

**Reprint
as at 1 March 2014**



**Gas Governance (Critical
Contingency Management)
Regulations 2008**
(SR 2008/426)

Anand Satyanand, Governor-General

Order in Council

At Wellington this 4th day of November 2008

Present:
His Excellency the Governor-General in Council

Pursuant to sections 43F, 43G, and 43S of the Gas Act 1992, His Excellency the Governor-General, acting on the advice and with the consent of the Executive Council, and on the recommendation of the Minister of Energy made in accordance with sections 43J to 43O of that Act, makes the following regulations.

Note

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint.

Note 4 at the end of this reprint provides a list of the amendments incorporated.

These regulations are administered by the Ministry of Business, Innovation and Employment.

Contents

| | | Page |
|---|--------------|------|
| 1 | Title | 6 |
| 2 | Commencement | 6 |
| 3 | Purpose | 7 |
| 4 | Outline | 7 |

Part 1 General provisions

| | | |
|---|----------------|---|
| 5 | Interpretation | 7 |
|---|----------------|---|

Appointment

| | | |
|----|---|----|
| 6 | Appointment of critical contingency operator | 15 |
| 7 | Terms of critical contingency operator service provider agreement | 16 |
| 8 | Publication of critical contingency operator service provider agreement | 16 |
| 9 | Critical contingency Internet site | 16 |
| 10 | Publication of transmission system | 17 |
| 11 | Performance standards | 18 |
| 12 | Review of critical contingency operator performance by industry body | 18 |

Scope

| | | |
|----|---|----|
| 13 | Relationship with transmission system codes | 18 |
| 14 | Civil Defence Emergency Management Act 2002 | 19 |

Funding

| | | |
|----|--|----|
| 15 | Development fee <i>[Revoked]</i> | 19 |
| 16 | How and when development fee must be paid <i>[Revoked]</i> | 19 |
| 17 | Ongoing fees | 19 |
| 18 | How and when estimated ongoing fees payable | 20 |
| 19 | How and when actual ongoing fees payable | 21 |
| 20 | General provisions regarding fees | 22 |

Notices and receipt of information

| | | |
|----|---|----|
| 21 | Giving of ordinary notices | 23 |
| 22 | When ordinary notices taken to be given | 23 |
| 23 | Urgent notices | 24 |

Part 2 Obligations before critical contingency

Critical contingency management plans

| | | |
|----|--------------------------------------|----|
| 24 | Critical contingency management plan | 25 |
|----|--------------------------------------|----|

| | | |
|-----|---|----|
| 25 | Content of critical contingency management plan | 25 |
| 26 | Process for preparing critical contingency management plan | 28 |
| 27 | Appointment of expert adviser | 28 |
| 28 | Expert adviser to consult critical contingency operator | 29 |
| 29 | Review of critical contingency management plan | 29 |
| 30 | Approval of critical contingency management plan | 31 |
| 31 | Amendment of plan by industry body if deadlock exists | 32 |
| 32 | Publication of critical contingency management plans | 32 |
| 33 | Maintaining critical contingency management plan | 33 |
| 34 | Testing critical contingency management plan | 35 |
| | <i>Communications plan and information guide</i> | |
| 35 | Publication of communications plan | 37 |
| 36 | Information guide for certain parties | 37 |
| 37 | Process for preparing information guide | 38 |
| | <i>Transmission system information</i> | |
| 38 | Transmission system owners to provide transmission system information | 38 |
| 38A | Other information to be provided to critical contingency operator | 42 |
| | <i>Consumer information</i> | |
| 39 | Retailers to provide consumer information | 42 |
| 40 | Large consumers to provide information | 43 |
| 40A | Allocation agent to provide information | 44 |
| 41 | Critical contingency operator to hold record of information | 44 |
| 42 | Audit of information | 45 |
| 43 | Retailer curtailment plans | 45 |
| 44 | Frequency and form of consumer notifications about these regulations | 47 |
| 45 | Regional critical contingencies | 48 |
| | Part 2A | |
| | Designations | |
| 46 | Purpose of designations | 49 |
| | <i>Designation types</i> | |
| 46A | Critical care designations | 49 |
| 46B | Essential services designations | 50 |
| 46C | Critical processing designations | 50 |
| 46D | Electricity supply designations | 52 |

| | | |
|---|---|----|
| <i>Application process and administrative matters</i> | | |
| 46E | Application process for designations | 53 |
| 46F | Application requirements | 54 |
| 46G | Confidentiality of application information | 56 |
| 46H | Appointment of technical expert to assist industry body | 56 |
| 46I | Powers of technical expert | 57 |
| 46J | Critical processing designation: industry body to determine shutdown profile | 58 |
| 46K | When designation becomes effective | 58 |
| 46L | Declaration form requirements | 59 |
| 46M | Revocation of designations | 60 |
| 46N | Expiry of designations and reapplication | 61 |
| 46O | Industry body to publish and maintain list of designations | 61 |
| Part 3 | | |
| Critical contingency | | |
| <i>General</i> | | |
| 47 | Safety [Revoked] | 62 |
| <i>Declaring critical contingency</i> | | |
| 48 | Critical contingency operator must determine critical contingency | 62 |
| 49 | Process for declaration | 63 |
| 50 | Authority of critical contingency operator | 63 |
| 51 | Notification of critical contingency to certain parties | 64 |
| 52 | Publication of declaration of critical contingency | 64 |
| <i>Declaring regional critical contingency</i> | | |
| 52A | Declaration of regional critical contingency | 65 |
| <i>During critical contingency</i> | | |
| 53 | Role of critical contingency operator during critical contingency | 65 |
| 54 | Role of transmission system owner during critical contingency | 70 |
| 54A | Asset owners to communicate information about failed assets | 71 |
| 55 | Retailers and large consumers must follow directions | 71 |
| 56 | Retailers to instruct consumers | 72 |
| 57 | Consumers to comply with directions | 73 |
| 57A | Emergency approval of essential services designation or critical care designation | 73 |
| 58 | Gas distributors must act reasonably | 74 |
| 59 | Continuing critical contingency | 74 |

| | | |
|----|--|----|
| | <i>Termination of critical contingency</i> | |
| 60 | Termination of critical contingency | 74 |
| 61 | Process for termination | 75 |
| 62 | Notification of termination to certain parties | 76 |
| 63 | Publication of termination of critical contingency | 77 |

Part 4
Obligations after critical contingency

| | | |
|-----|--|----|
| | <i>Reporting requirements</i> | |
| 64 | Incident report | 77 |
| 65 | Performance report | 77 |
| 65A | Industry body may audit performance of obligations | 80 |
| 66 | Assistance with report | 80 |
| 66A | Process for identifying gas usage that is contrary to curtailment directions | 80 |

| | | |
|----|--|----|
| | <i>Critical contingency price for contingency imbalances</i> | |
| 67 | Purpose of applying critical contingency price to contingency imbalances | 82 |
| 68 | Nomination of industry expert | 82 |
| 69 | Appointment of industry expert | 83 |
| 70 | Terms of appointment of industry expert | 84 |
| 71 | Determining critical contingency price | 84 |
| 72 | Procedure for finalising critical contingency price | 85 |

| | | |
|----|---|----|
| | <i>Determining and resolving contingency imbalances</i> | |
| 73 | Contingency imbalance provisions | 85 |
| 74 | Determining contingency imbalances | 86 |
| 75 | Contingency imbalance calculation methodology | 87 |
| 76 | Industry body to hold contingency cash pool | 90 |
| 77 | Transmission system owners to provide contingency imbalance information | 90 |
| 78 | Negative contingency imbalances | 91 |
| 79 | Positive contingency imbalances | 91 |
| 80 | Errors in allocated contingency imbalances | 92 |
| 81 | Imbalance obligations under MPOC, VTC, etc | 93 |
| 82 | Price and imbalances provisions do not apply to regional critical contingencies | 93 |

Part 5
Miscellaneous provisions

| | | |
|-----|--|----|
| 82A | Offence to provide false or misleading information | 93 |
| 82B | Offence to fail to comply with directions | 94 |
| 83 | Audits | 94 |

| | | |
|----|---|----|
| 84 | Treatment of critical contingency occurring before go-live date <i>[Revoked]</i> | 96 |
| 85 | Separation of roles for critical contingency operator | 96 |
| 86 | Transitional provision: existing essential service provider designations and minimal load consumer designations expire unless renewed | 96 |
| 87 | Transitional provision: updating registry record of designations | 96 |

| | |
|--|----|
| Schedule 1 | 98 |
| Critical contingency threshold limits | |

| | |
|---------------------------------|-----|
| Schedule 2 | 100 |
| Curtailment arrangements | |

| | |
|--------------------------|-----|
| Schedule 3 | 103 |
| Curtailment bands | |

| | |
|--|-----|
| Schedule 4 | 104 |
| Transmission system information | |

| | |
|-----------------------------------|-----|
| Schedule 5 | 105 |
| Communication arrangements | |

| | |
|--|-----|
| Schedule 6 | 108 |
| Retailer curtailment plan certification | |

| | |
|--|-----|
| Schedule 7 | 109 |
| Process for appointment of technical expert | |

Regulations

- 1 Title**
These regulations are the Gas Governance (Critical Contingency Management) Regulations 2008.
- 2 Commencement**
 - (1) Parts 3 and 4 come into force on the 5th business day after the day on which the industry body publishes a statement in the *Gazette* in accordance with regulation 32(1).
 - (2) The rest of these regulations come into force on the 28th day after the date of their notification in the *Gazette*.

3 Purpose

The purpose of these regulations is to achieve the effective management of critical gas outages and other security of supply contingencies without compromising long-term security of supply.

4 Outline

These regulations provide for—

- (a) the appointment of a critical contingency operator and funding arrangements in relation to the regulations; and
- (b) the development of critical contingency management plans; and
- (c) processes for managing a critical contingency; and
- (d) processes for determining gas imbalances resulting from a critical contingency and setting a price to apply to those gas imbalances.

**Part 1
General provisions**

5 Interpretation

In these regulations, unless the context otherwise requires,—

Act means the Gas Act 1992

affected party, in relation to any part of the transmission system affected by a critical contingency, means,—

- (a) if the part of the transmission system is governed by MPOC, an interconnected party that has a contingency imbalance; and
- (b) for all other parts of the transmission system, an interconnected party or shipper that has a contingency imbalance

allocation agent means the service provider appointed by the industry body under rule 7 of the Gas (Downstream Reconciliation) Rules 2008

business day means any day of the week except—

- (a) Saturday and Sunday; and
- (b) any day that Good Friday, Easter Monday, Anzac Day, the Sovereign's birthday, Labour Day, Christmas Day, Boxing Day, New Year's Day, the day after New Year's

Day, and Waitangi Day are observed for statutory holiday purposes; and

- (c) any other day that the industry body has determined not to be a business day as published by the industry body

civil defence emergency means an emergency that results in a declaration of a state of national emergency or a declaration of a state of local emergency under the Civil Defence Emergency Management Act 2002 or any equivalent declaration under any subsequent replacement legislation

commencement date means the date referred to in regulation 2(2)

Commission means the Energy Commission to be established under section 43ZZH of the Act

communications plan means the plan published by the critical contingency operator under regulation 35

consumer—

- (a) means a person who is supplied with gas (other than a domestic consumer); but
- (b) does not include a transmission system owner, gas distributor, or retailer, except to the extent that the transmission system owner, gas distributor, or retailer is supplied with gas for its own consumption and not for the purposes of resupply to any other person

consumer installation means 1 or more gas installations that have a single point of connection to a distribution system or the transmission system and for which there is, or previously has been, a single consumer

contingency imbalance means either a negative contingency imbalance or a positive contingency imbalance as defined in regulation 74(2)

critical care designation means a designation described in regulation 46A that is effective in accordance with regulation 46K or 57A(4)

critical contingency means a critical contingency as determined by the critical contingency operator in accordance with regulation 48

critical contingency management plan means a plan approved by the industry body under regulation 30 or 31

critical contingency operator means the person appointed in accordance with regulation 6(1)

critical contingency operator service provider agreement means the agreement between the industry body and a person in respect of that person's appointment as the critical contingency operator

critical contingency price means a price determined by the industry expert under regulations 71 and 72

critical processing has the meaning given in regulation 46C(1)

critical processing designation means a designation described in regulation 46C that is effective in accordance with regulation 46K

curtailment arrangements means the curtailment arrangements set out in Schedule 2

curtailment band means a curtailment band specified in Schedule 3

designated consumer installation means a consumer installation or that part of a consumer installation for which the industry body has approved a designation

designation means any of the following:

- (a) a critical care designation:
- (b) an essential services designation:
- (c) a critical processing designation:
- (d) an electricity supply designation

director of civil defence emergency management means the director appointed under the Civil Defence Emergency Management Act 2002 or any person appointed to an equivalent or replacement role under any subsequent replacement legislation

electricity generating unit means a generating unit within the meaning of the Electricity Industry Participation Code as made and amended from time to time under subpart 3 of Part 2 of the Electricity Industry Act 2010

electricity supply designation means a designation described in regulation 46D that is effective in accordance with regulation 46K

electricity system operator means the service provider for the time being who is appointed as system operator pursuant to the Electricity Governance Regulations 2003, or any person appointed to an equivalent or replacement role under any subsequent replacement legislation

emergency designation means a critical care designation or an essential services designation that is effective in accordance with regulation 57A(4)

essential services designation means a designation described in regulation 46B that is effective in accordance with regulation 46K or 57A(4)

expert adviser means a person appointed by the industry body under regulation 27 to be the expert adviser in relation to a proposed critical contingency management plan or a proposed amendment to a critical contingency management plan

financial year means the financial year of the industry body, as published by the industry body from time to time

gas gate means the point of connection between—

- (a) the transmission system and a distribution system; or
- (b) the transmission system and a consumer installation; or
- (c) 2 distribution systems

gas producer has the same meaning as in section 43D(1) of the Act, but in respect of Maui gas means the Crown

go-live date means 21 January 2010

ICP and ICP identifier have the same meanings as in the Gas (Switching Arrangements) Rules 2008

industry body means—

- (a) the industry body approved by Order in Council under section 43ZL of the Act; or
- (b) in the event that the approval of the industry body is revoked under section 43ZM of the Act and no other industry body is approved, the Commission

industry expert means a person appointed by the industry body in accordance with regulation 69

information guide means the guide published by the critical contingency operator under regulation 36

interconnected party means any person who has an interconnection agreement with a transmission system owner to take

gas from, or inject gas into, an interconnection point on the transmission system

interconnection point means the point of connection between—

- (a) the transmission system and a distribution system; or
- (b) the transmission system and a consumer installation; or
- (c) the transmission system and a gas producing, processing, or storage facility; or
- (d) 2 parts of the transmission system, as those points are identified in the map published by the industry body in accordance with regulation 10

large consumer means a consumer that—

- (a) is connected directly to the transmission system; and
- (b) either—
 - (i) is supplied gas for use at a consumer installation that has the potential to consume gas at rates that in aggregate exceed 15 terajoules a day; or
 - (ii) is a person who purchases gas directly from a gas producer or gas wholesaler or on any wholesale gas market

load shedding category has the same meaning as in the Gas (Switching Arrangements) Rules 2008

Maui Pipeline Operating Code or **MPOC** means the code, issued by the owners of that part of the transmission system identified as the Maui pipeline on the map published in accordance with regulation 10, covering operation of the Maui pipeline, as amended or replaced from time to time

OATIS means the online interactive open access transmission information system, or any other replacement information system, that is used to facilitate information exchange in respect of the open access regime under MPOC and VTC

obligations, in relation to a person, includes the duties, rights, powers, functions, and responsibilities of the person

publish means,—

- (a) *[Revoked]*
- (b) on and after the go-live date, in respect of information to be published by the industry body or the critical contingency operator, to make such information available

on the critical contingency Internet site established in accordance with regulation 9; and

- (c) for all other information, to make available to the intended recipient in such manner as may be determined by the industry body from time to time

regional critical contingency means any critical contingency that has been determined to be a regional critical contingency by the critical contingency operator in accordance with regulation 52A or 53(1)(h)

registry means the registry established under the Gas (Switching Arrangements) Rules 2008

responsible distributor has the same meaning as in the Gas (Switching Arrangements) Rules 2008

responsible retailer has the same meaning as in the Gas (Switching Arrangements) Rules 2008

retailer—

- (a) means any person who supplies gas to another person or other persons through the transmission system, or through a distribution system where that gas has been transported through the transmission system, for any purpose other than for resupply by the other person or persons; but
- (b) does not include a gas producer in respect of the supply of gas to a large consumer

SCADA means supervisory control and data acquisition

shipper means a person who is a party to an agreement with a transmission system owner to have gas transported through all or part of the transmission system

switch means a switch as defined in the Gas (Switching Arrangements) Rules 2008

system operator means a person who controls the physical operation of all or any part of the transmission system

technical expert means a person appointed as a technical expert in accordance with regulation 46H

transmission system means the system—

- (a) comprising those high pressure transmission pipelines from the point where the gas leaves a gas processing facility to an interconnection point for distribution or,

where the gas does not enter a distribution system, to a consumer; and

- (b) as depicted in the map published by the industry body in accordance with regulation 10

transmission system code means any code that sets out detailed rules covering access, use, and operation of part or all of a transmission system, as amended from time to time

transmission system owner means any person or persons who own all or any part of the transmission system; and includes any agent of the transmission system owner

Vector Transmission Code or **VTC** means the code, issued by the owners of that part of the transmission system identified as the Vector pipeline on the map published in accordance with regulation 10, covering operation of the Vector pipeline, as amended or replaced from time to time.

