| NOTICE OF DETERMINATION OF MARKET ADMINISTRATOR                             |  |
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| Dated:  | 6 July 2009  |
| Breach notice<br>identifying<br>number:                                     | 2009-73<br>S-AGCL-05003 and 05004, 05014 to 05016, 05018, 05021 to 05023<br>and 05026  |
| Date of receipt:  | 1 June 2009  |
| Name of reporting entity:   | Registry Operator  |
| Name of<br>participant that is<br>alleged to have<br>breached the Rules:    | Auckland Gas Company Limited (AGCL)  |
| Name/s of other parties to breach notice:                                   |  |
| Rule/s allegedly<br>breached:   | Gas (Switching Arrangements) Rules 2008 Rule 69 Response to gas switching notice Rule 78 Retailer response to a gas switching withdrawal notice  |
| Determination<br>made by market<br>administrator<br>under regulation<br>18: | In the market administrator's opinion, the alleged breaches do raise material issues. The alleged breaches will therefore be referred to investigation in accordance with regulation 18(3).  The market administrator placed particular weight on the following criteria in making its determination:  • regulation 19(1)(d) – remedial action was not taken sufficiently promptly  • regulation 19(1)(f) – the alleged breaches may have resulted in cost and frustration to other participants  • regulation 19(1)h) – the alleged breaches may indicate a potential systemic problem with compliance with rule 69 |