

# Register of Proposed Changes to the Gas (Downstream Reconciliation) Rules 2008

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**Last updated:** 15 February 2010.

## Notes:

1. Initial status on the register will be one of the following:
  - *Category 1:* Accepted for individual initiation and when, giving reasons.
  - *Category 2:* Accepted for initiation in the next package, giving reasons.
  - *Category 3:* Deferred for next major policy review, giving reasons.
  - *Category 4:* Declined giving reasons.
  
2. The initial population of the register has been based generally on exemptions granted by Gas Industry Co. All initial entries dated 12 March 2009 although rule changes suggested by some allocation participants prior to that date.

## Current proposed changes

Proposal date	Initiated by	Rule(s) affected	Brief description	Reason for proposal	Initial status on register	Current status	Rule change outcome
12 Mar 09	Genesis, Mighty River Power, Contact Energy, Vector, Nova Gas, OnGas and Vector	r5	Rule amendment to exclude direct connect gas gates from the application of the Rules or certain aspects of the Rules - including providing consumption information and being subject to the allocation processes under the Rules.	Allocation participants suggest rule amendment because there is no benefit in including direct connect gas gates in the process for downstream reconciliation –as there is generally only one retailer and a single consumer. Two exemptions in effect currently exempt direct connect gas gates from certain aspects of the Rules.	<i>Category 3:</i> Deferred for next major policy review. Exemptions for direct connect gas gates in effect until September 2010. Amendment represents a significant policy change.	N/A	N/A

Proposal date	Initiated by	Rule(s) affected	Brief description	Reason for proposal	Initial status on register	Current status	Rule change outcome
9 April 2009	Contact, Genesis	r45, r46 and r78-81	Potential rule amendments to consider codifying the application of the global 1-month I UFG methodology to all gas gates or to gas gates that meet certain criteria.	Change will enable the alternative global 1-month methodology to be automatically applied at all gas gates or gas gates where specified criteria are met. This allocation methodology is considered particular equitable at gas gates where TOU gas quantities make up a high proportion of the total gas allocated at the gate. There are two exemptions currently in place which apply this methodology to certain gas gates.	<i>Category 3:</i> Deferred for next major policy review. Exemptions for 1 Month Global are in effect until September 2010. Amendment represents a significant policy change.	N/A	N/A
15 April 2009	OnGas, Vector	r30	Potential rule amendments to rule 30.3 to allow the provision of estimated "actual daily energy quantities" for allocation group 1 and 2 in all situations or limited to situations to metering breakdown/error – without such actual constituting an alleged breach of the Rules.	Some retailers consider it is too onerous for the rules to treat the submission of estimated TOU data as an alleged breach of the Rules. Meters often break down, or are subject to error, through no fault of the retailer and the Rules should not create a compliance issue out of such situations.	<i>Category 3:</i> Deferred for next major policy review. Exemptions for 1 Month Global are in effect until September 2010. Amendment represents a significant policy change.	N/A	N/A
15 April 2009	Gas Industry Co	r16	Amendment to rule 16 regarding the basis for apportionment of ongoing fees ie moving from an allocated volume basis to an ICP basis (or combination of both)	Depending whether an exemption is granted re application DR09-06-T, it may be appropriate to amend rule 45 to be consistent with the terms of the exemption.	<i>Category 3:</i> Deferred for next major policy review. Amendment represents a significant policy change.	N/A	N/A

Proposal date	Initiated by	Rule(s) affected	Brief description	Reason for proposal	Initial status on register	Current status	Rule change outcome
26 May 2009	Vector	r5	Amendments to rule 5 to provide for the following definitions: forward estimate; gas gate level; gas gate metering; historic estimate; meter read period; network code; notional delivery point; OATIS; profile; profile code; profiled consumption; Transmission Services Agreement or TSA; Vector Transmission Code or VTC.	Amendments would provide a more comprehensive set of definitions, especially in relation to terms outlined in Functional Specification. These terms are important to include as they relate to many of the processes carried out under the Rules.	<i>Category 3</i> : Deferred for next major policy review. While the majority of the amendments proposed are minor, some of the Amendments have potential broad effects. In any event, due to timing, they were not able to be included in the category 2 initial package.	N/A	N/A
26 May 2009	Vector	r7	Amendments to rule 7 so that the Functional Specification is enforceable under the Rules with respect to obligations in relation to transmission system owners.	It is arguable that the Functional Specification is implicitly incorporated under the Rules in terms of rule 7.3. The SPA is referred to in that rule, but the deliverables in the SPA are naturally inextricably linked to specific rules, and in some cases processes are replicated.	<i>Category 3</i> : Deferred for next major policy review. Amendments have potential broad effects and, in any event, due to timing were not able to be included in the category 2 initial package.	N/A	N/A
26 May 2009	Vector	r19/20	Amendments to rules 19 and 20 to prescribe the correct decision-maker who/which has authority to grant exemptions, and to enable exemptions to be extended at Gas Industry Co's discretion.	Citing who the decision maker is when determining whether to grant or reject an application as both state, are at odds with the information paper on the exemption process, "Dealing with Exemptions under the Downstream Reconciliation and Switching Rules".	<i>Category 3</i> : Deferred for next major policy review. Amendments raise potential administrative law and delegation issues and, in any event, due to timing were not able to be included in the category 2 initial package.	N/A	N/A