Regulation 5 **allocation agent**: inserted, on 1 March 2014, by regulation 4(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **consumer**: replaced, on 1 March 2014, by regulation 4(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **critical care designation**: inserted, on 1 March 2014, by regulation 4(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **critical processing**: inserted, on 1 March 2014, by regulation 4(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **critical processing designation**: inserted, on 1 March 2014, by regulation 4(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **curtailment band**: replaced, on 1 March 2014, by regulation 4(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **designated consumer installation**: inserted, on 1 March 2014, by regulation 4(5) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **designation**: inserted, on 1 March 2014, by regulation 4(5) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **electricity generating unit**: inserted, on 1 March 2014, by regulation 4(5) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **electricity supply designation**: inserted, on 1 March 2014, by regulation 4(5) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **emergency designation**: inserted, on 1 March 2014, by regulation 4(5) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **essential service provider**: revoked, on 1 March 2014, by regulation 4(6) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **essential services designation**: inserted, on 1 March 2014, by regulation 4(6) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **go-live date**: replaced, on 1 March 2014, by regulation 4(7) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **ICP and ICP identifier**: inserted, on 1 March 2014, by regulation 4(8) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **large consumer**: replaced, on 1 March 2014, by regulation 4(9) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **load shedding category**: inserted, on 1 March 2014, by regulation 4(10) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **Maui Pipeline Operating Code or MPOC**: amended, on 1 March 2014, by regulation 4(11) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **minimal load consumer**: revoked, on 1 March 2014, by regulation 4(12) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **National Gas Outage Contingency Plan or NGOCP**: revoked, on 1 March 2014, by regulation 4(13) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **publish** paragraph (a): revoked, on 1 March 2014, by regulation 4(14) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **regional critical contingency**: inserted, on 1 March 2014, by regulation 4(15) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **registry**: inserted, on 1 March 2014, by regulation 4(15) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **responsible distributor**: inserted, on 1 March 2014, by regulation 4(15) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **responsible retailer**: inserted, on 1 March 2014, by regulation 4(15) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **SCADA**: inserted, on 1 March 2014, by regulation 4(15) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **technical expert**: inserted, on 1 March 2014, by regulation 4(15) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 5 **Vector Transmission Code** or **VTC**: amended, on 1 March 2014, by regulation 4(16) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Appointment

6 Appointment of critical contingency operator

- (1) The industry body may, by agreement with a person who the industry body is satisfied is able to fulfil the obligations under these regulations, appoint that person to act as the critical contingency operator.
- (2) The critical contingency operator has the obligations set out in these regulations.
- (3) The industry body may at any time terminate, or change the appointment of, or reappoint, any person as the critical contingency operator, subject to the terms of the critical contingency operator service provider agreement.
- (4) The remuneration of the critical contingency operator is as agreed between the industry body and the critical contingency operator in the critical contingency operator service provider agreement.
- (5) The industry body and the critical contingency operator may agree on any other terms and conditions not inconsistent with the obligations of the critical contingency operator under these regulations.
- (6) *[Revoked]*
- (7) *[Revoked]*
- (8) *[Revoked]*

Regulation 6(1): amended, on 1 March 2014, by regulation 5(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 6(6): revoked, on 1 March 2014, by regulation 5(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 6(7): revoked, on 1 March 2014, by regulation 5(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 6(8): revoked, on 1 March 2014, by regulation 5(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

7 Terms of critical contingency operator service provider agreement

- (1) There must be a service provider agreement between the industry body and the critical contingency operator.
- (2) The service provider agreement must provide for—
 - (a) appropriate provision for liability; and
 - (b) testing of plans and procedures; and
 - (c) the publication of a communications plan and an information guide.

Regulation 7: replaced, on 1 March 2014, by regulation 6 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

8 Publication of critical contingency operator service provider agreement

The industry body must publish the critical contingency operator service provider agreement.

9 Critical contingency Internet site

- (1) The critical contingency operator must maintain a critical contingency Internet site for the purpose of providing a central repository for publicly available information relevant to a critical contingency.
- (2) The critical contingency Internet site must be able to perform the functions required of the Internet site by these regulations, and be accessible to the public.
- (3) The critical contingency operator must take reasonable steps to ensure the information on the critical contingency Internet site is accurate and up to date.

- (4) The critical contingency operator must publish on the critical contingency Internet site all information provided to it by the industry body for the purposes of publication by the industry body.
- (5) For the purposes of these regulations, the information referred to in subclause (4) is deemed to be published by the industry body.

Regulation 9(1): amended, on 1 March 2014, by regulation 7(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 9(2): amended, on 1 March 2014, by regulation 7(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

10 Publication of transmission system

- (1) No later than 5 business days after the commencement date, each transmission system owner must provide the industry body with the information specified in Schedule 4.
- (2) As soon as practicable after receiving the information described in subclause (1), the industry body must consult with all transmission system owners on a draft map depicting the transmission system.
- (3) As soon as practicable after that consultation and no later than the go-live date, the industry body must publish a map depicting the transmission system.
- (4) A transmission system owner must give notice to the industry body of any error or change in the boundaries of, and pipelines comprising, the transmission system as soon as practicable after becoming aware of the error or change.
- (5) The industry body may amend or update the boundaries of, and pipelines comprising, the transmission system in response to any notice given by a transmission system owner under subclause (4) and, where applicable, must publish an updated map depicting the transmission system.

Regulation 10(1): amended, on 1 March 2014, by regulation 8 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

11 Performance standards

- (1) On the appointment of a critical contingency operator, the industry body must set performance standards against which the critical contingency operator's performance is to be reported and measured.
- (2) Before setting any performance standards under subclause (1), the industry body must consult with the critical contingency operator.
- (3) Following the completion of any review carried out by the industry body under regulation 12, the industry body may revoke, amend, or add to any performance standards set under this regulation.

Regulation 11(1): amended, on 1 March 2014, by regulation 9 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

12 Review of critical contingency operator performance by industry body

- (1) The industry body must, on an annual basis, review the manner in which the critical contingency operator has performed its obligations under these regulations in the preceding 12 months.
- (2) The review must concentrate on the critical contingency operator's—
 - (a) compliance with its obligations under these regulations; and
 - (b) compliance with any performance standards agreed between the critical contingency operator and the industry body; and
 - (c) compliance with the provisions of the critical contingency operator service provider agreement.

*Scope***13 Relationship with transmission system codes**

- (1) *[Revoked]*
- (2) MPOC, VTC, and any other transmission system code must be read subject to these regulations.

- (3) If both a transmission system code and these regulations impose an obligation or liability in respect of the same matter, the obligation or liability in these regulations prevails to the extent that the obligation or liability in the code is inconsistent with these regulations.

Regulation 13 heading: amended, on 1 March 2014, by regulation 10(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 13(1): revoked, on 1 March 2014, by regulation 10(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

14 Civil Defence Emergency Management Act 2002

A person is not required to comply with these regulations where that compliance prevents that person from complying with the requirements of the Civil Defence Emergency Management Act 2002.

Funding

15 Development fee

[Revoked]

Regulation 15: revoked, on 1 March 2014, by regulation 11 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

16 How and when development fee must be paid

[Revoked]

Regulation 16: revoked, on 1 March 2014, by regulation 11 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

17 Ongoing fees

- (1) The ongoing fees are monthly fees to meet the critical contingency ongoing costs.
- (2) The critical contingency ongoing costs are—
- (a) the costs payable by the industry body to the critical contingency operator in respect of that year; and
 - (b) the costs payable to any person appointed by the industry body to carry out any obligations under these regulations in respect of that year; and

- (c) the costs of the industry body associated with critical contingency management and its obligations under these regulations during that year.
- (3) Every person who purchases gas directly from a gas producer during a month is liable to pay ongoing fees for that month in accordance with these regulations.
- (4) In this regulation and regulations 18 and 19, **year** means a financial year unless the context otherwise requires.

18 How and when estimated ongoing fees payable

- (1) The estimated ongoing fees are payable to the industry body.
- (2) *[Revoked]*
- (3) Every person to whom regulation 17(3) applies must supply to the industry body a return no later than the tenth day of each month, unless otherwise agreed by the industry body. The return must state—
 - (a) the total number of gigajoules of gas that the person purchased directly from all gas producers during the previous month; and
 - (b) how many gigajoules of gas were purchased from each gas producer during that month.
- (4) *[Revoked]*
- (5) As soon as practicable after the publication of those estimated critical contingency ongoing costs, the industry body must notify every person to whom regulation 17(3) applies of the estimated critical contingency ongoing costs, and that ongoing fees will be payable by that person in that year or part year in accordance with the following formula:

$$a \times \frac{b}{c}$$

where—

- a equals the critical contingency ongoing costs estimated in accordance with subclause (4) and divided by the number of months in the applicable year or part year
- b equals the total quantity of gas purchased by that person directly from all gas producers during the month that

- is 2 months prior to the month in which the relevant invoice is issued under subclause (7)
- c equals the total quantity of gas purchased by all persons directly from all gas producers during the month that is 2 months prior to the month in which the relevant invoice is issued under subclause (7).
- (6) For each year following the first year or part year of operation, the industry body must—
- (a) estimate and publish on its Internet site, at least 2 months before the beginning of the year, a breakdown of the estimated critical contingency ongoing costs for that year; and
- (b) as soon as practicable after publication of those estimated critical contingency ongoing costs, notify every person to whom regulation 17(3) applies of the estimated critical contingency ongoing costs, and that ongoing fees will be payable by that person in that year calculated in accordance with the formula in subclause (5).
- (7) On the first business day of each month following the notification in subclause (5), the industry body must invoice every person to whom regulation 17(3) applies for that person's share of the estimated critical contingency ongoing costs payable during that month, calculated in accordance with the formula in subclause (5).

Regulation 18(2): revoked, on 1 March 2014, by regulation 12(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 18(4): revoked, on 1 March 2014, by regulation 12(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 18(7): amended, on 1 March 2014, by regulation 12(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

19 How and when actual ongoing fees payable

- (1) The actual ongoing fees are payable to the industry body.
- (2) As soon as practicable after the end of each year of operation, the industry body must determine and publish on its Internet

site, and on the critical contingency Internet site, a breakdown of the actual critical contingency ongoing costs for that year.

- (3) No less than 10 business days after publication of those actual critical contingency ongoing costs, the industry body must invoice, or issue a credit note, to each person to whom regulation 17(3) applies for the difference between—
 - (a) that person's share of the actual critical contingency ongoing costs calculated in accordance with the formula in regulation 18(5), with the necessary modifications; and
 - (b) the amount of the estimated critical contingency ongoing costs invoiced to that person in respect of the year.

20 General provisions regarding fees

- (1) The due date for the payment of any invoice or refund of any credit is—
 - (a) the 20th day of the month in which the invoice or credit note was received; or
 - (b) if the day referred to in paragraph (a) is not a business day, the following business day.
- (2) The fees payable under regulations 17 to 19 are exclusive of any goods and services tax payable under the Goods and Services Tax Act 1985, and goods and service tax on those fees (if any) will be added to the invoices or credit notes issued under regulations 18(7) and 19(3).
- (3) The industry body must ensure that all information and returns that are supplied under regulations 17 to 19 are used only for the purposes of collecting the ongoing fees.
- (4) The returns supplied to the industry body under regulation 7 of the Gas (Levy of Industry Participants) Regulations 2008 (or, where applicable, any replacement levy regulations) are sufficient to fulfil the requirements of regulation 18(3) if the person who supplied the returns consents to the returns being used for this purpose.

Regulation 20(2): replaced, on 1 March 2014, by regulation 13(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 20(3): replaced, on 1 March 2014, by regulation 13(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 20(4): amended, on 1 March 2014, by regulation 13(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Notices and receipt of information

21 Giving of ordinary notices

- (1) If these regulations require any notice to be given, the notice must be in writing and be—
- (a) delivered by hand to the nominated office of the addressee; or
 - (b) sent by post to the nominated postal address of the addressee; or
 - (c) sent by fax to the nominated fax number of the addressee; or
 - (d) sent by electronic transmission or any other similar method of electronic communication to the appropriate nominated electronic address of the addressee; or
 - (e) available in full at an Internet site, the address of which is sent by electronic transmission or any other similar method of electronic communication to the appropriate nominated electronic address of the addressee.
- (2) This regulation also applies to the confirmation of urgent notices under regulation 23(3).

Regulation 21(1)(d): amended, on 1 March 2014, by regulation 14(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 21(1)(e): inserted, on 1 March 2014, by regulation 14(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 21(2): amended, on 1 March 2014, by regulation 14(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

22 When ordinary notices taken to be given

- (1) In the absence of proof to the contrary, notices are taken to be given,—
- (a) in the case of notices delivered by hand to a person, when actually received at that person's address;
 - (b) in the case of notices sent by post, at the time when the letter would in the ordinary course of post be delivered;

- and in proving the delivery, it is sufficient to prove that the letter was properly addressed and posted:
- (c) in the case of notices sent by fax, at the time indicated on a record of its transmission:
 - (d) in the case of notices sent by electronic transmission or any other similar method of electronic communication,—
 - (i) at the time the computer system used to transmit the notice has received an acknowledgment or receipt to the electronic address of the person transmitting the notice; or
 - (ii) at the time the notice was transmitted by computer system to the electronic address provided by the addressee, as proved by the person who gave the notice:
 - (e) in the case of notices given in accordance with regulation 21(1)(e), at the time the electronic communication was transmitted by computer system to the electronic address provided by the addressee, as proved by the person who sent the electronic communication.
- (2) This regulation also applies to the confirmation of urgent notices under regulation 23(3).

Regulation 22(1)(d)(ii): replaced, on 1 March 2014, by regulation 15(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 22(1)(e): inserted, on 1 March 2014, by regulation 15(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 22(2): amended, on 1 March 2014, by regulation 15(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

23 Urgent notices

- (1) In relation to a critical contingency, these regulations provide for urgent notices to be given in certain circumstances.
- (2) Despite regulations 21 and 22, an urgent notice may be given orally where the person issuing a notice considers that the urgency of the situation means the notice should not be given in writing.

- (3) If an urgent notice is given orally under subclause (2), the person who gave that notice must, as soon as practicable, confirm that urgent notice in writing in accordance with regulations 21 and 22.

Part 2

Obligations before critical contingency

Critical contingency management plans

24 Critical contingency management plan

No later than 50 business days after the commencement date, each transmission system owner must prepare a proposed critical contingency management plan for its part of the transmission system and submit it to the industry body for approval.

25 Content of critical contingency management plan

- (1) A proposed critical contingency management plan must be consistent with these regulations and must provide for the following:
- (a) a threshold for each part of the transmission system referred to in Schedule 1 that meets the following requirements:
 - (i) the threshold must be within the relevant permissible limits for those thresholds set out in Schedule 1; and
 - (ii) the threshold must be specified in terms of the projected number of hours remaining before the minimum operating pressure is reached; and
 - (iii) the threshold must specify, as part of the threshold, the minimum operating pressure; and
 - (iv) the minimum operating pressure means the minimum pressure that is required to maintain the supply of gas across the relevant part or parts of the transmission system and to avoid disruption of distribution systems connected to the transmission system; and
 - (v) the minimum operating pressure must be measured at the points on the transmission system specified in Schedule 1; and

- (b) a description of the events that the transmission system owner considers may feasibly result in a breach of the thresholds referred to in paragraph (a); and
- (c) actions that the transmission system owner considers it may feasibly take to remedy any breach in those thresholds resulting from the events described in accordance with paragraph (b); and
- (d) a process, consistent with the curtailment arrangements, outlining the manner in which curtailment will be implemented, curtailment bands, how restoration will be implemented, and an explanation as to how these processes meet the objectives set out in Schedule 2; and
- (e) a communications plan, describing the communications that the transmission system owner must initiate by notice to the critical contingency operator, other transmission system owners, gas distributors, shippers, retailers, large consumers, and any other person it considers necessary before and during a critical contingency, the reciprocal communications, and time frames within which those communications are to take place; and
- (f) the contact details of any suitably qualified persons employed by the transmission system owner who the transmission system owner proposes will be responsible for—
 - (i) giving communications to the critical contingency operator and receiving communications from the critical contingency operator under the communications plan; and
 - (ii) giving directions in accordance with the critical contingency management plan; and
- (g) the circumstances, if any, in which the transmission system owner considers it may be desirable for the critical contingency operator to direct the restoration of gas supply in an order different to that (last curtailed and first restored) set out in the curtailment arrangements, including how, in those circumstances, that different order would better achieve—
 - (i) the purpose of these regulations; and

- (ii) the objectives of the curtailment arrangements; and
- (h) a process, consistent with regulations 73 to 82, outlining the manner in which the contingency imbalances will be determined for each affected party over the period of the critical contingency, including—
 - (i) what information is to be used by the transmission system owner to determine contingency imbalances; and
 - (ii) how the transmission system owner is to allocate contingency imbalances to affected parties; and
 - (iii) processes outlining how the information concerning those allocated contingency imbalances is to be provided to the industry body for the invoicing of those allocated contingency imbalances; and
- (i) a list of the contact details for the—
 - (i) operators of gas storage facilities that are connected to the relevant part of the transmission system; and
 - (ii) operators of upstream gas production facilities that are connected to the relevant part of the transmission system; and
 - (iii) large consumers with a consumer installation connected directly to the relevant part of the transmission system; and
 - (iv) interconnected parties, retailers, and shippers who are trading across or utilising the relevant part of the transmission system; and
 - (v) gas distributors with a distribution system connected to the relevant part of the transmission system; and
- (j) a description of how the transmission information referred to in regulation 38 will be made available to the critical contingency operator; and
- (k) any other things that the transmission system owner considers appropriate to give effect to the purpose of these regulations.

