are:

- (a) During the initial operation of the Rules since the go-live date, it has become apparent that allocation participants are unlikely to be in a position to always comply with the gas gate notice timeframe specified in rule 39.2.3.

- (b) Extending the gas gate notice timeframe from the 3rd business day of the month following the relevant consumption period will reduce the instances where retailers are unable to comply with the timeframe specified in rule 39.2.3.
- (c) The extended gas gate notice timeframe will not adversely affect, and is likely to improve, the reliability, efficiency and accuracy of the allocation results for the initial allocation under rule 48.

DATED at Wellington this 24th day of February 2009.

For and on behalf of Gas Industry Company Limited:

CHRISTINE SOUTHEY, Chief Executive.