Proposal date	Initiated by	Rule(s) affected	Brief description	Reason for proposal	Initial status on register	Current status	Rule change outcome
26 May 2009	Vector	New rule	New rule that where a retailer is a supplier at a direct connect gas gate, that retailer must give notice to the allocation agent as to whether or not that retailer will be submitting consumption information. Where consumption information is not being submitted, the retailer must provide the allocation agent with an allocation group of 1 or 2 to be used against any estimated consumption calculated but the allocation agent, for reporting purposes.	Direct consumer gas gates generally have only one consumer at the gas gate and energy quantities may be provided by the TSO and if no consumption information is submitted by the retailer(s) as notified in rule 39 at the direct consumer gas gates, the allocation agent will use the total injection quantity provided by the TSO under rule 41 as the retailer consumption information.	<i>Category 3</i> : Deferred for next major policy review. Amendments have potential broad effects and tied up in the direct connect gas gate definition amendment. In any event, due to timing were not able to be included in the category 2 initial package.	N/A	N/A
26 May 2009	Vector	New rules	New rules providing that distributors/transmission system owners also give gas gate notices to allocation agent re (dis-) establishment of gas gates.	No provisions in the Rules is for distributors/transmission system owner to notify the allocation agent when gas gates (including interconnected gas gates and embedded networks) are established or decommissioned, along with the relevant gas gate code.	<i>Category 3</i> : Deferred for next major policy review. Amendments are new obligations, in any event, due to timing were not able to be included in the category 2 initial package. Note also this notification already occurs via the registry and the Gas (Switching Arrangements) Rules 2008.	N/A	N/A

Proposal date	Initiated by	Rule(s) affected	Brief description	Reason for proposal	Initial status on register	Current status	Rule change outcome
26 May 2009	Vector	New rule	New rule that outlines the process in the Functional Specification under GAS020 for the allocation agent's contract matching responsibilities since this is a critical component of the allocation process and is currently not captured under the Rules.	The Rules do not contain provisions for the last process in this section for the allocation agent to match the retailer contract against that provided by the TSO. It is then the allocation agent's responsibility to store this information in tables. A contract identifier is needed for the allocation to upload each allocation into OATIS); this contract identifier is assigned by the TSO and then passed onto the allocation agent.	<i>Category 3:</i> Deferred for next major policy review. Amendments have potentially broad effects and, in any event, due to timing were not able to be included in the category 2 initial package. Note that some contract ID rule amendments are already included in category 2.	N/A	N/A
26 May 2009	Vector	r42	Amendment to rule 42 to align with the relevant provisions in the VTC, whereby the definition of 'day' is changed to 'business day' in rule 42.	Vector's gas business and associated resourcing has been designed to meet what is practicable and the requirements of the VTC. The GIC is aware of and has considered the reasons that have been submitted by Vector (on several occasions) why the requirements of rules 41 and 42 should be changed to reflect industry practice.	<i>Category 3:</i> Deferred for next major policy review. Amendments raise policy issues surrounding r42 and, in any event, due to timing were not able to be included in the category 2 initial package.	N/A	N/A
26 May 2009	Vector	r45	Amendment to rule 45 to reflect the process that actually occurs, whereby the allocation agent retrieves data that has been published by transmission system owners as outlined in the Functional Specification.	The Rules do not correctly state the processes that occur in rule 45.2.1. The current wording of the rule states that the allocation agent receives the actual daily energy quantities, whereas the allocation agent is actually retrieving the data published by the TSO.	<i>Category 3:</i> Deferred for next major policy review. Amendments raise policy issues surrounding allocation agent obligations, in any event, due to timing were not able to be included in the category 2 initial package.	N/A	N/A