- (2) A proposed critical contingency management plan must be consistent with MPOC, VTC, or any other transmission system code except to the extent necessary to comply with these regulations.

Regulation 25(1)(a)(i): amended, on 1 March 2014, by regulation 16 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

26 Process for preparing critical contingency management plan

Before submitting the proposed critical contingency management plan to the industry body for approval, a transmission system owner must—

- (a) consult on a draft of the proposed critical contingency management plan with persons that the transmission system owner considers are representative of the interests of persons likely to be substantially affected by the proposed critical contingency management plan; and
- (b) immediately before consulting under paragraph (a), provide a draft of the proposed critical contingency management plan to—
 - (i) the critical contingency operator; and
 - (ii) the industry body, who must also publish the draft of the proposed plan; and
- (c) give persons consulted with under paragraph (a) at least 20 business days to make submissions to the transmission system owner on the draft of the proposed critical contingency management plan; and
- (d) provide copies of the submissions to the industry body as soon as practicable after those submissions have been received; and
- (e) consider the submissions made and make any amendments to the proposed critical contingency management plan that the transmission system owner considers necessary.

27 Appointment of expert adviser

For each proposed critical contingency management plan, and for each proposed amendment to a critical contingency man-

agement plan submitted under regulation 33(4)(c), 34(6)(c), or 65(3)(c), the industry body must appoint an expert adviser to review the proposed plan or amendment,—

- (a) in the case of a proposed plan, within 30 business days of the commencement date; and
- (b) in the case of a proposed amendment, within 5 business days of receiving the proposed amendment from the transmission system owner.

28 Expert adviser to consult critical contingency operator

- (1) As soon as practicable following receipt of a proposed critical contingency management plan under regulation 24 or a proposed amendment under regulation 33(4)(c), 34(6)(c), or 65(3)(c), the industry body must provide the proposed plan or proposed amendment to the expert adviser and the critical contingency operator.
- (2) In reviewing the proposed critical contingency management plan or proposed amendment under regulation 29, the expert adviser must consult with the critical contingency operator.
- (3) The critical contingency operator may provide the expert adviser with a report on the proposed critical contingency management plan or proposed amendment in relation to any issues it perceives as material to the review by the expert adviser under regulation 29.
- (4) Any report prepared by the critical contingency operator under subclause (3) must be submitted to the expert adviser no later than 10 business days after the proposed critical contingency management plan or proposed amendment was received from the industry body.

29 Review of critical contingency management plan

- (1) The expert adviser must review—
 - (a) a proposed critical contingency management plan provided by a transmission system owner under regulation 24; or

- (b) a proposed amendment to a critical contingency management plan under regulation 33(4)(c), 34(6)(c), or 65(3)(c),—
to determine whether or not to recommend approval of the proposed critical contingency management plan or proposed amendment to the industry body.
- (2) In reviewing the proposed critical contingency management plan or proposed amendment, the expert adviser—
 - (a) must have regard to any report submitted in accordance with regulation 28(3) and (4); and
 - (b) may have regard to any submissions received by the transmission system owner under regulation 26.
- (3) Following the review, and no later than 20 business days after receiving the proposed critical contingency management plan or proposed amendment, the expert adviser must—
 - (a) make a recommendation, with reasons, to the industry body on whether the industry body should approve the proposed critical contingency management plan or proposed amendment; and
 - (b) give notice to the relevant transmission system owner and the critical contingency operator of its recommendation and the reasons for its recommendation.
- (4) If the expert adviser considers that the proposed critical contingency management plan or proposed amendment complies with regulation 25 and gives effect to the purpose of these regulations, the expert adviser must make a recommendation that the industry body should approve the proposed critical contingency management plan or proposed amendment.
- (5) If the expert adviser gives notice under subclause (3)(b) that it has recommended that the proposed critical contingency management plan or proposed amendment should not be approved by the industry body, then, no later than 10 business days after receiving that notice, the relevant transmission system owner—
 - (a) must revise the proposed critical contingency management plan in response to the reasons given in that notice, and resubmit the proposed plan to the industry body for approval; or

- (b) may revise the proposed amendment in response to the reasons given in that notice, and resubmit the proposed amendment to the industry body for approval.
- (6) Regulations 27 to 30 apply to a proposed plan or proposed amendment resubmitted for approval under subclause (5).
- (7) The industry body must publish a proposed plan or proposed amendment resubmitted for approval under subclause (5).

30 Approval of critical contingency management plan

- (1) No later than 5 business days after receiving a recommendation to approve under regulation 29(3), the industry body must—
 - (a) approve or decline to approve the proposed critical contingency management plan or proposed amendment; and
 - (b) give notice to the relevant transmission system owner and the critical contingency operator of its determination and the reasons for its determination.
- (2) The industry body must approve the proposed critical contingency management plan or proposed amendment if—
 - (a) it receives a recommendation for approval from the expert adviser under regulation 29(3); and
 - (b) the industry body considers that the proposed critical contingency management plan or proposed amendment complies with regulation 25 and gives effect to the purpose of these regulations.
- (3) If the industry body gives notice under subclause (1)(b) that it has declined to approve the proposed critical contingency management plan or proposed amendment, the relevant transmission system owner, no later than 10 business days after receiving that notice,—
 - (a) must revise the proposed critical contingency management plan in response to the reasons given in that notice, and resubmit the proposed plan to the industry body for approval; or
 - (b) may revise the proposed amendment in response to the reasons given in that notice, and resubmit the proposed amendment to the industry body for approval.

- (4) Regulations 27 to 30 apply to a proposed plan or proposed amendment resubmitted for approval under subclause (3).
- (5) The industry body must publish a proposed plan or proposed amendment resubmitted for approval under subclause (3).

31 Amendment of plan by industry body if deadlock exists

- (1) This regulation only applies if a proposed critical contingency management plan submitted under regulation 24, 29(5)(a), or 30(3)(a) has not been approved by the industry body under regulation 30 within 6 months of the commencement date.
- (2) To avoid doubt, this regulation does not apply to any proposed amendment to a critical contingency management plan.
- (3) The industry body may itself amend the proposed critical contingency plan, if the industry body considers that the amendments are—
 - (a) related to the reasons set out in any notice referred to in regulation 29(3)(b) or 30(1)(b); and
 - (b) necessary to ensure the proposed critical contingency management plan complies with regulation 25 and gives effect to the purpose of these regulations.
- (4) If the industry body amends the proposed critical contingency management plan under subclause (3), the industry body must give notice to the relevant transmission system owner and the critical contingency operator of the amendments and the reasons for the amendments.
- (5) On the fifth business day after giving notice under subclause (4), the industry body must determine whether or not to approve the proposed critical contingency management plan as amended under subclause (3).

32 Publication of critical contingency management plans

- (1) As soon as practicable after the industry body has approved a critical contingency management plan, the critical contingency operator must publish the plan (subject to subclause (4)).
- (2) *[Revoked]*
- (3) If a transmission system operator has given notice that certain information in a proposed critical contingency management

plan or a proposed amendment is confidential or commercially sensitive, the industry body must determine whether that information is to be published by the critical contingency operator.

- (4) The industry body must advise the critical contingency operator of its determination under subclause (3) when giving notice of its approval of the plan or amendment under regulation 30(1), and the critical contingency operator must comply with that determination.

Regulation 32(1): replaced, on 1 March 2014, by regulation 17(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 32(2): revoked, on 1 March 2014, by regulation 17(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

33 Maintaining critical contingency management plan

- (1) Each transmission system owner must ensure that the contact details included in its critical contingency management plan in accordance with regulation 25 are current.
- (1A) If a transmission system owner amends its critical contingency management plan to comply with subclause (1), subclauses (2) to (5) do not apply in respect of that amendment.
- (2) Each transmission system owner must review its critical contingency management plan to determine whether it complies with regulation 25, and whether it is able to give effect to the purpose of these regulations,—
- (a) at any time it is directed to do so by the critical contingency operator; and
 - (b) at any time that the relevant transmission system owner is of the opinion that its critical contingency management plan may not—
 - (i) adequately comply with regulation 25; or
 - (ii) give effect to the purpose of these regulations; and
 - (c) in any event, at least once every 2 years.
- (3) Within 10 business days after completing a review under subclause (2), the transmission system owner must notify the critical contingency operator and the industry body—
- (a) that the review has been completed; and

- (b) of whether the critical contingency management plan adequately complies with regulation 25 and gives effect to the purpose of these regulations.
- (4) If a transmission system owner considers that a critical contingency management plan does not adequately comply with regulation 25 or give effect to the purpose of these regulations, the transmission system owner must—
 - (a) prepare a proposed amendment to the critical contingency management plan that it considers would comply with regulation 25 and better achieve the purpose of these regulations; and
 - (b) consult on the proposed amendment in accordance with regulation 26, except if the transmission system owner and the critical contingency operator agree that the proposed amendment is immaterial; and
 - (c) submit, after consultation in accordance with paragraph (b) (if any), the proposed amendment to the industry body for approval in accordance with regulations 27 to 30.
- (5) When the industry body approves an amended plan under regulation 30,—
 - (a) the industry body must notify the transmission system owner and the critical contingency operator; and
 - (b) the critical contingency operator must publish the approved amended plan on the critical contingency Internet site.

Regulation 33(1A): inserted, on 1 March 2014, by regulation 18(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 33(3): replaced, on 1 March 2014, by regulation 18(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 33(4): amended, on 1 March 2014, by regulation 18(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 33(5): inserted, on 1 March 2014, by regulation 18(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

34 Testing critical contingency management plan

- (1) The critical contingency operator must, after consultation with transmission system owners, instigate exercises to test that—
 - (a) the critical contingency management plans comply with regulation 25 and give effect to the purpose of these regulations; and
 - (b) the contact details included in critical contingency management plans in accordance with regulation 25 are current; and
 - (c) the list of emergency contact details maintained by retailers in accordance with regulation 43 is current.
- (2) Transmission system owners, and any interconnected parties, shippers, retailers, gas distributors, and large consumers reasonably requested by the critical contingency operator, must participate in tests instigated under subclause (1).
- (3) To avoid doubt, participation in a civil defence emergency management training exercise that tests the matters set out in subclause (1) is considered to be an exercise for the purposes of this regulation.
- (4) An exercise must be instigated by the critical contingency operator at least once every 12 months, except if there has been a critical contingency within that 12-month period and the report produced in accordance with regulation 65 confirms that the critical contingency management plans meet the test criteria in subclause (1).
- (5) Within 10 business days of completing an exercise under subclause (1), each transmission system owner must provide a report to the critical contingency operator that—
 - (a) explains why its critical contingency management plan meets or does not meet the test criteria in subclause (1); and
 - (b) identifies areas in which its critical contingency management plan can be improved; and
 - (c) recommends to the critical contingency operator any amendments that the transmission system owner considers should be made to its critical contingency management plan; and
 - (d) contains any other information that the transmission system owner considers is appropriate.

- (6) Following the provision of the report provided under subclause (5), a transmission system owner may—
 - (a) prepare a proposed amendment to the critical contingency management plan that it considers would better achieve the purpose of these regulations; and
 - (b) consult on the proposed amendment in accordance with regulation 26, except if the transmission system owner and the critical contingency operator agree that the proposed amendment is immaterial; and
 - (c) submit, after consultation in accordance paragraph (b) (if any), the proposed amendment to the industry body for approval in accordance with regulations 27 to 30.
- (7) Within 10 business days of receiving a report provided under subclause (5), the critical contingency operator must provide a report to the industry body that—
 - (a) assesses the effectiveness of the critical contingency management plan that is the subject of the report; and
 - (b) evaluates any amendments to the critical contingency management plan proposed by the transmission system owner to assess whether the amendments would improve the effectiveness of the critical contingency management plan in achieving the purpose of these regulations; and
 - (c) identifies any amendments to these regulations, the critical contingency management plan, the communications plan, or the information guide that the critical contingency operator considers would improve that instrument's effectiveness in achieving the purpose of these regulations.

Regulation 34(2): amended, on 1 March 2014, by regulation 19(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 34(7): inserted, on 1 March 2014, by regulation 19(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Communications plan and information guide

35 Publication of communications plan

- (1) The critical contingency operator must maintain a published communications plan prepared in consultation with transmission system owners.
- (2) The communications plan will govern the communications between the critical contingency operator and the transmission system owners during a critical contingency.
- (3) The communications plan must apply to communications from the critical contingency operator to the transmission system owners, and from the transmission system owners to the critical contingency operator, relating to—
 - (a) implementing curtailment of demand; and
 - (b) revising curtailment of demand; and
 - (c) restoring gas supply; and
 - (d) terminating a critical contingency; and
 - (e) identifying persons who did not comply with curtailment or restoration directions.
- (4) The critical contingency operator may, after consultation with transmission system owners, amend and publish a revised communications plan.

Regulation 35(1): replaced, on 1 March 2014, by regulation 20 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

36 Information guide for certain parties

The critical contingency operator must maintain a published information guide that explains the communication flows between the critical contingency operator and the following parties during a critical contingency:

- (a) the electricity system operator; and
- (b) the director of civil defence emergency management; and
- (c) operators of gas storage facilities; and
- (d) operators of upstream gas production facilities; and
- (e) the industry body; and
- (f) the Minister of Energy and the Secretary; and
- (g) any other person that the critical contingency operator or the industry body considers necessary.

Regulation 36: amended, on 1 March 2014, by regulation 21(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 36(g): amended, on 1 March 2014, by regulation 21(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

37 Process for preparing information guide

- (1) Before publishing the information guide, the critical contingency operator must—
 - (a) consult with persons that the critical contingency operator considers are representative of the interests of persons likely to be substantially affected by the information guide; and
 - (b) give persons consulted with under paragraph (a) at least 20 business days to make submissions to the critical contingency operator on the information guide; and
 - (c) consider the submissions made on the information guide.
- (2) The consultation process, including consideration of submissions, must be completed within 60 business days of the commencement date.
- (3) If submissions made on the information guide are also relevant to the critical contingency management plans or communications plan, the critical contingency operator may consider those submissions in the preparation of any report on a critical contingency management plan under regulation 28(3) or in the preparation of the communications plan as applicable.
- (4) The critical contingency operator may, after consulting on any proposed amendments in accordance with subclause (1)(a), amend and publish a revised information guide.

Transmission system information

38 Transmission system owners to provide transmission system information

- (1) Each transmission system owner must ensure that the following information in relation to its parts of the transmission system is made available to the critical contingency operator, whether via OATIS or otherwise:

- (a) metering (or other equipment) data on the amount of gas received into or taken from, and the pressure at or near, each interconnection point; and
 - (b) in respect of each day, the net quantity of gas agreed between the transmission system owner and an inter-connected party, or otherwise expected or requested, to pass through each interconnection point; and
 - (c) data concerning the composition and quality of gas in its parts of the transmission system; and
 - (d) technical pipeline information referred to in Schedule 4; and
 - (e) any notices issued pursuant to a transmission system code by a transmission system owner in respect of its part of the transmission system; and
 - (f) any of the following data that the transmission system owner has access to and is reasonably requested (for the purpose of performing its obligations under these regulations) by the critical contingency operator:
 - (i) mismatch or operational imbalance data; and
 - (ii) historical flow information, linepack, or pressure data.
- (1A) Each transmission system owner must, on terms and within time frames acceptable to the critical contingency operator,—
- (a) establish the following processes:
 - (i) a process (using SCADA monitoring or other information sources) to alert the critical contingency operator, within 15 minutes, of any event within the transmission system that has the potential to create a critical contingency;
 - (ii) a process to enable routine and regular communication between the transmission system owner and the critical contingency operator to review transmission system availability status, outage plans, and security of supply risk profiles;
 - (iii) a process to ensure that the critical contingency operator is notified promptly (within 1 day) of any transmission system reconfiguration details or any new transmission pipeline or station:

- (iv) a process to ensure that the critical contingency operator is notified promptly of any planned changes to the transmission system that will affect the long-term performance or capability of the system (including the establishment, isolation, removal, abandonment, or shutdown of any transmission pipeline, station, or key transmission component) and the implementation, commissioning, and decommissioning time frames relating to those changes; and
- (b) provide to the critical contingency operator—
 - (i) historical data files of pressure, volume, flow, and compressor operation at all points measured by the transmission system owner:
 - (ii) real-time remote access to the following data:
 - (A) the projected amount of time before the minimum operating pressure, as specified in the transmission system owner's approved critical contingency management plan, will be reached for each of those parts of the transmission system identified in Schedule 1, based on the rate of pressure change:
 - (B) current operating pressure, system volumes, flows (inflows, outflows, and internal flows), and compressor operations at all points measured by the transmission system owner:
 - (iii) access to the transmission system owner's static model of the transmission system or assistance with establishing and calibrating an independent static model of all or any part of the transmission system:
 - (iv) access to the transmission system owner's dynamic model of the transmission system or assistance with establishing and calibrating an independent dynamic model of all or any part of the transmission system:

- (v) assistance as required with ongoing data updates and calibration checks of the critical contingency operator's static model or dynamic model, or both, of the transmission system.
- (1B) If the critical contingency operator reasonably considers that it requires access to real-time SCADA data, each transmission system owner must provide to the critical contingency operator remote, real-time, and read-only access to the transmission system owner's SCADA system.
- (2) The information described in this regulation—
 - (a) must be the best information available (including real time information if applicable) that, in the particular circumstances, is in the transmission system owner's possession or can be obtained or derived without unreasonable difficulty or expense; and
 - (b) must be used by the critical contingency operator only for the purpose of performing its obligations under these regulations.
- (3) A reference in this regulation to information, data, or a model, in relation to a transmission system owner, includes information, data, or a model held or controlled by a third party contracted to the transmission system owner.

