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A RESPONSIBLE CARE* COMPANY

12 May 2017

Ian Wilson
Gas Industry Company Limited
PO Box 10-646
Wellington, 6143

By email: info@gasindustry.co.nz

Dear Ian,

Gas Transmission Access Code – Governance Options

Methanex thanks the Gas Industry Company for commissioning the 'think piece' on governance options for the Gas Transmission Access Code, and welcomes the opportunity to submit feedback.

Our response to the Gas Industry Company's submission questions are:

Question

1: The report recommends that code changes could be proposed by parties bound by the terms of the code, gas users and gas market operators. Do you agree with the reasoning and recommendation?

2: The report recommends that code changes should be consulted on and refined through a process similar to the current VTC process. Do you agree with the reasoning and recommendation?

Comment

Yes in part.
Methanex does question if it is appropriate for individual gas users (e.g. residential users) to be able to initiate code change proposals and we believe that a minimum size threshold should apply.

Yes.

3: The report recommends that proposed code changes should be assessed against the Gas Act s43ZN criteria, and that Gas Industry Co is best placed to make that assessment. Do you agree with the reasoning and recommendation?

Methanex supports GIC expanding its role to be the independent body deciding over code change proposals.

4: Are there any other matters that you believe are relevant to code changes and need to be considered?

Methanex supports the recommendation which allows for urgent code change changes without consultation being time bound, and automatically lapsing unless ratified via the 'normal' change process. With regards to manifestly uncontroversial code changes we question whether it is appropriate that if 'any person' objects during the notification period that the changes would not take effect. We suggest that in this situation only persons directly bound by the code terms should be able to object.

For any questions on the subject of this submission please contact myself or Melanie Marr.

Yours sincerely,



Phil Watson
Director Asia Pacific Gas
METHANEX NEW ZEALAND LTD