Proposal date	Initiated by	Rule(s) affected	Brief description	Reason for proposal	Initial status on register	Current status	Rule change outcome
26 May 2009	Vector	r5/29	Amendment to rules 5/29 to reflect that unmetered gas gates situations (as indicated in Exemption DR08-14-T), clearly identifying whether the rule is applicable to a gas gate that is metered or unmetered or both. Alternatively, Gas Industry Co could consider inserting an additional rule or section outlining how unmetered gates are handled perhaps similar to the condition in the exemption relating to retailer consumption information being used.	As unmetered gas gates exist and are acknowledged in the exemption, the Rules should be amended to prescribe retailers obligations in relation to gas gate metering where meters do not exist. The Rules do not clarify that where a gas gate is unmetered, no injection quantities will be submitted to the allocation agent by TSOs..	<i>Category 3:</i> Deferred for next major policy review. Amendments raise policy issues surrounding gas gates obligations, in any event, due to timing were not able to be included in the category 2 initial package.	N/A	N/A

## Archived proposed changes

Proposal date	Initiated by	Rule(s) affected	Brief description	Reason for proposal	Initial status on register	Current status	Rule change outcome
12 Mar 09	Gas Industry Co	r45	Amendment to rule 45 to ensure all gas is allocated where there are only allocation group 1 and 2 (TOU) and allocation group 3 and 5 consumer installations at a gas gate.	Change will ensure all gas is allocated at gas gates where no allocation group 4 or 6 consumption occurs – currently occurs under a transitional exemption.	<i>Category 2:</i> Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009.	<i>Category 2:</i> Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	In force from 2 Oct 2009

Proposal date	Initiated by	Rule(s) affected	Brief description	Reason for proposal	Initial status on register	Current status	Rule change outcome
12 Mar 09	Gas Industry Co	r25/r26	Amendment to rule 25 and 26 so that Gas Industry Co is able to give notice of file formats for additional categories of information, and ensure allocation agent has the necessary information to carry out role.	Change will enable file formats to be specified for reports generated by the allocation agent under the Rules, and for information allocation participants are required to submit to Gas Industry Co. Will include general provision enabling the allocation agent to request any information it reasonably requires from allocation participants.	<i>Category 2:</i> Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009.	<i>Category 2:</i> Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	In force from 2 Oct 2009
15 April 2009	Gas Industry Co	r45	Amendment to rule 45 to ensure that where there are residual injection quantities left over (ie where no consumption information has been submitted) then that gas gets allocated proportionally to the remaining retailers trading at that gate. If no retailers trade at that gas gate, then the gas gate quantities do not get allocated and the relevant TSO is responsible for the UFG	Amendment would be consistent with the arrangement set out in exemption - per Gas (Downstream Reconciliation) Rules 2008 (Transitional Exemption DR09-03-T: residual injection quantity allocation) Notice 2009	<i>Category 2:</i> Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009	<i>Category 2:</i> Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	In force from 2 Oct 2009
15 April 2009	Gas Industry Co, Vector	r39	Potential amendment to rule 39 to extend deadline for provision of gas gate notices (ie trading notifications) to the allocation agent and also require transmission service contract notifications in such notices.	Exemption in force extends the rule 39 deadline by 3 business days (or other potential extension) as per existing exemption. Inclusion of contract ID information reflects current practice under GAS020 file in the Functional Specification.	<i>Category 2:</i> Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009	<i>Category 2:</i> Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	In force from 2 Oct 2009

Proposal date	Initiated by	Rule(s) affected	Brief description	Reason for proposal	Initial status on register	Current status	Rule change outcome
15 April 2009	Gas Industry Co	r40	<p>Amendment to the rule 40 deadlines for:</p> <ul style="list-style-type: none"> <li>• historic estimates to match up with the initial, interim and final allocation deadlines</li> <li>• meter reading frequency to match monthly rather than annual deadlines</li> </ul>	<p>The historic estimate volumes are currently provided in allocation submissions via the file formats ie GAS040, GAS050 and GAS060 – rather than in the later deadline specified in rule 40.1.</p> <p>The meter reading frequency information is currently provide monthly via file format GAS080 rather than annually under rule 40.2</p>	Category 2: Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009	Category 2: Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	In force from 2 Oct 2009
15 April 2009	Gas Industry Co	r44	Amendment to rule 44 to clarify that errors in injection information must be notified to the allocation agent and that the allocation agent can do amended allocations as a result ie with the 1730 hours deadline	So that express provision for dealing with injection errors is in the Rules to ensure they are dealt with on the same basis as consumption errors.	Category 2: Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009	Category 2: Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	In force from 2 Oct 2009