Regulation 38(1)(a): amended, on 1 March 2014, by regulation 22(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 38(1)(d): replaced, on 1 March 2014, by regulation 22(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 38(1A): inserted, on 1 March 2014, by regulation 22(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 38(1B): inserted, on 1 March 2014, by regulation 22(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 38(3): inserted, on 1 March 2014, by regulation 22(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

38A Other information to be provided to critical contingency operator

- (1) The critical contingency operator may ask gas producers, transmission system owners, and large consumers for information relating to the operation of wholesale markets for gas, including arrangements relating to outages and other security of supply contingencies.
- (2) Each gas producer, transmission system owner, and large consumer must provide, in response to any reasonable request made by the critical contingency operator under subclause (1), information on the actual and expected timing and duration of scheduled maintenance and any other actual or expected plant outages.

Regulation 38A: inserted, on 1 March 2014, by regulation 23 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

*Consumer information***39 Retailers to provide consumer information**

- (1) Each retailer must, as required by subclause (2), provide a notice to the critical contingency operator setting out, for each gas gate at which the retailer trades and in relation to that retailer,—
 - (a) the number of consumer installations in each curtailment band and aggregate annual consumption for those consumer installations; and
 - (b) the number of domestic consumers and aggregate annual consumption for those consumers.
- (2) A retailer must comply with subclause (1)—
 - (a) not later than 25 April 2014; and
 - (b) annually, not later than 6 weeks after being asked by the critical contingency operator to provide the notice.
- (3) If the retailer does not possess, or cannot reasonably obtain, a consumer's or domestic consumer's actual total annual consumption, the retailer may provide its best estimate of that consumer's or domestic consumer's total annual consumption as part of the aggregate total annual consumption required by subclause (1).

- (4) To avoid doubt, for the purposes of this regulation, a **gas gate** does not include a point of connection between a distribution system and a gas measurement system downstream of that distribution system.

Regulation 39(1): replaced, on 1 March 2014, by regulation 24 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 39(2): replaced, on 1 March 2014, by regulation 24 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

40 Large consumers to provide information

- (1) Each large consumer must, as required by subclause (2), provide a notice to the critical contingency operator setting out, for the consumer installation, the total annual consumption, maximum daily consumption, curtailment band, and any critical processing designation.
- (2) A large consumer must comply with subclause (1)—
- (a) not later than 25 April 2014; and
 - (b) annually, not later than 6 weeks after being asked by the critical contingency operator to provide the notice.
- (3) Where the consumer installation's daily gas consumption is subject to significant variation throughout a year, the large consumer must notify the critical contingency operator of that fact and the critical contingency operator may ask the large consumer to also supply—
- (a) an estimate of the consumer installation's likely range of consumption by intervals specified by the critical contingency operator; and
 - (b) historical load data for the consumer installation; and
 - (c) any other data reasonably requested by the critical contingency operator.
- (4) Whenever a large consumer becomes aware that information it has provided under this regulation is materially incorrect, the large consumer must provide corrected information to the critical contingency operator within 6 weeks.

Regulation 40: replaced, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

40A Allocation agent to provide information

- (1) The critical contingency operator may, to assist with more detailed load modelling, request from an allocation agent consumption data that the allocation agent holds under the Gas (Downstream Reconciliation) Rules 2008.
- (2) A request must specify the gas gates and the consumption months for which data is sought.
- (3) The allocation agent must provide the data—
 - (a) not later than 20 business days after receiving the request; and
 - (b) in the format in which retailers supply the data to the allocation agent, unless otherwise agreed with the critical contingency operator.

Regulation 40A: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

41 Critical contingency operator to hold record of information

- (1) The critical contingency operator must keep a record of information provided to it by retailers, large consumers, and the allocation agent under regulations 39 to 40A.
- (2) The information must be used by the critical contingency operator only for the purpose of performing its obligations under these regulations.
- (3) If the critical contingency operator considers that any of the information provided by a retailer, a large consumer, or the allocation agent is materially incorrect, the critical contingency operator must, as soon as is reasonably practicable,—
 - (a) notify the industry body that the information provided by that person is materially incorrect; and
 - (b) provide to the industry body all of the information provided by that person.

Regulation 41: replaced, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

42 Audit of information

- (1) If the critical contingency operator notifies the industry body under regulation 41 that information provided by a retailer, a large consumer, or the allocation agent is materially incorrect, the industry body must notify that person that it has 10 business days to correct its information and provide the updated information to the critical contingency operator.
- (2) If the critical contingency operator considers that the updated information is materially incorrect, or if the retailer, large consumer, or allocation agent does not provide the updated information within 10 business days, the critical contingency operator must, as soon as is reasonably practicable, give notice of that fact to the industry body.
- (3) Within 5 business days of being notified under subclause (2), the industry body must notify the retailer, large consumer, or allocation agent that the industry body intends to conduct an audit of that person.
- (4) The purpose of the audit is to determine whether information provided to the critical contingency operator is materially incorrect.
- (5) The audit must be conducted in accordance with regulation 83.

Regulation 42: replaced, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

43 Retailer curtailment plans

- (1) Each retailer must prepare a retailer curtailment plan (the **plan**) in accordance with subclauses (2) to (4).
- (2) For every retailer, the plan must contain the following information:
 - (a) its process for keeping the plan up to date; and
 - (b) staff training details.
- (3) If the retailer has consumers, the plan must also contain the following information:
 - (a) sufficient information to ensure that the person responsible for gas usage at each consumer installation can be contacted at any time, which may comprise—
 - (i) a list of consumer installations including, for each installation, the applicable curtailment band

- and contact details of the person responsible for gas usage; or
- (ii) information on where the list described in subparagraph (i) can be accessed by the retailer and how that list is kept up to date:
 - (b) the process for consumer notifications in accordance with regulation 44:
 - (c) how the retailer will contact consumer installations in each curtailment band in the event of a curtailment direction in respect of that band (including training or script development for call centre staff needing to contact consumer installations in curtailment bands 4 and 6):
 - (d) how the retailer will monitor its own compliance and the compliance of consumer installations with curtailment directions (including how the retailer will collect feedback from consumer installations and monitor metering data and whether the retailer will conduct site visits):
 - (e) how the retailer will report compliance to the relevant transmission system owners.
- (4) If the retailer has domestic consumers, the plan must also contain the following information:
- (a) how the retailer will implement any media appeals for those consumers to reduce their gas usage, if the retailer is directed by the critical contingency operator, under regulation 53(1)(db), to commence appeals:
 - (b) any arrangements for co-ordinating media appeals with other retailers.
- (5) The retailer must provide the plan to the industry body, together with a certificate in the form set out in Schedule 6 signed by a person who, in relation to the retailer, is a director or occupies a position equivalent to that of a director of a body corporate.
- (6) A retailer must keep its plan up to date and, if it makes any material change, subclause (5) applies to the updated plan.

Regulation 43: replaced, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

44 Frequency and form of consumer notifications about these regulations

- (1) A responsible retailer must notify its consumers and the industry body must notify large consumers, as required by subclause (2),—
 - (a) of the existence of these regulations and the necessity for each consumer and consumer installation to comply with any direction given by the retailer or transmission system owner under these regulations; and
 - (b) that a consumer may apply for a designation under Part 2A for a purpose referred to in regulation 46; and
 - (c) of the options available for receiving information regarding critical contingencies, and how to subscribe; and
 - (d) of any other information that the industry body reasonably requires to be notified to consumers; and
 - (e) if the notification is given before 1 December 2014, of the transitional arrangements under regulations 86 and 87.
- (2) A responsible retailer and the industry body must—
 - (a) notify consumers under subclause (1)—
 - (i) as soon as practicable after this regulation comes into force; and
 - (ii) at intervals specified by the industry body, which must be not less than 1 year and not greater than 3 years; and
 - (b) notify a particular consumer under subclause (1) as soon as practicable after any of the following circumstances arise in relation to that consumer:
 - (i) a new consumer installation is connected to a distribution system or the transmission system;
 - (ii) a previously active vacant consumer installation becomes active contracted (within the meaning of the Gas (Switching Arrangements) Rules 2008);
 - (iii) a previously inactive or decommissioned consumer installation becomes active contracted (within the meaning of the Gas (Switching Arrangements) Rules 2008).

- (3) The transmission system owner must—
- (a) provide the industry body with an up-to-date list of large consumers; and
 - (b) notify the industry body as soon as practicable after any of the circumstances described in subclause (2)(b) arise in relation to a large consumer.

Regulation 44: replaced, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

45 Regional critical contingencies

- (1) A regional critical contingency is a critical contingency characterised by—
- (a) a substantial reduction to, or total loss of, the supply of gas to a part of the transmission system; and
 - (b) complete or partial isolation of that part of the transmission system from any significant source of gas supply.
- (2) The industry body must prepare and publish guidelines to assist the critical contingency operator in determining whether a critical contingency is a regional critical contingency.
- (3) Prior to publishing those guidelines, the industry body must—
- (a) prepare a draft set of guidelines that provides scenarios covering the types of events that could arise and for each scenario identifies whether it would be a regional critical contingency; and
 - (b) publish the draft guidelines for consultation; and
 - (c) consider submissions on the draft and make any necessary changes to the guidelines.
- (4) The industry body may prepare and publish revised guidelines after following the process set out in subclause (3).

Regulation 45: replaced, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Part 2A

Designations

Part 2A: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46 Purpose of designations

The purpose of a designation is to modify the curtailment arrangements as they apply to a consumer installation that needs to continue using gas in a critical contingency in order to—

- (a) provide critical care (*see* regulation 46A); or
- (b) provide essential services (*see* regulation 46B); or
- (c) complete critical processing (*see* regulation 46C); or
- (d) secure the supply of electricity (*see* regulation 46D).

Regulation 46: replaced, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Designation types

Heading: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46A Critical care designations

- (1) A consumer may apply for a critical care designation for a consumer installation at which 1 or more of the following services (**critical care**) is provided:
 - (a) hospital care (within the meaning of the Health and Disability Services (Safety) Act 2001):
 - (b) residential care or support of people with disabilities or people who are frail (whether because of their age or for some other reason):
 - (c) primary health care:
 - (d) dispensing medicine (within the meaning of the Medicines Act 1981):
 - (e) operating a prison (within the meaning of the Corrections Act 2004):
 - (f) essential support services for any of the services described in any of paragraphs (a) to (e) (for example, specialist medical services, laundry services, cleaning, or catering).
- (2) The industry body must approve a critical care designation only if the industry body is satisfied that it would be inhumane or unsafe for the critical care not to be provided at the consumer installation.

Regulation 46A: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46B Essential services designations

- (1) A consumer may apply for an essential services designation for a consumer installation at which 1 or more of the following services (**essential services**) are provided:
 - (a) mortuary services;
 - (b) cremation of human remains;
 - (c) heat treatment of biohazards to make them safe for disposal where there is no other safe means of disposal;
 - (d) processing and supply of municipal drinking water;
 - (e) treatment and processing of municipal sewage;
 - (f) police, fire, and other emergency services.
- (2) The industry body must approve an essential services designation only if the industry body is satisfied that the annual gas consumption for providing the essential services at the consumer installation—
 - (a) was greater than 2 terajoules in any 12-month period within the 2 years before the consumer's application; or
 - (b) will be greater than 2 terajoules in the 12-month period after the consumer's application.

Regulation 46B: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46C Critical processing designations

- (1) A consumer may apply for a critical processing designation for a consumer installation at which either of the following processes (**critical processing**) is performed:
 - (a) a commercial or industrial process that fits all of the following criteria:
 - (i) the process is underway; and
 - (ii) the process can be completely shut down in less than 18 hours; and
 - (iii) an immediate complete shutdown of the process would require—
 - (A) disposal of dangerous or toxic chemicals from the plant; or

- (B) extensive operations before the plant could resume operation following termination of a critical contingency:
- (b) a process that requires gas for a defined period in order to—
 - (i) avoid serious damage to plant; or
 - (ii) mitigate serious environmental damage; or
 - (iii) prevent inhumane or cruel treatment of animals already at an abattoir when a curtailment direction is given in respect of the curtailment band that applies to the consumer installation.
- (2) The industry body must approve a critical processing designation only if all of the following criteria are met:
 - (a) the consumer installation is or includes a major item of capital plant that undertakes critical processing; and
 - (b) the industry body is satisfied that the consumer would have no economically feasible alternative arrangements, in the case of a designation not being approved, if gas supply were curtailed in full; and
 - (c) the industry body is satisfied that the relevant consumer installation's annual gas consumption—
 - (i) was greater than 2 terajoules in any 12-month period within the 2 years before the consumer's application; or
 - (ii) is expected to be greater than 2 terajoules in the 12-month period after the consumer's application; and
 - (d) the information provided in the application indicates a shutdown profile that is consistent with—
 - (i) substantial load reduction (for example, reduced to 60% of average daily gas consumption) within 8 hours of a curtailment direction; and
 - (ii) in the case of critical processing described in subclause (1)(b), near-full load reduction (for example, reduced to 90% of average daily gas consumption) within 18 hours of a curtailment direction; and
 - (iii) full shutdown as soon as is reasonably practicable (in the light of the critical processing to be

performed) and not later than 18 hours (in the case of critical processing described in subclause (1)(a)) or 24 hours (in the case of critical processing described in subclause (1)(b)) after a curtailment direction; and

- (e) the consumer installation has a time-of-use meter that enables gas consumption to be recorded daily, or will have one installed if the designation is approved.

Regulation 46C: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46D Electricity supply designations

- (1) A consumer may apply for an electricity supply designation if the consumer requires a specified amount of gas for a specified period of time during a critical contingency in order to—
 - (a) provide fuel to an electricity generating unit to synchronise that unit with the electricity system so as to meet the owner's obligations under an ancillary service arrangement; or
 - (b) start up an electricity generating unit that is able to run on a fuel other than gas but where the use of gas as a start-up fuel will shorten the time needed to start that unit and switch to an alternative fuel; or
 - (c) allow time for an electricity generating unit that is already running on gas to switch to an alternative fuel.
- (2) The industry body must approve an electricity supply designation only if—
 - (a) the consumer has an ancillary service arrangement with the electricity system operator to provide voltage support; or
 - (b) all of the following criteria are satisfied:
 - (i) the electricity generating unit has an installed capacity of 200 megawatts or greater; and
 - (ii) the electricity generating unit is capable of running on a fuel other than gas supplied through the transmission system; and
 - (iii) the consumer has satisfied the industry body that the electricity generating unit will only require

a specified amount of gas from the transmission system in order to switch to the alternative fuel.

Regulation 46D: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Application process and administrative matters

Heading: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46E Application process for designations

- (1) If a consumer wants a designation for a consumer installation, the consumer must apply to the industry body in accordance with regulation 46F, having regard to any guidance provided by the industry body in relation to the application process.
- (2) A responsible retailer must provide to a consumer all reasonable assistance that the consumer requests for the purpose of preparing its application, including checking the application for completeness.
- (3) The industry body must, within the time frame specified in subclause (4) or (5) (as applicable),—
 - (a) decide whether to approve or decline the designation (in accordance with regulation 46A(2), 46B(2), 46C(2), or 46D(2), as applicable, and subject to subclauses (5) and (6)); and
 - (b) notify the consumer of its decision.
- (4) If the industry body receives the application on or after 2 December 2014, the industry body must comply with subclause (3) within 10 business days after the later of—
 - (a) the day on which the industry body receives the application; and
 - (b) the day on which the industry body receives a technical expert's final report on the application under regulation 46H.
- (5) If the industry body receives the application before the close of 1 December 2014,—

- (a) the industry body must use reasonable endeavours to process the application within the time frame specified in subclause (4); but
 - (b) if the industry body is unable to comply with subclause (3) within the time frame referred to in paragraph (a), the industry body must notify the applicant of an alternative time frame within which it expects to process the application and use reasonable endeavours to comply with that alternative time frame.
- (6) If the industry body identifies that an application is incomplete, or that further information is required to process an application, the industry body must—
 - (a) decline the designation; and
 - (b) invite the applicant to resubmit its application, including the necessary information.
- (7) If only part of a consumer installation meets the criteria for a designation,—
 - (a) the industry body must approve a designation for only that part of the consumer installation; but
 - (b) despite paragraph (a), if it is not possible to operate that part of the consumer installation in isolation from other parts of the consumer installation (in terms of gas consumption), the industry body may, at its discretion but only in exceptional circumstances, approve a designation for the whole of the consumer installation.

