Gas (Downstream Reconciliation) Rules 2008 (Exemption DR08-15 to 18-S: Injection information) Notice 2008

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 DR08-15 to 18-S: Injection information) Notice 2008.
- (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

Transmission system owners are granted an exemption under rule 19 from the requirements of rule 41 subject to the following terms and conditions:

- (a) The rule 41 deadline for the provision of actual daily energy injection quantities by transmission system operators is amended to 1200 hours on the 4th business day of every month that follows a consumption period.
- (b) The rule 31 deadline for the provision of consumption information by retailers is amended to 1200 hours on the 4th business day of every month that follows a consumption period.
- (c) The rule 48.2 deadline for the allocation agent to perform initial allocations and provide reports on those allocations to retailers is amended to 1200 hours on the 5th business day of every month.
- (d) No later than 31 March 2009, Gas Industry Co will provide a report, prepared in consultation with allocation participants, which reviews the record of rule 41 compliance over the first 5 months of allocations, provides investment and other relevant information on the implications of terminating the exemptions and transmission system owners

achieving compliance with rule 41, and sets out a recommended course of action for the period beginning on termination of the exemption.

(e) This exemption will apply from 1 October 2008 to 30 April 2009.

Transmission system owners are granted an exemption under rule 19 from the requirements of rule 42 subject to the following terms and conditions:

- (a) The exemption applies from 1 October 2008 to 31 October 2008 for gas gates with telemetry metering.
- (b) The exemption applies from 1 October 2008 to 30 April 2009 for gas gates without telemetry metering.
- (c) No later than 31 March 2009, Gas Industry Co will provide a report, prepared in consultation with allocation participants, which provides investment and other relevant information on the implications of terminating the exemptions and transmission system owners achieving compliance with rule 42, and sets out a recommended course of action for the period beginning after the expiry of the exemption.

4. Reasons for granting the standard exemptions

The reasons for the exemptions are:

- (a) For practical reasons, transmission system owners will be unable to immediately meet the full rule 41 and 42 requirements for providing gas injection information, both for timing and cost reasons; and
- (b) The exemption will provide time for the costs, benefits and other implications of remedying this situation to be investigated and reported..

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.