

11 October 2018

Richard Rowell
Transpower
Waikoukou
22 Boulcott Street
Wellington 6011

Dear Richard

Extension to Term of Allocation Agent Service Provider Agreement

As discussed in the recent annual review meeting, I am pleased to confirm that Gas Industry Co will exercise its option, pursuant to clause 2.3 of the General Terms, to extend the term of the Allocation Agent Service Provider Agreement by three years.

While we recognise that it is important to demonstrate value for our stakeholders by periodically putting our service provider contracts out to market, we consider that an extension has greater merit at this time, given the uncertainty surrounding the future of D+1 and the broader commercial arrangements for gas transmission.

We would like to acknowledge the high standard of your performance of the Allocation Agent role to date, as demonstrated in the calibre of your personnel and your investment in providing a resilient and fit-for-purpose IT environment. We look forward to your continued focus on the allocation system and services in the coming years.

With the extension, the expiry of the current term of the agreement becomes 31 December 2021.

Yours sincerely



Andrew Knight

Chief Executive

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