Regulation 46E: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46F Application requirements

- (1) Every application for a designation must include the following information:
 - (a) the ICP identifier:
 - (b) the consumer's name and address:
 - (c) the consumer installation, or the part of the consumer installation, in respect of which the designation is sought:
 - (d) a complete description of the services provided at the consumer installation:

- (e) the purposes for which gas is used at the consumer installation:
 - (f) the quantity, in gigajoules, of gas used at the consumer installation on an annual and a daily basis—
 - (i) in total; and
 - (ii) for each of the services referred to in paragraph (d):
 - (g) the services referred to in paragraph (d) in relation to which the designation is sought.
- (2) If the application is for a critical processing designation, the application must also contain the following information (which the industry body will, if it approves the designation, use to determine a shutdown profile for the designated consumer installation under regulation 46J):
 - (a) the absolute minimum rates (in gigajoules per hour) of gas supply required at the times referred to in regulation 46C(2)(d) and to complete critical processing:
 - (b) the period of time required for an orderly and complete shutdown of the consumer installation or part of the consumer installation to which the application relates:
 - (c) the total volume of gas required to complete critical processing and shut down the installation or part of the installation to which the application relates:
 - (d) the daily volumes of gas used at the consumer installation over the past 2 years.
- (3) If the application is for an electricity supply designation, the application must also contain the following information:
 - (a) the rate (in gigajoules per hour) of gas supply required to start up the electricity generating unit; and
 - (b) the period of time required for the electricity generating unit to—
 - (i) synchronise with the electricity system and cease using gas, in the case of an electricity generating unit starting up to provide the ancillary service; or
 - (ii) switch, or start up and switch, to the alternative fuel and cease using gas, in the case of an electricity generating unit able to use alternative fuel.

Regulation 46F: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46G Confidentiality of application information

The industry body must use information provided in an application for a designation only for the purposes of, or as required by, these regulations.

Regulation 46G: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46H Appointment of technical expert to assist industry body

- (1) The industry body—
 - (a) must appoint a technical expert to assist the industry body in assessing an application for a critical processing designation; and
 - (b) may appoint a technical expert to assist the industry body in assessing an application for any other designation.
- (2) When appointing a technical expert, the industry body must follow the process set out in Schedule 7.
- (3) The role of the technical expert is to provide the industry body and the applicant with an independent and confidential report on the merits of the application.
- (4) The technical expert must provide a draft of its report to the applicant and the industry body.
- (5) The applicant and the industry body have 5 business days from the date on which they receive the draft of the report to—
 - (a) communicate with the technical expert about the draft (for example, to ask questions or seek clarification); and
 - (b) provide comments on the draft.
- (6) Before the technical expert prepares a final report on the merits of the application, the technical expert must take into account any comments received on the draft report.
- (7) The applicant must pay to the industry body the costs of the technical expert in preparing the report (less the amount of the fee estimate prepaid by the applicant—*see* Schedule 7, step 7).

- (8) If the costs of the technical expert in preparing the report are less than the amount of the fee estimate prepaid by the applicant, the industry body must refund the difference to the applicant.

Regulation 46H: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46I Powers of technical expert

- (1) The technical expert may—
- (a) request any information, papers, recordings, or documents from the applicant, the current responsible retailer and any previous responsible retailer for the consumer installation to which the application relates, the allocation agent, or the critical contingency operator:
 - (b) ask to examine any process, system, or data of the applicant, including the applicant's contingency plans or options in the event of curtailment:
 - (c) ask to interview any officer or employee of the applicant for the purpose of clarifying any material provided under paragraph (a) or (b).
- (2) Any request under subclause (1) must be reasonable and strictly for the purpose of preparing the report required by regulation 46H.
- (3) An applicant, the current and previous responsible retailer for the consumer installation to which the application relates, the allocation agent, and the critical contingency operator must comply with any request made under subclause (1), but nothing in this regulation limits any claim for legal professional privilege.
- (4) A technical expert must use any information obtained in performing the technical expert's role only for the purpose of assisting the industry body to assess the merits of the particular application, and must otherwise keep that information confidential.

Regulation 46I: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46J Critical processing designation: industry body to determine shutdown profile

- (1) Within 10 business days of the industry body notifying a consumer that it has approved a critical processing designation, the industry body must, after consulting the consumer, determine the shutdown profile for the designated consumer installation.
- (2) The determination must be in writing.
- (3) The shutdown profile, which must be consistent with regulation 46C(2)(d)(i) to (iii), must specify—
 - (a) the amount of gas that may be used at the consumer installation to complete critical processing; and
 - (b) the period of time for which the consumer installation may use gas to complete an orderly shutdown of plant.

Regulation 46J: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46K When designation becomes effective

- (1) If the industry body approves a designation, the designation is effective only after—
 - (a) the industry body has provided the consumer with a declaration form that complies with regulation 46L; and
 - (b) the declaration form is signed by a person who, in relation to the consumer, is a director, or occupies a position equivalent to that of a director, of a body corporate; and
 - (c) the signed declaration form is returned to the industry body; and
 - (d) the applicant has paid to the industry body, in full, the costs of the technical expert in preparing the report (*see* regulation 46H(7)); and
 - (e) the responsible retailer or, in the case of a large consumer, the transmission system owner has confirmed that the consumer installation has a time-of-use meter that enables gas consumption to be recorded daily.
- (2) On receiving the signed declaration, the industry body must give notice of the approved designation to—
 - (a) the critical contingency operator; and

- (b) the responsible retailer or, in the case of a large consumer, the transmission system owner; and
 - (c) the responsible distributor, as recorded in the registry, for the designated consumer installation.
- (3) A responsible distributor must, within 5 business days after being notified under subclause (2), update the load shedding category information in the registry for the designated consumer installation.

Regulation 46K: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46L Declaration form requirements

- (1) The declaration form referred to in regulation 46K(1) must contain 1 or more of the following statements:
 - (a) that the designation applies only to the designated consumer installation;
 - (b) that gas consumption for a consumer installation must be curtailed in accordance with the curtailment arrangements (as set out in Schedule 2);
 - (c) that the consumer understands and accepts that—
 - (i) the consumer may, despite the designation, be required to stop using gas at the designated consumer installation; and
 - (ii) the consumer must comply as soon as possible with any notice given by its retailer under regulation 56; and
 - (iii) if the consumer is a large consumer, it must comply as soon as possible with any direction given by a transmission system owner under regulation 55;
 - (d) in the case of a critical processing designation, that the consumer understands and accepts that the consumer must stop using gas at the designated consumer installation,—
 - (i) if the consumer installation is in any of curtailment bands 1 to 3, when a curtailment direction is given in respect of curtailment band 4; and

- (ii) if the consumer installation is in curtailment band 4, when a curtailment direction is given in respect of curtailment band 6:
 - (e) in the case of an electricity supply designation, that the consumer is permitted to use, at the designated consumer installation, the amount of gas specified in its designation application only when notified that it can do so by the critical contingency operator under regulation 53(1)(da).
- (2) The declaration form referred to in regulation 46K(1) must also contain a statement that the information provided by the consumer in its application is materially correct.

Regulation 46L: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46M Revocation of designations

- (1) As soon as practicable after a consumer with a designation becomes aware that information provided in the consumer's application for the designation is no longer accurate, the consumer must notify the industry body of that fact.
- (2) If the industry body reasonably considers that a consumer with a designation no longer meets the criteria for a designation, the industry body must notify the consumer—
 - (a) that the industry body considers that the consumer no longer meets the criteria for a designation; and
 - (b) that the designation will be revoked unless the consumer reapplies for the designation under regulation 46E within 20 business days.
- (3) If the consumer fails to reapply for the designation within 20 business days after being notified under subclause (2), the designation is revoked on the expiry of that period.
- (4) If the consumer reapplies for the designation within 20 business days after being notified under subclause (2), the designation is revoked if the designation is declined and the revocation is effective when the consumer is notified of that decision.

Regulation 46M: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46N Expiry of designations and reapplication

- (1) Each designation approved under this Part expires 2 years after it was approved, but a consumer may reapply for the designation in accordance with this regulation.
- (2) If any of the information supplied in the consumer's most recent application under regulation 46E has materially changed, or if the initial application was made more than 10 years ago, the consumer must reapply following the process outlined in regulation 46E.
- (3) If the information referred to in subclause (2) has not materially changed, the consumer may reapply following the process set out in regulation 46E, except that—
 - (a) the application must include the information specified in regulation 46F(1)(a) to (c) but need not include any other information specified in regulation 46F; and
 - (b) the application must include a declaration that the information most recently supplied in an application under regulation 46E has not materially changed; and
 - (c) the industry body need not comply with regulation 46H.

Regulation 46N: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

46O Industry body to publish and maintain list of designations

- (1) As soon as practicable after 1 December 2014, the industry body must publish a list of designations.
- (2) The list must include the following information for each designation:
 - (a) the name and ICP identifier of the designated consumer installation;
 - (b) the type of designation;
 - (c) the date on which the designation was approved;
 - (d) the date on which the designation will expire unless a further approval is given.
- (3) The industry body must maintain the list published under subclause (1).

Regulation 46O: inserted, on 1 March 2014, by regulation 25 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Part 3

Critical contingency

General

47 Safety

[Revoked]

Regulation 47: revoked, on 1 March 2014, by regulation 26 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Declaring critical contingency

48 Critical contingency operator must determine critical contingency

- (1) The critical contingency operator must make a determination that there is a critical contingency if—
 - (a) the critical contingency operator considers that a breach has occurred of a threshold that is specified in a critical contingency management plan under regulation 25(1)(a); or
 - (b) the critical contingency operator—
 - (i) has a reasonable expectation that a breach of a threshold is otherwise unavoidable; and
 - (ii) considers that the determination is necessary to achieve the purpose of these regulations.
- (2) When determining whether a breach of a threshold has occurred or is otherwise unavoidable, the critical contingency operator must assume that any occurring reduction in pressure in the relevant part of the transmission system will continue at a constant rate, unless the critical contingency operator has reasonable grounds for considering, based on the best available information, that a non-constant rate of reduction will provide a significantly more accurate basis for its determination.

Regulation 48(1)(a): amended, on 1 March 2014, by regulation 27(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 48(1)(b)(i): amended, on 1 March 2014, by regulation 27(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

49 Process for declaration

- (1) If the critical contingency operator determines that there is a critical contingency under regulation 48, the critical contingency operator must declare a critical contingency.
- (2) Without limiting the powers of the critical contingency operator under these regulations to declare a critical contingency, the critical contingency operator must, as soon as possible after determining a critical contingency, give urgent notice to all transmission system owners—
 - (a) advising them that a critical contingency has been declared; and
 - (b) detailing the parts of the transmission system that are affected; and
 - (c) advising them that they are required to comply with any directions of the critical contingency operator; and
 - (d) advising them that communications under the communications plan are to commence immediately.

Regulation 49(2): amended, on 1 March 2014, by regulation 28(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 49(2): amended, on 1 March 2014, by regulation 28(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

50 Authority of critical contingency operator

- (1) If the critical contingency operator declares a critical contingency, the critical contingency operator must issue directions to transmission system owners that, having regard to the nature of the critical contingency, are—
 - (a) necessary to achieve the purpose of these regulations; and
 - (b) consistent with the relevant critical contingency management plans and the communications plan.
- (2) To avoid doubt, subclause (1) does not prevent the critical contingency operator issuing directions in relation to matters outside the scope of a critical contingency management plan if the critical contingency operator considers those directions are necessary to—
 - (a) achieve the purpose of these regulations; and
 - (b) mitigate the severity of the critical contingency.

51 Notification of critical contingency to certain parties

- (1) As soon as possible after declaring a critical contingency, the critical contingency operator must give urgent notice to the following persons that a critical contingency has been declared:
- (a) the electricity system operator; and
 - (b) the director of civil defence emergency management; and
 - (c) operators of gas storage facilities; and
 - (d) operators of upstream gas production facilities; and
 - (e) the industry body; and
 - (f) the Minister of Energy and the Secretary; and
 - (g) gas distributors in the affected region; and
 - (h) the Director-General of Health.
- (2) The critical contingency operator must also advise a person, by electronic transmission or any other similar method of electronic communication, of the critical contingency declaration if—
- (a) the person has notified the critical contingency operator, prior to the relevant critical contingency declaration, of the person's interest in receiving such advice; and
 - (b) the person has provided an appropriate electronic address.

Regulation 51(1): amended, on 1 March 2014, by regulation 29(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 51(f): amended, on 1 March 2014, by regulation 29(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 51(g): inserted, on 1 March 2014, by regulation 29(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 51(h): inserted, on 1 March 2014, by regulation 29(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 51(2): inserted, on 1 March 2014, by regulation 29(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

52 Publication of declaration of critical contingency

The critical contingency operator must, as soon as is reasonably practicable after declaring a critical contingency,—

- (a) publish a statement that a critical contingency has been declared, the date and time that the critical contingency was declared, and detail the pipeline areas affected; and
- (b) ensure an appropriate critical notice (as defined in OATIS) is posted on OATIS.

Declaring regional critical contingency

Heading: inserted, on 1 March 2014, by regulation 30 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

52A Declaration of regional critical contingency

- (1) As soon as possible after determining a critical contingency, the critical contingency operator must determine, having regard to the guidelines published by the industry body under regulation 45, whether the critical contingency is a regional critical contingency as defined in regulation 45(1).
- (2) On making a determination under subclause (1), the critical contingency operator must publish one of the following:
 - (a) a notice declaring—
 - (i) that the critical contingency is a regional critical contingency; and
 - (ii) which parts of the transmission system are subject to the critical contingency determination:
 - (b) a notice declaring that the critical contingency is not a regional critical contingency.
- (3) For the purpose of regulation 75(b)(ii), a declaration made under subclause (2) is not a revision to the status of a critical contingency.

Regulation 52A: inserted, on 1 March 2014, by regulation 30 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

During critical contingency

53 Role of critical contingency operator during critical contingency

- (1) For the duration of a critical contingency, the critical contingency operator must—

- (a) monitor the pressure (including linepack levels) in any section of the transmission system affected; and
- (b) receive and consider communications from the transmission system owners and any other persons identified in the information guide; and
- (c) explore available opportunities to increase upstream gas production and draw on gas storage, excluding any gas stored in the transmission system or any distribution system, in order to mitigate the severity of the critical contingency; and
- (d) for the purpose of stabilising the pressure (including linepack levels) in any affected part of the transmission system, issue directions by giving urgent notice to transmission system owners in accordance with regulation 50 and the communications plan directing the transmission system owners to—
 - (i) implement curtailment of demand for gas in accordance with the curtailment arrangements and with these regulations; and
 - (ii) where necessary, revise curtailment of demand for gas (including, for example, by directing greater curtailment or rescinding earlier curtailment directions) in accordance with the curtailment arrangements and with these regulations; and
- (da) in the event that a curtailment direction is or may be given in respect of curtailment band 1 or 2,—
 - (i) consult the electricity system operator on any need for a consumer installation with an electricity supply designation to use gas for the purpose set out in regulation 46D(1); and
 - (ii) determine, having regard to the objectives set out in clause 1 of Schedule 2, whether to allow a consumer installation with an electricity supply designation to use gas for the purpose set out in regulation 46D(1); and
 - (iii) give notice of the determination under subparagraph (ii) via urgent notice to the electricity sys-

- tem operator and to consumers with an electricity supply designation; and
- (db) in the event that the critical contingency operator considers that curtailment of curtailment bands 0 to 6 is insufficient to stabilise the pressure in the affected parts of the transmission system, instruct retailers to commence, in accordance with their curtailment plans (*see* regulation 43(4)), media appeals for domestic consumers to reduce their gas usage; and
 - (dc) if reconfiguration of part of the transmission system is feasible within the time frame of a critical contingency, and if the critical contingency operator considers that reconfiguration may contribute to achieving the purpose of these regulations,—
 - (i) consult the transmission system owner on the reconfiguration and whether it would contribute to achieving the purpose of these regulations; and
 - (ii) if, after consulting under subparagraph (i), the critical contingency operator considers that reconfiguration would contribute to achieving the purpose of the regulations, direct the transmission system owner to undertake the reconfiguration; and
 - (dd) if the critical contingency operator becomes aware that a consumer installation is not complying with a curtailment direction, or that a designated consumer installation is not complying with a curtailment direction or the terms of its designation, notify—
 - (i) the responsible retailer, or the transmission system owner in the case of a large consumer, which must contact the consumer installation and direct it to comply with the curtailment direction; and
 - (ii) the industry body, which may seek an interim injunction under regulation 39A of the Gas Governance (Compliance) Regulations 2008; and
 - (e) once pressure (including linepack levels) in affected parts of the transmission system has stabilised to a level where the critical contingency operator is satisfied that it is appropriate to restore gas supply, give urgent no-

- tice to transmission system owners in accordance with the communications plan directing either—
- (i) the restoration of gas supply to consumers in accordance with the curtailment arrangements set out in clause 3 of Schedule 2; or
 - (ii) if there is a civil defence emergency, the restoration of gas supply to consumers in accordance with The Guide to the National Civil Defence Emergency Management Plan issued by the Director of Civil Defence Emergency Management under section 9(3) of the Civil Defence Emergency Management Act 2002, or any equivalent or replacement document under any subsequent replacement legislation; and
- (f) to the extent that is reasonably practicable in the circumstances, ensure the following persons are kept informed of the status of the critical contingency:
- (i) the persons listed in regulation 51; and
 - (ii) transmission system owners, interconnected parties, retailers, and shippers; and
- (g) publish—
- (i) updated information on the status of the critical contingency; and
 - (ii) all urgent notices given by the critical contingency operator; and
 - (iii) information as required by clause 1 of Schedule 5; and
- (h) consider whether any event has occurred that would revise the critical contingency operator's determination under regulation 52A and, if so, publish a notice stating either—
- (i) that a regional critical contingency has been determined and which parts of the transmission system are subject to the critical contingency determination; or
 - (ii) that the critical contingency is no longer a regional critical contingency.
- (2) To avoid doubt, the critical contingency operator may direct curtailment of a subset of load within a curtailment band (if it

is satisfied that the direction would further the objectives set out in Schedule 2), including—

- (a) subsets of gas-fired electricity generation, to enable remaining gas-fired electricity generation within a curtailment band to assist with voltage support or electricity system stability or both (provided the critical contingency operator has consulted with the electricity system operator); and
- (b) geographical subsets of load; and
- (c) subsets defined by a percentage of maximum consumer load; and
- (d) subsets defined by 1 or more gas gates; and
- (e) subsets defined by reference to transmission system pressure levels.

