

15 May 2013



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Marianna Pekar
Gas Industry Company
PO Box 10-646
Wellington

Dear Marianna

**Submission on Determinations, Guidelines and Exemptions
under the Gas Downstream Reconciliation Rules**

Introduction

1. Vector Limited ("Vector") welcomes the opportunity to make this submission on the Gas Industry Company's ("GIC") *Consultation Paper on Determinations, Guidelines and Exemptions under the Gas (Downstream Reconciliation) Rules 2008* ("the Rules"), dated 17 April 2013.
2. Vector generally supports the proposed amendments to the determinations, guidelines and exemptions, to enable a smooth transition to the amended Rules taking effect from 1 June 2013.
3. Our responses to the questions in the consultation paper and comments on specific proposals are set out below.
4. No part of this submission is confidential and Vector is happy for it to be made publicly available.
5. Vector's contact person for this submission is:

Luz Rose
Senior Regulatory Analyst
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Responses to specific questions

Q1: Do you have any comments on, or suggested amendments to the proposed direct connect, unmetered and oversized metered gas gate lists?

6. Vector wishes to advise the GIC that it intends to decommission the Oakleigh Delivery Point soon so this gas gate can be removed from the list of unmetered gas gates from the date of decommissioning.
7. Vector also suggests that the GIC clarify how Nova's direct connect gas gates will be treated as the proposed changes would make those gates allocated gas gates.

Q2: Do you have any comments on, or suggested amendments to the proposed determination of G1M criteria in accordance with rule 25C.1-25C.4?

8. Vector has no comment on the suggested amendments.

Q3: Do you have any comments on, or suggested amendments to the changes to the proposed Notice of Determination? Do you have any comments on the determination of non-business days additional to weekends and national public holidays (in particular regional anniversary dates)?

9. Vector agrees that, as a general rule, the Wellington and Auckland Anniversaries should be treated as business days. Given that these days generally occur late in the month, this will not impact on the tight consumption reporting deadlines occurring at the start of the month.

Q4: Do you have any comments on, or suggested amendments to, the proposed guideline notes with material changes – in particular (1) to procedures applying to the correction of annual UFG factor (rule 46A); and (2) types of events that might constitute a major change for the purpose of rule 65.4 to 65.6?

10. Vector has no comment on the sections of the proposed guideline notes on the correction of annual UFG factor or the types of events that might constitute a major change for the purpose of rule 65.4 to 65.6. However, the drafting of sections 2 and 4 could be simplified. Vector suggests combining sections 4.1, 4.2 and 4.3 (which impose an obligation on transmission system operators to provide accurate and complete information to the allocation agent) with section 2 (which already imposes the same obligation on all allocation participants).

Q5: Do you have any comments on, or suggested amendments to, the proposed guideline notes with non-material changes?

11. Vector has no comment on the drafting of the guideline notes with non-material changes.

Q6: Do you have any comments on the revocation of the listed seven exemptions?

12. Vector agrees with the proposed revocation, given that exemptions in relation to direct connect, unmetered, global 1-month UFG methodology, and oversized gas gates will be codified under the amended Rules.

Q7: Do you have any comments on the proposed variation to the global 1-month UFG methodology exemption?

13. Vector agrees with the proposed variation.

Q8: Do you have any comments on the exemption application for SADSV calculation?

14. Vector agrees with the proposed new exemption.

Yours sincerely



Bruce Girdwood
Manager Regulatory Affairs