



Proposed Minor Amendments to the Gas (Switching Arrangements) Rules 2008 27 May 2010

Purpose

To discuss the proposed minor and technical amendments to the Rules to assist the formulation of submissions

Changes to definitions



allocation agent

definition amended for better consistency between regulatory arrangements

loss factor

amended to make plain that the definition only refers to the distribution loss factor and not the loss factors calculated by the allocation agent under the Gas (Downstream Reconciliation) Rules

payment year

reflects changes to timing of payment of ongoing fees

rules

amended as no other reference in the rules to "codes of practice" or "technical codes"

Payment of ongoing fees

Change in fee year from "calendar year" to "financial year"

Administrative efficiencies in setting the payment year as its financial year.

Formula for payment remains the same

Timing of invoices for payment of ongoing fees

"As soon as practicable following the first business day of each month the industry body or the registry operator must invoice every person to whom rule 24.3 applies with the ongoing fees that person is liable to pay calculated in accordance with the formula in rule 25.3."

Gas Industry Co is unable to obtain the information from the registry until the second business day of each month, so can't invoice until then at the earliest.

Notices

Notices to/from registry cannot be done by post, fax etc

Compare rule 28 and rule 30/31)



Deemed receipt -

"Any reference to the receipt of a notice from the registry means that the notice from the registry is recorded in the registry and is capable of being viewed by the recipient."

Puts all participants on an equal footing

For example

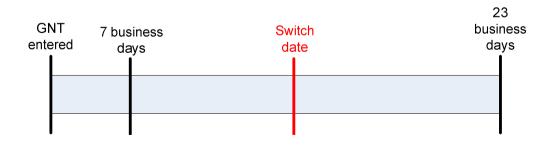
Rule 69.1 prescribes that within 2BD after receiving a gas switching notice from the registry, the responsible retailer must give to the registry a GAN, GTN or GNW.

The 2BD is triggered from the time the notice can be viewed in the registry rather than from the time you have chosen to receive notification from the registry.

Requested Switch Date (rule 67.3)

Not less than 7 business days after gas switching notice is given to the registry

Not more than 23 business days after the gas switching notice is given to the registry



Move switches

Proposed wording that aligns with registry's current timing restraints:

"If the new retailer requests a move switch, the requested switch date must not be earlier than one day after the date the responsible retailer became responsible for supply according to the registry and must not be more than 23 business days after the date the gas switching notice is given to the registry"

Do future move switches occur?

Gas switching withdrawal notices

Rule 75.4

No limits on number of gas switching withdrawal notices

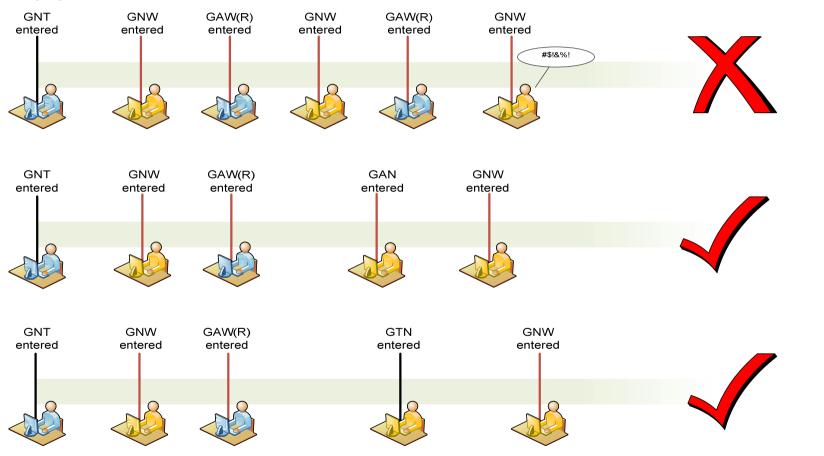
BUT subject to reasonableness test set out in rule 34

AND must obtain refresher instructions

Exception to when you can file a gas switching withdrawal notice

Rule 69.1A – see diagram





Switching Withdrawals

Rule 69.4

The registry will not accept a gas transfer notice until a gas switching withdrawal response notice is given

Makes plain that if a retailer submits a GNW close to the 23BD timeframe their compliance with rule 69.2 is contingent on the other retailer replying to the GNW promptly and, as such, the retailer is putting themselves at risk of breaching rule 69.2.

Gas Industry Co considers good practice is to not give a GNW later than 18 BD after the GNT.

Rule 75A

A gas switching withdrawal notice may be given at any time after receiving a gas switching notice from the registry

Rule 78.1

5 business days to give registry gas switching withdrawal response notice

Reflects industry practice and period currently provided for under transitional exemptions.

Timing of Gas Transfer Notices (GTN)

Within 23 business days of receiving a gas switching notice

AND

Within 2 business days of the switch date include in the gas transfer notice (if a standard switch)

Exceptions to requirement to switch on requested switch date

The responsible retailer has at the time the gas switching notice was given to the responsible retailer **billed a consumer up to a date after the requested switch date**:

THEN must use **day after the billed-to-date**

- BUT where the billed-to-date is **23 business days after the gas switching notice** the switch date must be no later than 23 business days after the gas switching notice was received by the responsible retailer.
- IF there is no requested switch date, the switch date must be no later than 23 business days after the gas switching notice was received by the responsible retailer.