

Gas (Downstream Reconciliation) Rules 2008 (Exemption DR08-14-T: Unmetered Gas Gates) Notice 2008

Pursuant to rule 81 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 DR08-14-T: Unmetered Gas Gates) Notice 2008.
- (b) This notice comes into force on the day after 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. Transitional Exemption

Transmission system owners are granted a class exemption under rule 81 from their obligations under rules 41 and 42 to provide daily injection quantities, subject to the following terms and conditions:

- (a) The exemption shall only apply to the following gas gates on the transmission system that do not have a meter as at the date of this notice:
 - (i) Papakura No.3 PAP06603
 - (ii) Kuku KUK22401
 - (iii) Wellsford WEL18301
 - (iv) Te Horo THO22701
 - (v) Oakleigh OAK18601
 - (vi) Waverley WVY23601
 - (vii) Matapu MTP20601
 - (viii) Okoroire Springs OKS32801
 - (ix) Pungarehu 1 PGU13101
- (b) The exemption shall expire on 30 June 2009.

- (c) The requirements of rules 41 and 42 will be met during the period of the exemption by the allocation agent using the consumption information provided by retailers under rules 31, 32, and 33 to estimate the injection quantities for those gas gates.
- (d) No later than 3 months prior to the expiry of this exemption, transmission system operators with unmetered gas gates will provide a report to Gas Industry Co setting out the estimated costs and benefits of, and any other relevant information on, the provision of meters at those gas gates.

4. Reasons for granting the transitional exemption

The reasons for granting the transitional exemption are:

- (a) Gas quantities at unmetered gas gates are unable to be measured.
- (b) The exemption is being granted on a temporary basis to allow Gas Industry Co time to determine, and report on, whether it is reasonable that these gas gates remain without meters.
- (c) An alternative arrangement has been provided for the allocation agent to use consumption information provided by retailers under the Rules to estimate the injection quantities at the affected gas gates.

DATED at Wellington this 17th day of September 2008.

For and on behalf of Gas Industry Company Limited:

RT HON JAMES BOLGER, O.N.Z, Chair.