Regulation 53(1)(a): amended, on 1 March 2014, by regulation 31(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(1)(d): amended, on 1 March 2014, by regulation 31(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(1)(d)(ii): amended, on 1 March 2014, by regulation 31(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(1)(da): inserted, on 1 March 2014, by regulation 31(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(1)(db): inserted, on 1 March 2014, by regulation 31(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(1)(dc): inserted, on 1 March 2014, by regulation 31(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(1)(dd): inserted, on 1 March 2014, by regulation 31(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(1)(e): amended, on 1 March 2014, by regulation 31(5) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(1)(f)(ii): amended, on 1 March 2014, by regulation 31(6) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(1)(g): replaced, on 1 March 2014, by regulation 31(7) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(1)(h): inserted, on 1 March 2014, by regulation 31(7) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(2): amended, on 1 March 2014, by regulation 31(8) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(2)(b): amended, on 1 March 2014, by regulation 31(9) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(2)(c): inserted, on 1 March 2014, by regulation 31(10) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(2)(d): inserted, on 1 March 2014, by regulation 31(10) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 53(2)(e): inserted, on 1 March 2014, by regulation 31(10) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

54 Role of transmission system owner during critical contingency

If the critical contingency operator determines that there is a critical contingency under regulation 48, each transmission system owner must—

- (a) comply with the directions of the critical contingency operator given under these regulations; and
- (b) subject to paragraph (a), issue directions to retailers and large consumers—
 - (i) in accordance with these regulations; and
 - (ii) in a manner consistent with the relevant critical contingency management plan and the communications plan; and
 - (iii) within 30 minutes of receiving them from the critical contingency operator.

Regulation 54(b)(ii): amended, on 1 March 2014, by regulation 32(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 54(b)(iii): inserted, on 1 March 2014, by regulation 32(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

54A Asset owners to communicate information about failed assets

- (1) The purpose of this regulation is to ensure that transmission system owners, retailers, and consumers are informed about the cause of any critical contingency.
- (2) Subclause (3) applies if a component of the gas supply chain is damaged or fails, and that damage or failure—
 - (a) has contributed to the critical contingency by reducing gas delivered into or from the transmission system by 5 standard cubic metres per second (a rate equivalent to 720 gigajoules per hour) or more; or
 - (b) has caused the critical contingency.
- (3) The owner of the damaged or failed component must publish information as required by clause 2 of Schedule 5.

Regulation 54A: inserted, on 1 March 2014, by regulation 33 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

55 Retailers and large consumers must follow directions

- (1) Retailers and large consumers must, as soon as possible, comply with the directions of a transmission system owner given under these regulations during a critical contingency.
- (2) Retailers and large consumers must provide a transmission system owner with regular updates of—
 - (a) the retailer's or large consumer's compliance with the directions of the transmission system owner; and
 - (b) consumers' compliance with the retailer's directions issued in accordance with the directions of the transmission system owner.
- (3) The transmission system owner must forward to the critical contingency operator, when required to do so by the critical contingency operator, any information provided to the transmission system owner under subclause (2).

Regulation 55(1): amended, on 1 March 2014, by regulation 34(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 55(3): inserted, on 1 March 2014, by regulation 34(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

56 Retailers to instruct consumers

- (1) As soon as possible after receiving a direction from a transmission system owner under regulation 55(1), retailers must give urgent notice to their consumers affected by that direction—
 - (a) directing the consumer to curtail demand in accordance with the direction from the transmission system owner; or
 - (b) if applicable, advising the consumer that the consumer's gas supply has been restored in accordance with the direction from the transmission system owner.
- (2) The urgent notice given under subclause (1)(a) must include statements as follows:
 - (a) that a critical contingency has been declared by the critical contingency operator; and
 - (b) that the critical contingency operator has issued a direction for the curtailment band that the notified consumer falls within; and
 - (c) that urgent action is required by consumers to curtail demand for gas; and
 - (d) either—
 - (i) that the consumer must curtail all its demand; or
 - (ii) if the transmission system owner's direction is for partial curtailment, that the consumer must curtail its demand in accordance with that direction; and
 - (e) that gas consumption for any designated consumer installation must be curtailed in accordance with the curtailment arrangements.
- (3) Retailers must provide a transmission system owner with regular updates, at intervals determined by the transmission system owner and communicated by the transmission system owner to retailers, of—
 - (a) the retailer's compliance with the directions of the transmission system owner; and
 - (b) the consumers' compliance with the retailer's directions given in accordance with the directions of the transmission system owner.

Regulation 56(1): amended, on 1 March 2014, by regulation 35(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 56(2)(c): replaced, on 1 March 2014, by regulation 35(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 56(2)(d): inserted, on 1 March 2014, by regulation 35(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 56(2)(e): inserted, on 1 March 2014, by regulation 35(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 56(3): inserted, on 1 March 2014, by regulation 35(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

57 Consumers to comply with directions

Consumers must comply with the directions issued by their retailer under regulation 56 as soon as possible after the directions are given.

Regulation 57: amended, on 1 March 2014, by regulation 36 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

57A Emergency approval of essential services designation or critical care designation

- (1) A consumer may apply for an essential services designation or a critical care designation during a critical contingency event only if—
 - (a) either—
 - (i) a consumer installation or part of a consumer installation has only recently met the criteria for the designation; or
 - (ii) a new consumer installation has been established that meets the criteria for the designation; and
 - (b) there has been inadequate time for the consumer to prepare an application for the designation and have the application considered.
- (2) Until the consumer receives notification from the industry body that an emergency designation has been approved, the consumer installation must stop using gas in accordance with the retailer's curtailment instructions.
- (3) The application process is as set out in regulation 46E with the following modifications:

- (a) the consumer must include in its application the grounds for the emergency designation, including evidence supporting the eligibility under subclause (1); and
 - (b) the industry body must decide whether to approve or decline the designation as soon as is reasonably practicable after receiving the application, but need not process applications made under this regulation in the order in which they are received.
- (4) A designation approved under this regulation—
 - (a) is effective from the time that the industry body receives the signed declaration under regulation 46K; and
 - (b) ceases to apply on the termination of the critical contingency.

Regulation 57A: inserted, on 1 March 2014, by regulation 37 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

58 Gas distributors must act reasonably

Gas distributors must not act in a manner that is inconsistent with, or would frustrate, these regulations or any directions issued under these regulations.

59 Continuing critical contingency

- (1) If a critical contingency has not been terminated under regulation 60 within 3 days from the date the critical contingency was declared under regulation 49, the critical contingency operator must give urgent notice of that situation to the industry body, the director of civil defence emergency management, the Secretary, and the Minister of Energy.
- (2) On receiving urgent notice under subclause (1), the industry body, the director of civil defence emergency management, or the Minister of Energy may require the critical contingency operator to provide any information it holds concerning the critical contingency.

Termination of critical contingency

60 Termination of critical contingency

- (1) The critical contingency operator must make a determination to terminate a critical contingency when the transmission sys-

tem is capable of supplying gas to all consumers at the level at which gas was supplied immediately before the event that gave rise to the critical contingency.

- (2) To avoid doubt, the critical contingency operator may make a determination to terminate a critical contingency under subclause (1) before gas supply has been restored to all consumers.
- (3) The critical contingency operator may make a determination to terminate the critical contingency if it is satisfied that—
 - (a) the supply of gas into the transmission system is sufficient to meet or exceed the reasonably expected consumption of gas following the determination; and
 - (b) the determination would better achieve the purpose of the regulations.

Regulation 60(3): amended, on 1 March 2014, by regulation 38 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

61 Process for termination

As soon as possible after making a determination to terminate a critical contingency under regulation 60, the critical contingency operator must give urgent notice to all transmission system owners advising them—

- (a) of the date and time on which the critical contingency terminates or has been terminated; and
- (b) that they must give urgent notice to all affected retailers that the critical contingency has been terminated and must direct retailers to advise their consumers that the critical contingency has been terminated; and
- (c) that they must give urgent notice to all consumers connected directly to the parts of the transmission system owned by the transmission system owner that the critical contingency has been terminated.

Regulation 61: amended, on 1 March 2014, by regulation 39(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 61: amended, on 1 March 2014, by regulation 39(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

62 Notification of termination to certain parties

- (1) As soon as possible after making a determination to terminate a critical contingency under regulation 60, the critical contingency operator must give urgent notice to the following persons that the critical contingency has been terminated:
- (a) the electricity system operator; and
 - (b) the director of civil defence emergency management; and
 - (c) operators of gas storage facilities; and
 - (d) operators of upstream gas production facilities; and
 - (e) the industry body; and
 - (f) the Minister of Energy and the Secretary; and
 - (g) gas distributors in the affected region; and
 - (h) the Director-General of Health.
- (2) The critical contingency operator must also advise a person, by electronic transmission or any other similar method of electronic communication, of the critical contingency termination if—
- (a) the person has notified the critical contingency operator, prior to the relevant critical contingency declaration, of the person's interest in receiving such advice; and
 - (b) the person has provided an appropriate electronic address.

Regulation 62(1): amended, on 1 March 2014, by regulation 40(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 62(1)(f): amended, on 1 March 2014, by regulation 40(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 62(1)(g): inserted, on 1 March 2014, by regulation 40(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 62(1)(h): inserted, on 1 March 2014, by regulation 40(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 62(2): inserted, on 1 March 2014, by regulation 40(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

63 Publication of termination of critical contingency

The critical contingency operator must, as soon as is reasonably practicable after making a determination to terminate a critical contingency under regulation 60, publish a statement that the critical contingency has been terminated.

Part 4

Obligations after critical contingency

Reporting requirements

64 Incident report

As soon as is reasonably practicable, but no later than 5 business days after making a determination to terminate a critical contingency under regulation 60, the critical contingency operator must, in consultation with the transmission system owners, prepare and publish an incident report that states—

- (a) the cause of the critical contingency; and
- (b) the duration of the critical contingency; and
- (c) the actions taken by the critical contingency operator and transmission system owner during the critical contingency; and
- (d) the level of general compliance by retailers and consumers with the directions of the transmission system owners and retailers during the critical contingency; and
- (e) any other matters that the critical contingency operator considers are appropriate.

Regulation 64: amended, on 1 March 2014, by regulation 41 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

65 Performance report

- (1) No later than 30 business days after making a determination to terminate a critical contingency under regulation 60, or as otherwise agreed between the critical contingency operator and the industry body, the critical contingency operator must prepare and publish a performance report that—
 - (a) assesses the effectiveness of the critical contingency management plans, the communications plan, and the information guide; and

- (b) assesses the extent to which it considers that these regulations, the critical contingency management plans, the communications plan, and the information guide achieve the purpose of these regulations; and
 - (c) identifies, where applicable, any amendments to these regulations, the critical contingency management plans, the communications plan, and the information guide that it considers would better achieve the purpose of these regulations.
- (2) In preparing the performance report under subclause (1), the critical contingency operator must consult with—
 - (a) each transmission system owner; and
 - (b) any other person it considers necessary.
- (2A) The critical contingency operator must—
 - (a) publish a draft of the performance report, together with the following information:
 - (i) information on how to make a submission to the critical contingency operator; and
 - (ii) the deadline for making submissions (which must not be earlier than 5 business days after the date the draft report is published); and
 - (iii) a statement that all submissions will be forwarded to the industry body for publication on the industry body's Internet site; and
 - (b) notify the industry body of the draft report and information referred to in paragraph (a); and
 - (c) as soon as practicable after the deadline for making submissions, send to the industry body a copy of all submissions received.
- (2B) As soon as practicable after being notified under subclause (2A)(b), the industry body must publish on its Internet site the draft report and information referred to in that paragraph.
- (2C) As soon as practicable after receiving submissions under subclause (2A)(c), the industry body must publish the submissions on its Internet site.
- (3) If the performance report identifies an amendment to a critical contingency management plan, the relevant transmission system owner must—

- (a) prepare a proposed amendment to the critical contingency management plan that is consistent with the amendment identified in the performance report; and
 - (b) consult on the proposed amendment in accordance with regulation 26, except if the transmission system owner and the critical contingency operator agree that the proposed amendment is immaterial; and
 - (c) submit the proposed amendment to the industry body for approval in accordance with regulations 27 to 30.
- (4) If the performance report identifies an amendment to the communications plan or information guide, the critical contingency operator must amend and publish a revised communications plan in accordance with regulation 35 or a revised information guide in accordance with regulation 37, as applicable.
- (5) The performance report must also state whether the assessment in subclause (1) is such that the critical contingency management plans have met the test criteria in regulation 34(1).

Regulation 65(1): amended, on 1 March 2014, by regulation 42(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 65(1)(a): amended, on 1 March 2014, by regulation 42(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 65(2)(a): amended, on 1 March 2014, by regulation 42(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 65(2A): inserted, on 1 March 2014, by regulation 42(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 65(2B): inserted, on 1 March 2014, by regulation 42(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 65(2C): inserted, on 1 March 2014, by regulation 42(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 65(5): inserted, on 1 March 2014, by regulation 42(5) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

65A Industry body may audit performance of obligations

- (1) Within 20 business days of receiving a performance report from the critical contingency operator, the industry body may notify the critical contingency operator and industry participants that it intends to conduct an audit of the performance of the critical contingency operator, any asset owner, or any retailer and notify each person that is to be the subject of the audit.
- (2) The purpose of an audit under this regulation is to determine—
 - (a) whether the person that is the subject of the audit has carried out its obligations under these regulations during the relevant critical contingency; and
 - (b) whether the regulations created any impediments to the person responding efficiently to the critical contingency; and
 - (c) whether there is any additional information that should have been reported on in the critical contingency operator's performance report.

Regulation 65A: inserted, on 1 March 2014, by regulation 43 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

66 Assistance with report

A transmission system owner must provide any information and assistance reasonably requested by the critical contingency operator for the purpose of preparing the reports under regulations 64 and 65.

66A Process for identifying gas usage that is contrary to curtailment directions

- (1) As soon as practicable after the termination of a critical contingency, the industry body must request,—
 - (a) from the allocation agent, copies of allocation participants' data submissions for consumer installations in allocation group 1 and allocation group 2 (within the meaning of the Gas (Downstream Reconciliation) Rules 2008) for the consumption period or periods that include the period of the critical contingency; and

- (b) from transmission system owners, details of large consumers' daily gas deliveries for the month or months that include the period of the critical contingency.
- (2) The allocation agent or a transmission system owner must provide the requested data within 5 business days after the later of—
 - (a) the date on which the allocation agent receives the data from allocation participants or on which the transmission system owner receives the data from large consumers (as applicable); and
 - (b) the date on which the request is made.
- (3) The industry body must analyse the data to ascertain whether it indicates that any consumer installation continued to use gas contrary to a curtailment direction.
- (4) For each consumer installation that is suspected of using gas in contravention of a curtailment direction, the industry body must request the following information from that consumer installation's retailer (or, in the case of a large consumer, the transmission system owner):
 - (a) whether the curtailment direction was given in respect of the consumer installation and, if so, when it was given; and
 - (b) whether a restoration direction was given in respect of the consumer installation and, if so, when it was given; and
 - (c) other communications, if any, that took place between the person responsible for the consumer installation and the retailer or transmission system owner; and
 - (d) full contact details for the consumer installation, including physical address, postal address, business name, contact person or persons, telephone number, and electronic address.
- (5) Retailers and the transmission system owner (as applicable) must provide to the industry body the information specified in subclause (4) within 5 business days of receiving the request.
- (6) Where the industry body has a reasonable belief that a consumer installation continued to use gas contrary to a curtailment direction, the industry body must contact the consumer to—

- (a) advise the consumer that it is suspected of having breached, or committed an offence under, these regulations; and
 - (b) request an explanation.
- (7) If the explanation is unsatisfactory or no explanation is provided, the industry body must,—
 - (a) if the consumer is an industry participant, take any action required under the Gas Governance (Compliance) Regulations 2008; or
 - (b) if the consumer is not an industry participant, provide to the Ministry the information that indicates gas was used in contravention of a curtailment direction.