Proposal date	Initiated by	Rule(s) affected	Brief description	Reason for proposal	Initial status on register	Current status	Rule change outcome
15 April 2009	Gas Industry Co, Vector	r30-33	<p>Potential rule amendments to rules 30-33 to:</p> <ul style="list-style-type: none"> <li>• amend 0800 hours deadline to 1200 hours for initial allocation</li> <li>• further reinforce that the submission of consumption information must occur for each allocation – and that reliance on previous submissions is not permissible.</li> <li>• specify that transmission services contract ID must also be included</li> </ul>	<p>As an exemption is in effect which extends the deadlines for initial allocation submissions and it should be considered whether the Rules should be amended to reflect exemption.</p> <p>Amendments would also remove any potential ambiguity regarding submission obligations for each allocation.</p> <p>Amendment re transmission services contract ID will also reflect current practice in GAS040, GAS050 and GAS060 file formats.</p>	Category 2: Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009	Category 2: Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	In force from 2 Oct 2009
15 April 2009	Gas Industry Co, Vector	r41	<p>Potential rule amendments to rule 41 to:</p> <ul style="list-style-type: none"> <li>• amend 0800 hours deadline to 1200 hours for initial allocation.</li> <li>• Provide for TSOs to submit corrected injection information for each allocation</li> </ul>	<p>As an exemption is in effect which extends the deadlines for initial allocation injection submissions and it should be considered whether the Rules should be amended to reflect exemption.</p> <p>Like consumption data, improved injection data should be provided for each allocation – this currently occurs on an ad hoc basis.</p>	Category 2: Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009	Category 2: Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	In force from 2 Oct 2009

Proposal date	Initiated by	Rule(s) affected	Brief description	Reason for proposal	Initial status on register	Current status	Rule change outcome
15 April 2009	Contact Energy, Genesis, Mighty River Power, Vector	r52	Amendment to rule 52 to provide greater clarity around how it is intended to operate in practice	Significant work was required on the as-billed file format and the rule 52 guideline to ensure this rule operated effectively in practice. Amendments should simplify rule 52's application and operation.	<i>Category 2:</i> Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009	<i>Category 2:</i> Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	In force from 2 Oct 2009
15 April 2009	Gas Industry Co	r54/r62	Provide additional arrangements in rule 62 to address what happens to a profile when a consumer installation switches retailers and show the profile is both ICP and retailer specific.	To provide clarity what happens to a profile when a consumer installation switches retailers	<i>Category 2:</i> Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009.	<i>Category 2:</i> Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	In force from 2 Oct 2009
15 April 2009	Gas Industry Co	r82-84	Deletion of rules 82-84	These rules are no longer applicable given the registry is operational.	<i>Category 2:</i> Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009.	<i>Category 2:</i> Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	Deleted from 2 Oct 2009

Proposal date	Initiated by	Rule(s) affected	Brief description	Reason for proposal	Initial status on register	Current status	Rule change outcome
15 April 2009	Gas Industry Co	r15-18	Amending the form of the ongoing fees provisions (rules 15-18) to be more consistent with the equivalent provisions in the Gas Governance (Critical Contingency Management) Regulations 2008 and the Gas Governance (Compliance) Regulations 2008.	To create greater consistency between the ongoing fee provisions in the different gas governance regulations and rules – including the deletion of implantation provisions now no longer applicable. Note these potential rule changes will not involve the amendment of the allocated volume basis of the apportionment of ongoing fees.	<i>Category 2:</i> Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009.	<i>Category 2:</i> Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	In force from 2 Oct 2009
15 April 2009	Gas Industry Co	r23/24	Amending the notice provisions (rules 23 and 24) to be more consistent with the equivalent provisions in the Gas Governance (Critical Contingency Management) Regulations 2008 and the Gas Governance (Compliance) Regulations 2008.	To create greater consistency between the notice provisions in the different gas governance regulations and rules.	<i>Category 2:</i> Accepted for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009.	<i>Category 2:</i> Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09.	In force from 2 Oct 2009
15 April 2009	Gas Industry Co	r45	Amendment to rule 45 to provide a zero-floor for gas gate residual profile values, and the associated scaling of daily allocation quantities to match injection quantities.	Depending whether an exemption is granted to address the issue of negative gas gate residual profile values, it may be appropriate to amend rule 45 to be consistent with the terms of the exemption.	<i>Category 2:</i> Considered for initiation in the next package of rule changes put forward, currently expected to be considered from April 2009	<i>Category 2:</i> Recommended on 31 Jul 09, approved by Minister and gazetted on 3 Sept 09	In force from 2 Oct 2009