Regulation 66A: inserted, on 1 March 2014, by regulation 44 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

*Critical contingency price for contingency
imbalances*

67 Purpose of applying critical contingency price to contingency imbalances

The purpose of regulations 68 to 71 is to determine a critical contingency price to be applied to the contingency imbalances sustained by interconnected parties and shippers during a critical contingency to—

- (a) avoid shippers instructing their suppliers of gas to reduce supply during a critical contingency when those shippers' consumers have been curtailed; and
- (b) signal to suppliers and consumers of gas that it is a scarce and valuable product during a critical contingency; and
- (c) provide incentives before a critical contingency, particularly for retailers who supply gas to consumers who are unlikely to be curtailed, to make alternative arrangements to minimise the financial consequences of a critical contingency.

68 Nomination of industry expert

- (1) Each transmission system owner, interconnected party, and shipper who will be affected by the determination of a critical

contingency price may nominate 1 person to be considered by the industry body when appointing an independent industry expert to determine the critical contingency price.

- (2) Each affected transmission system owner, interconnected party, and shipper must provide the name, qualifications, and industry associations of their nominee to the industry body in writing within 5 business days of the termination of a critical contingency.

69 Appointment of industry expert

- (1) Subject to subclauses (2) to (4), the industry body must appoint an industry expert to determine the critical contingency price from the persons nominated under regulation 68 within 10 business days of the termination of a critical contingency.
- (2) The industry body must only appoint a person nominated under regulation 68 if the industry body considers that the nominee would be an independent and suitably qualified industry expert.
- (3) No person may be appointed as an independent industry expert under this regulation if the person—
 - (a) has a material financial interest in an industry participant; or
 - (b) is a director, officer, member, employee, or trustee of an industry participant; or
 - (c) is otherwise directly or indirectly materially interested in an industry participant.
- (4) If the industry body considers that none of the nominees would be an independent industry expert, the industry body has absolute discretion to appoint an independent industry expert who has not been nominated under regulation 68.
- (5) The industry body must publish the appointment of the industry expert within 2 business days of making such an appointment.
- (6) The following are both final and binding on all affected transmission system owners, interconnected parties, and shippers:
 - (a) a decision of the industry body to appoint a person as the industry expert; and

- (b) a determination of the critical contingency price by the industry expert.

70 Terms of appointment of industry expert

- (1) The industry expert is appointed as a service provider on the terms and conditions set out in a service provider agreement.
- (2) The remuneration of the industry expert is as agreed between the industry body and the industry expert in the service provider agreement.

71 Determining critical contingency price

- (1) The industry expert must determine the critical contingency price in dollars per gigajoule of gas.
- (2) The industry expert must seek to set the critical contingency price at a level that reflects the price that would be established by an efficient short-term market that allocated scarce gas resources to the highest value uses during the critical contingency.
- (3) If—
 - (a) only consumers in curtailment bands 0 and 1, or 0, 1, and 2, were curtailed during the critical contingency, the industry expert must base his or her determination on the prices in the wholesale market for electricity during the critical contingency except where that would be contrary to subclause (2); and
 - (b) any other circumstances apply, the industry expert must take into account the following matters:
 - (i) the prices in the wholesale market for electricity during the critical contingency; and
 - (ii) the economic cost of the loss of gas supply to those consumers who had their gas supply curtailed; and
 - (iii) any other matters that the industry expert considers relevant to achieving subclause (2).

Regulation 71(3)(a): amended, on 1 March 2014, by regulation 45 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

72 Procedure for finalising critical contingency price

- (1) No later than 15 business days after being appointed under regulation 69(1), the industry expert must give notice of the proposed critical contingency price, with reasons, to—
 - (a) affected transmission system owners and potentially affected parties; and
 - (b) the industry body; and
 - (c) any affected gas distributor, retailer, or large consumer who has advised the industry body that it wishes to receive such notice.
- (2) The persons listed in subclause (1) may make a submission, including giving any relevant information, to the industry expert on the proposed critical contingency price.
- (3) Any submission must be provided to the industry expert no later than 5 business days after the notice in subclause (1) is given.
- (4) No later than 10 business days after giving notice under subclause (1), the industry expert must, after considering any submissions provided in accordance with this regulation, give notice of the critical contingency price, with reasons, to the persons listed in subclause (1).

*Determining and resolving contingency
imbalances*

73 Contingency imbalance provisions

- (1) The objectives of regulations 74 to 82 are to—
 - (a) ensure the gas supplied and consumed during a critical contingency and any resulting contingency imbalances are accurately determined and allocated to affected parties; and
 - (b) ensure fair, effective, and transparent arrangements are implemented for the determination, allocation, and payment of contingency imbalances between affected parties.
- (2) The industry body may perform its functions under regulations 76, 78, and 79 by entering into an arrangement or contract with any person or persons for the performance of those functions.

74 Determining contingency imbalances

- (1) Within 35 business days of the end of the month in which a critical contingency was terminated, the transmission system owner must determine the contingency imbalances for each affected party over the period of the critical contingency.
- (2) A contingency imbalance may be a negative contingency imbalance or a positive contingency imbalance and, for the purposes of these regulations,—
 - (a) a **negative contingency imbalance** means,—
 - (i) for an interconnected party who injects gas into the transmission system at an interconnection point, the amount by which the quantity of gas which that party has contractually agreed to inject exceeds the measured quantity of gas injected; and
 - (ii) for an interconnected party who takes gas from the transmission system at an interconnection point, the amount by which the measured quantity of gas taken exceeds the amount of gas which that party was contractually entitled to take; and
 - (iii) for a shipper, the amount by which that party and its consumers have or are considered to have, taking into account any allocation results under the Gas (Downstream Reconciliation) Rules 2008, in aggregate taken more gas than the total gas which that party was contractually entitled to take; and
 - (b) a **positive contingency imbalance** means,—
 - (i) for an interconnected party who injects gas into the transmission system at an interconnection point, the amount by which the measured quantity of gas injected exceeds the quantity of gas which that party has contractually agreed to inject; and
 - (ii) for an interconnected party who takes gas from the transmission system at an interconnection point, the amount by which the quantity of gas which that party was contractually entitled to take exceeds the measured quantity of amount of gas taken by that party; and

- (iii) for a shipper, the amount by which that party and its consumers have or are considered to have, taking into account any allocation results under the Gas (Downstream Reconciliation) Rules 2008, in aggregate taken less gas than the total gas which that party was contractually entitled to take; and
 - (c) if aggregate negative contingency imbalances exceed aggregate positive contingency imbalances, the difference will have arisen from the consumption of linepack provided by the transmission system owner to maintain gas supply during the critical contingency and must be treated as a positive contingency imbalance to be allocated to the relevant transmission system owner.
- (3) In accordance with regulations 75 to 79,—
 - (a) each party with a negative contingency imbalance is liable to pay the critical contingency price for each gigajoule of that imbalance; and
 - (b) each party with a positive contingency imbalance is entitled to receive the critical contingency price for each gigajoule of that imbalance.
- (4) In this regulation, **Gas (Downstream Reconciliation) Rules 2008** includes any gas governance regulations or rules concerning downstream and upstream reconciliation.

75 Contingency imbalance calculation methodology

When determining a contingency imbalance for each affected party, the transmission system owner must—

- (a) use the best information available that is in its possession or can be obtained or derived without unreasonable difficulty or expense in the 35 business days after the end of the month in which the critical contingency was terminated; and
- (b) calculate the contingency imbalances for the period of the critical contingency either—
 - (i) on a part-day basis, commencing and concluding on the nearest hour to that on which the critical contingency was declared and terminated; or
 - (ii) where the information required to calculate on a part-day basis cannot be obtained or derived

- by all transmission system owners in accordance with paragraph (a), on a whole-day basis—
- (A) commencing at 0000 hours on the day on which the critical contingency was declared or the status of an existing regional critical contingency was revised; and
 - (B) concluding at 2400 hours on the day on which the critical contingency was terminated or the status of an existing critical contingency was changed to a regional critical contingency; and
- (c) assume that interconnected parties, retailers, and shippers, and their consumers, have complied with any curtailment directions issued by the critical contingency operator during the critical contingency when determining quantities consumed, unless there is evidence to the contrary; and
 - (d) proportionally adjust quantities consumed on the basis of any evidence that interconnected parties, retailers, and shippers, or their consumers, did not comply with curtailment instructions; and
 - (e) treat trades—
 - (i) purchasing gas over the transmission system as injections into the transmission system; and
 - (ii) selling gas over the transmission system as withdrawals from the transmission system; and
 - (f) in respect of changes in linepack across the relevant part or parts of the transmission system affected during a critical contingency,—
 - (i) if the aggregate amount of all negative imbalances over the period of the critical contingency is greater than the aggregate value of all positive imbalances, treat that difference as if it arose from the consumption of linepack provided by the transmission system owner to maintain gas supply during the critical contingency and as if it were a positive contingency imbalance to be allocated to the relevant transmission system owner; and

- (ii) if the aggregate amount of all negative imbalances is less than the aggregate value of all positive imbalances, treat that difference as if it arose from an increase in linepack during the critical contingency and accordingly—

- (A) the amount of each positive contingency imbalance must be adjusted in accordance with the following formula:

$$M_A = M_{+ve} \times (\sum M_{-ve} / \sum M_{+ve})$$

where—

M_A is the adjusted positive imbalance of an affected party (**person A**) in gigajoules to be used in accordance with paragraph (h)

M_{+ve} is the positive imbalance of person A in gigajoules

$\sum M_{-ve}$ is the absolute value of the total of all the negative imbalances of affected parties in gigajoules

$\sum M_{+ve}$ is the total of all the positive imbalances of affected parties in gigajoules; and

- (B) to avoid doubt, the difference between the adjusted positive imbalance (M_A) and the unadjusted positive imbalance (M_{+ve}) in subsubparagraph (A) must be accounted for by transmission system owners under their respective contractual arrangements with the affected party concerned; and

- (g) calculate the volume of each contingency imbalance for the critical contingency in gigajoules; and

- (h) calculate the value of each contingency imbalance for the critical contingency in accordance with the following formula:

$$X_A = P \times M_A$$

where—

X_A is the amount in dollars to be received by or paid by (as applicable) a transmission system owner or affected party (**person A**)

P is the critical contingency price in dollars per gigajoule as notified by the industry expert in accordance with regulation 72(4)

M_A is the positive or negative imbalance of person A in gigajoules (or, if applicable, the positive imbalance as adjusted under paragraph (f)(ii)).

Regulation 75(b)(ii)(A): amended, on 1 March 2014, by regulation 46(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 75(b)(ii)(B): amended, on 1 March 2014, by regulation 46(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

76 Industry body to hold contingency cash pool

The industry body must receive and hold the payments made in accordance with regulation 78 in a secure and separate bank account in trust for the benefit of parties with a positive contingency imbalance.

77 Transmission system owners to provide contingency imbalance information

- (1) On the next business day following the date specified in regulation 74(1), a transmission owner must provide to the industry body—
 - (a) the amounts (volume and value) of each positive and negative contingency imbalance calculated in accordance with regulations 74 and 75; and
 - (b) the associated information used to calculate those imbalances in accordance with regulations 74 and 75.
- (2) For the purposes of the information referred to in subclause (1),—
 - (a) the industry body may give notice to transmission system owners specifying the format that the information must be provided in; and
 - (b) transmission system owners must provide the information to the industry body in that format.

- (3) The industry body must publish information received under subclause (1) within 5 business days of receiving it.

Regulation 77(3): inserted, on 1 March 2014, by regulation 47 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

78 Negative contingency imbalances

- (1) On the first business day of the month that is 2 months after the month in which the critical contingency was terminated, the industry body must issue invoices to affected parties with negative contingency imbalances for the amounts provided in accordance with regulation 77.
- (2) No later than the 20th day of the month after the month in which the invoice was issued, each affected party with a negative contingency imbalance determined under regulations 74 and 75 must pay the amount stated on the invoice to the industry body.

79 Positive contingency imbalances

- (1) On the first business day of the month that is 2 months after the month in which the critical contingency was terminated, the industry body must issue credit notes to affected parties and transmission system owners with positive contingency imbalances for the amounts provided in accordance with regulation 77.
- (2) On the last business day of any month during which the payments required under regulation 78 have been received, the industry body must pay the amount calculated in accordance with the following formula to each transmission system owner and affected party with a positive contingency imbalance:

$$R_A = C \times (M_A / \sum M_{-ve})$$

where—

- R_A is the amount in dollars to be received by the transmission system owner or affected party (**person A**)
- C is the total amount of money in dollars held in the contingency cash pool at a specified time in relation to the relevant critical contingency

M_A is the positive imbalance of person A in gigajoules (or, if applicable, the positive imbalance as adjusted under regulation 75(f)(ii))

$\sum M_{-ve}$ is the absolute value of the total of all the negative imbalances of affected parties in gigajoules.

- (3) Subject to subclause (4), the industry body must make subsequent payments to transmission system owners and affected parties calculated in accordance with subclause (2) so that the amount stated in the credit note is fully paid out to those interconnected parties and shippers.
- (4) The industry body is not required to pay out an amount greater than the total amount of payments received under regulation 78(2) held in its contingency cash pool at that time.

80 Errors in allocated contingency imbalances

- (1) If a transmission system owner or an affected party who has been allocated a contingency imbalance under regulations 74 to 79 considers that a contingency imbalance has been calculated or allocated in error, the person must advise the industry body of the error as soon as practicable.
- (2) Subclause (3) applies if the industry body considers—
 - (a) an error has occurred; and
 - (b) the error has resulted in a materially different allocation of a contingency imbalance than would have resulted had the error not occurred.
- (3) The industry body may give notice to the relevant transmission system owners directing them to recalculate any affected imbalances in accordance with regulations 74 and 75 and re-submit the corrected contingency imbalance information to the industry body under regulation 77.
- (4) If subclause (3) applies, then the industry body must—
 - (a) immediately give notice to all affected persons of the error and that the contingency imbalances are to be adjusted based on corrected contingency imbalance information; and
 - (b) as soon as practicable after receiving the corrected contingency imbalance information under subclause (3), re-issue invoices and credit notes under regulations 78(1)

and 79(1), as applicable, for the difference between the incorrect and the adjusted contingency imbalances.

- (5) Regulations 78(2) and 79(2) to (4) apply to any adjusted contingency imbalances, with all necessary modifications.
- (6) The industry body may not give notice under subclause (3) later than 6 months after the date that the relevant critical contingency was terminated.

81 Imbalance obligations under MPOC, VTC, etc

- (1) A payment made under these regulations in relation to a contingency imbalance discharges in full any payment obligation or liability under MPOC, VTC, or any other transmission system code in respect of the same contingency imbalance.
- (2) This regulation does not limit regulation 13(2) and (3).

82 Price and imbalances provisions do not apply to regional critical contingencies

- (1) *[Revoked]*
- (2) Regulations 67 to 81 do not apply to a regional critical contingency.

Regulation 82(1): revoked, on 1 March 2014, by regulation 48 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Part 5

Miscellaneous provisions

82A Offence to provide false or misleading information

A consumer commits an offence, and is liable on conviction to a fine not exceeding \$20,000, if—

- (a) the consumer provides information—
 - (i) to the industry body in an application for a designation under regulation 46E; or
 - (ii) to the critical contingency operator under regulation 40; and
- (b) the consumer knows that the information it provides is false or misleading in any material particular.

Regulation 82A: inserted, on 1 March 2014, by regulation 49 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

82B Offence to fail to comply with directions

- (1) A consumer other than an industry participant commits an offence, and is liable on conviction to a fine not exceeding \$20,000, if—
 - (a) the consumer is given a direction under these regulations during a critical contingency; and
 - (b) the consumer fails to comply with the direction; and
 - (c) the failure to comply affects, or may affect, the operation of wholesale markets for gas (including security of supply).
- (2) It is a defence to a prosecution for an offence under this regulation if the defendant proves that—
 - (a) the failure to comply was necessary to prevent or lessen a serious and imminent threat to the health and safety of any person; and
 - (b) the threat could not reasonably have been foreseen and mitigated by the defendant so that the conduct that constituted the offence could have been avoided.

Regulation 82B: inserted, on 1 March 2014, by regulation 49 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

83 Audits

- (1) In appointing an auditor to conduct an audit of a large consumer, asset owner, retailer, allocation agent, or critical contingency operator under regulation 42 or 65A, the industry body must appoint a person who is independent of, and not in a position of conflict of interest with, the party that is to be audited.
- (2) No officer or employee of the industry body may be appointed as an auditor.
- (3) The party that is to be the subject of the audit may recommend 1 or more auditors for the industry body's consideration.
- (4) In conducting an audit, the auditor may request any information from the party or the industry body.
- (5) The request must be reasonable and strictly for the purposes of the audit.
- (6) In providing information to the auditor, the party or the industry body may indicate to the auditor that the information is considered to be confidential.

- (7) The auditor must prepare a written audit report and, within the time frame agreed with the industry body, give that audit report to both the industry body and the party audited.
- (8) The audit report may be used—
 - (a) for the purposes of any functions or processes set out in these regulations, the Gas Governance (Compliance) Regulations 2008, and any other gas governance regulations or rules made under Part 4A of the Act; and
 - (b) by the industry body to require the party to provide correct information to the critical contingency operator for the purposes of regulations 39 to 40A.
- (9) The party being audited must pay the costs of the audit.
- (10) For the purposes of this regulation, the costs of the auditor are those costs that have been agreed between the industry body and the auditor.

Regulation 83(1): amended, on 1 March 2014, by regulation 50(1) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 83(1): amended, on 1 March 2014, by regulation 50(2) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 83(3): amended, on 1 March 2014, by regulation 50(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 83(4): amended, on 1 March 2014, by regulation 50(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 83(6): amended, on 1 March 2014, by regulation 50(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 83(7): amended, on 1 March 2014, by regulation 50(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 83(8)(b): amended, on 1 March 2014, by regulation 50(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 83(8)(b): amended, on 1 March 2014, by regulation 50(4) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Regulation 83(9): amended, on 1 March 2014, by regulation 50(3) of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

84 Treatment of critical contingency occurring before go-live date*[Revoked]*

Regulation 84: revoked, on 1 March 2014, by regulation 51 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

85 Separation of roles for critical contingency operator

The critical contingency operator's role under these regulations is distinct and independent from any other role or capacity, including as a transmission system owner or system operator, that the critical contingency operator may have under the MPOC, VTC (or other transmission system code), or any contractual agreement.

Regulation 85: amended, on 1 March 2014, by regulation 52 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

86 Transitional provision: existing essential service provider designations and minimal load consumer designations expire unless renewed

- (1) A consumer with an essential service provider designation or a minimal load consumer designation approved under these regulations as in force before 1 March 2014—
 - (a) ceases to have that designation on the close of 1 December 2014; but
 - (b) may apply for another designation.
- (2) If the consumer wishes to have its application under regulation 46E determined before its existing designation expires, the consumer must apply under regulation 46E not later than 1 June 2014.

Regulation 86: inserted, on 1 March 2014, by regulation 53 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

87 Transitional provision: updating registry record of designations

- (1) No later than 1 March 2014, every retailer must provide the industry body, in respect of each of its consumers that has an essential service provider designation or a minimal load con-

sumer designation that was approved under these regulations as in force before 1 March 2014, with the following information:

- (a) the ICP identifier:
 - (b) the consumer's name and address:
 - (c) the consumer installation, or the part of the consumer installation, that is the subject of the designation:
 - (d) a complete description of the services provided at the consumer's site:
 - (e) the date on which the designation was approved (where that information is held by or available to the retailer):
 - (f) the quantity, in gigajoules, of gas used by that ICP on an annual basis.
- (2) The industry body must use the information provided under subclause (1) to identify any inaccuracies in the load shedding fields of the registry and direct the responsible distributor to correct any inaccurate entries.
- (3) If the industry body identifies any ICP identifier that is recorded in the registry as having a designation but that is not on the list provided by the consumer's retailer, the industry body must—
- (a) ask the responsible retailer to confirm whether it approved a designation for that consumer installation; and
 - (b) for each ICP that has been incorrectly classified in the registry, direct the responsible distributor to correct the load shedding category field using the information supplied by the responsible retailer.
- (4) Within 5 business days after receiving a request under subclause (3)(a), the responsible retailer must supply the information required by subclause (1), together with a statement of whether the responsible retailer had approved a designation for that consumer installation.
- (5) If the industry body gives a direction under subclause (3)(b), the responsible distributor must correct the registry entry within 5 business days after that direction.

Regulation 87: inserted, on 1 March 2014, by regulation 53 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Schedule 1

r 25

Critical contingency threshold limits

In accordance with regulation 25(1)(a), the permissible limits for the thresholds specified in a critical contingency management plan that apply to the following parts of the transmission system (as identified on the map published in accordance with regulation 10) are:

| Pipeline | Maximum time before minimum operating pressure is reached | Minimum time before minimum operating pressure is reached | Minimum operating pressure range | Point of measurement* |
|-------------------------------|---|---|----------------------------------|-----------------------------|
| <i>Maui pipeline</i> | | | | |
| Rotowaro | 5 hours | 2 hours | 32 (± 2.5) bar g | Rotowaro Compressor Station |
| <i>Vector pipeline</i> | | | | |
| South | 10 hours | 3 hours | 35 (± 2.5) bar g | Waitangirua WTG06910 |
| Hawkes Bay lateral | 6 hours | 3 hours | 30 (± 2.5) bar g | Hastings HST05210 |
| Frankley Rd to Kapuni | 6 hours | 3 hours | 35 (± 2.5) bar g | Kapuni (GTP) KAP09612 |
| Bay of Plenty | 6 hours | 3 hours | 30 (± 2.5) bar g | Gisborne GIS07810 |
| Bay of Plenty | 6 hours | 3 hours | 30 (± 2.5) bar g | Taupo TAU07001 |
| Bay of Plenty | 6 hours | 3 hours | 30 (± 2.5) bar g | Tauranga TRG07701 |
| Bay of Plenty | 6 hours | 3 hours | 30 (± 2.5) bar g | Whakatane WHK32101 |
| Morrinsville lateral | 6 hours | 3 hours | 30 (± 2.5) bar g | Cambridge CAM17201 |
| Central (North) | 6 hours | 3 hours | 40 (± 2.5) bar g | Westfield WST03610 |

| Pipeline | Maximum time before minimum operating pressure is reached | Minimum time before minimum operating pressure is reached | Minimum operating pressure range | Point of measurement* |
|---|--|--|-------------------------------------|----------------------------------|
| North | 6 hours | 3 hours | 25 (± 2.5) bar g | Whangarei WHG07501 |
| For any other gas gate on the Maui or Vector pipeline | 6 hours | 3 hours | 30 (± 2.5) bar g | Gas gate not specified elsewhere |

*The codes specified in the fifth column of this table refer to the gas gate codes determined under the Gas (Switching Arrangements) Rules 2008.

Schedule 2

Curtailment arrangements

rr 5, 25, 53

Schedule 2: replaced, on 1 March 2014, by regulation 54 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

1 Objectives of curtailment arrangements

The objectives of the curtailment arrangements are to—

- (a) ensure that gas is supplied in a safe, efficient, and reliable manner; and
- (b) minimise net public cost; and
- (c) prioritise the supply of gas for essential services and critical care; and
- (d) allow for gas to be used to complete critical processing; and
- (e) allow for gas to be used to fuel certain electricity generating units; and
- (f) ensure efficient utilisation of gas in storage facilities; and
- (g) ensure effective operational management of a critical contingency.

2 Effect of curtailment direction

- (1) If the critical contingency operator gives a curtailment direction in respect of a curtailment band, each consumer installation in that band must stop using gas in accordance with the direction, except to the extent provided for in subclauses (2) to (5).
- (2) To the extent that a consumer installation is the subject of a critical care designation, the consumer installation need not comply with a curtailment direction in respect of any of curtailment bands 1 to 6.
- (3) To the extent that a consumer installation is the subject of an essential services designation, the consumer installation need not comply with a curtailment direction in respect of any of curtailment bands 1 to 4.
- (4) To the extent that a consumer installation is the subject of a critical processing designation, the consumer installation—

- (a) may continue to use gas in accordance with the shut-down profile determined under regulation 46J—
 - (i) if the consumer installation is in any of curtailment bands 1 to 3 and a curtailment direction is given in respect of any of those curtailment bands; or
 - (ii) if the consumer installation is in curtailment band 4 and a curtailment direction is given in respect of that curtailment band; but
 - (b) must stop using gas as soon as possible if—
 - (i) the consumer installation is in any of curtailment bands 1 to 3 and a curtailment direction is given in respect of curtailment band 4; or
 - (ii) a curtailment direction is given in respect of curtailment band 6.
- (5) To the extent that a consumer installation is the subject of an electricity supply designation, the consumer installation may, if a curtailment direction is given in respect of curtailment band 1 or 2, continue to use the amount of gas specified in the application for the designation only in accordance with a determination made by the critical contingency operator under regulation 53(1)(da).

3 Order and priority of curtailment

- (1) During a critical contingency, any curtailment of gas consumption must occur in the order of the defined groups of consumer installations (**curtailment bands**), for example, curtailment band 0 is curtailed first and curtailment band 7 is curtailed last.
- (2) Subject to regulation 53(2), consumer installations in each curtailment band are to be given equal priority in terms of any curtailment.

4 Order of restoration of gas supply

- (1) The restoration of gas supply during a critical contingency must occur in reverse order of the curtailment bands, so that the last curtailment band curtailed is the first to be restored.
- (2) However, the restoration of gas supply during a critical contingency may occur in a different order than that set out in subclause (1) if that different order is considered by the trans-

mission system owner and critical contingency operator, in the circumstances of the critical contingency, to better achieve the purpose of these regulations, having regard to the objectives of the curtailment arrangements.

Schedule 3 **Curtailment bands**

r 5, Schedule 2

Schedule 3: inserted, on 1 March 2014, by regulation 54 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

| Curtailment band | Consumer installation's gas consumption in gigajoules (GJ) or terajoules (TJ) | Description |
|-------------------------|--|--|
| 0 | N/A | Any consumer installation, to the extent that gas is used for injection into gas storage |
| 1 | More than 15 TJ per day | Any consumer installation supplied directly from the transmission system and that has an alternative fuel capability |
| 2 | More than 15 TJ per day | Any consumer installation supplied directly from the transmission system and that does not have an alternative fuel capability |
| 3 | More than 10 TJ per annum and up to 15 TJ per day | Large industrial or commercial consumer installation |
| 4 | More than 250 GJ per annum and up to 10 TJ per annum | Medium-sized industrial or commercial consumer installation |
| 5 | More than 2 TJ per annum | Any consumer installation (whether or not in any of curtailment bands 0 to 4), to the extent that an essential services designation applies to the installation |
| 6 | 250 GJ or less per annum | Small commercial consumer installation |
| 7 | Any | Any consumer installation (whether or not in any of curtailment bands 0 to 6), to the extent that a critical care designation applies to the consumer installation |

Schedule 4

Transmission system information

rr 10, 38

Schedule 4: inserted, on 1 March 2014, by regulation 54 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

The information referred to in regulations 10(1) and 38(1)(d) in respect of a transmission system is as follows:

- (a) a high-level map indicating the geographic location of the network;
 - (b) a diagram, with any cross-referenced information contained in an accompanying schedule, of each transmission system of the pipeline owner showing the following details:
 - (i) all assets in the system with notations showing—
 - (A) internal, external, or nominal pipe diameters used (identifying whether internal, external, or nominal pipe diameters are used); and
 - (B) pipe design pressure ratings; and
 - (C) all stations, main line valves, intake and off-take points, including a unique identifier for each item; and
 - (D) the distance between the items referred to in subparagraph (C):
 - (ii) if applicable, the points where a significant change has occurred since the previous disclosure of the information referred to in subparagraph (i), including—
 - (A) a clear description of every point on the network that is affected by the change; and
 - (B) a statement as to whether the capacity of the network, at the points where the change has occurred or other points (as the case may be), has increased or decreased or is not affected; and
 - (C) a description of the change.
-

Schedule 5

rr 53, 54A

Communication arrangements

Schedule 5: inserted, on 1 March 2014, by regulation 54 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

1 Public statements by critical contingency operator

- (1) The critical contingency operator is required to ensure that information is published and updated regularly so that interested parties are able to be informed of the status of a critical contingency and its expected duration, where that can be determined.
- (2) The critical contingency operator must, after the curtailment of consumer installations in curtailment band 3, prepare and publish a statement containing the following information:
 - (a) the time at which the critical contingency was declared; and
 - (b) whether the critical contingency was precipitated by the failure of 1 or more production stations or the failure of a gas pipeline, or was caused by something else; and
 - (c) what actions are being taken by the critical contingency operator to stabilise the gas system, including curtailment and seeking increased supplies from alternative sources; and
 - (d) where curtailment is required, the critical contingency operator's current estimate of which curtailment bands will be directed to curtail and examples of the types of consumer installations in the affected curtailment bands; and
 - (e) the extent of the geographic area or areas affected by the reduction in gas supplies; and
 - (f) any information that the critical contingency operator may have on the estimated time to repair the underlying problem.
- (3) The critical contingency operator must update a statement published under subclause (2) 3 times, no later than 9 am, 1 pm, and 5 pm, on every day that the critical contingency continues.
- (4) An update under subclause (3) must contain the following information:

- (a) the information listed in subclause (2); and
 - (b) the critical contingency operator's best estimate of the timing of any revised curtailment notices and whether such revisions will increase or decrease the extent of curtailment; and
 - (c) where the critical contingency operator has information on the likely time for repairs to be completed, the critical contingency operator's best estimate of when restoration of gas supply is expected to commence and the likely times at which curtailed bands might be restored; and
 - (d) where the critical contingency operator has no information on expected repair times and cannot estimate a restoration schedule, a statement to that effect; and
 - (e) any other information that the critical contingency operator holds that would better inform the market.
- (5) To avoid doubt, the critical contingency operator is not required to publish any information that it does not have, but must state that it does not have the missing information.

2 Public statements by asset owners

- (1) In accordance with regulation 54A, every owner of a component of the gas supply chain that is damaged or fails, where that damage or failure has caused or contributed to a critical contingency, is required to ensure that the information in subclause (2) is published and updated regularly so that interested parties are informed about a critical contingency.
- (2) The owner of the component must, after the curtailment of consumer installations in curtailment band 3, prepare a statement that contains the following information:
- (a) a description of the damaged or failed component and the cause of the damage or failure; and
 - (b) information about actions being taken by the owner to effect repairs; and
 - (c) an estimation of the likely duration of each step of the repair process, including any testing and certification required before the component can be restored to service; and

- (d) the owner's best estimate of the time at which the component will be returned to service; and
 - (e) if the component will be temporarily restored to a reduced level of service, information about the reduced capacity and likely duration of the reduced capacity; and
 - (f) an assessment of the likely accuracy of the times provided in paragraphs (c), (d), and (e) as well as a description of the identified risk factors and the effects that each risk factor would be expected to have on those times.
 - (3) To avoid doubt, the owner is not required to publish any information that it does not have, but must state that it does not have that information.
-

Schedule 6

r 43

Retailer curtailment plan certification

Schedule 6: inserted, on 1 March 2014, by regulation 54 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

Form

Retailer curtailment plan certification

*Regulation 43, Gas Governance (Critical Contingency
Management) Regulations 2008*

I, [*name of person who, in relation to the retailer, is a director or occupies a position equivalent to that of a director of a body corporate*], certify that the retailer curtailment plan for [*full legal name of retailer*] dated [*day/month/year*]
—

- (a) meets the requirements of regulation 43 of the Gas Governance (Critical Contingency Management) Regulations 2008;
and
- (b) is complete and accurate in all respects.

Date:

Signature:

Schedule 7
**Process for appointment of technical
expert**

r 46H

Schedule 7: inserted, on 1 March 2014, by regulation 54 of the Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496).

- 1 The industry body advises the applicant that the industry body will be appointing a technical expert.
- 2 The industry body drafts terms of reference for the technical expert and provides them to the applicant.
- 3 The industry body asks the applicant if the applicant has any recommendation on whom to appoint as a technical expert.
- 4 The industry body decides whether to adopt the applicant's recommendation. The industry body may only adopt the applicant's recommendation if satisfied that the technical expert is completely independent of the applicant.
- 5 The industry body provides the prospective technical expert with the terms of reference and requests from that person an estimate of that person's fee for services.
- 6 The industry body provides to the applicant the fee estimate provided by the prospective technical expert.
- 7 The industry body decides whether to appoint that technical expert and,—
 - (a) if the decision is to appoint that technical expert, the industry body invoices the applicant for the amount of the fee estimate and appoints the technical expert on payment of the invoice; or
 - (b) if the decision is not to appoint that technical expert, but to consider another technical expert, steps 5 to 7 of this process apply.

Note: The applicant is able to withdraw its application at any time before a technical expert is appointed.

Rebecca Kitteridge,
Clerk of the Executive Council.

**Gas Governance (Critical Contingency
Management) Regulations 2008**

Reprinted as at
1 March 2014

Issued under the authority of the Legislation Act 2012.
Date of notification in *Gazette*: 6 November 2008.

Reprints notes

1 *General*

This is a reprint of the Gas Governance (Critical Contingency Management) Regulations 2008 that incorporates all the amendments to those regulations as at the date of the last amendment to them.

2 *Legal status*

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

3 *Editorial and format changes*

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

4 *Amendments incorporated in this reprint*

Gas Governance (Critical Contingency Management) Amendment Regulations 2013 (SR 2013/496)
