

JADE SOFTWARE CORPORATION (NZ) LIMITED

Reporting entity

CONTACT ENERGY LIMITED

Participant allegedly in breach

Breach notice 2009-169 (S-CTCT-09020 and 09023)

Record of settlement of alleged breaches of Rule 69.2 of the Gas (Switching Arrangements) Rules 2008

18 December 2009

Record of settlement of alleged breaches of Rule 69.2 of the Gas (Switching Arrangements) Rules 2008

Breach notice:

2009-169 (S-CTCT-09020 and 09023)

Between:

Reporting entity: Jade Software Corporation (NZ) Limited
("Jade")

Participant allegedly in breach: Contact Energy Limited ("Contact")

Background:

- A. On 1 October 2009, Jade notified the Market Administrator of alleged breaches (2009-169) of Rule 69.2 of the Gas (Switching Arrangements) Rules 2008 (the "Switching Rules") by Contact, namely that Contact filed a GNW on the basis of "customer request" after the 23 business day timeframe in rule 69.2.
- B. The Market Administrator referred 2009-169 to an investigator, Jacquie Kean, for investigation, on 13 November 2009.
- C. As a result of the investigation, the following emerged (in summary):
 - a. Contact admits that it breached Rule 69.2 of the Switching Rules.
 - b. The primary cause of the breaches was that Contact's switching team did not realise that each of the Registry "Switch Breach Timers" screen views only displays up to 250 ICPs, and the download only includes what is seen on the screen. (This was partly a training issue, and partly because of significant distractions due to issues at the time with Contact's computer system.) For that reason, it took some time for Contact to realise that it needed to take steps in relation to some of the switches to which it was a party.
 - c. Having realised that, in respect of the two switches that are the subject of this settlement, Contact then filed GNWs, instead of filing GTNs followed by switching withdrawal notices as would be expected because 23 business days had already expired. The reason is that the other retailer in both switches asked Contact to file GNWs rather than GTNs (having accepted that the consumers wanted to stay with Contact). However, in one case the other retailer did not see the notes in its own system recording that request, and rejected the GNW (by that time it appears that the consumer had decided it wanted to switch to the other retailer). Contact then had to file a GTN.
- D. The parties have agreed to resolve 2009-169 as set out in this record of settlement.

Settlement:

- 1) Contact's switching team is now aware that each of the Registry "Switch Breach Timers" screen views only displays up to 250 ICPs.
- 2) Contact has accepted that it should file GTNs rather than GNWs if 23 business days from the GNT have already expired.

- 3) This settlement is subject to the approval of the Rulings Panel pursuant to regulation 34 of the Gas Governance (Compliance) Regulations 2008. If the Rulings Panel approves this settlement, this settlement will be final and binding on the parties to 2009-169, on all participants, and on the Rulings Panel.

Acceptance of parties to settlement:

- Jade notified its acceptance of the terms of settlement in writing to the investigator on 18 December 2009.
- Contact notified its acceptance of the terms of settlement in writing to the investigator on 4 December 2009.

Rulings Panel:

I approve this settlement pursuant to regulation 34 of the Gas Governance (Compliance) Regulations 2008.



A handwritten signature in blue ink, reading "J. W. Hansen", is written over a horizontal line.

Name: Hon. Sir John Hansen KNZM

Date: 21 December 2009

Jacquie Kean

From: Gas Registry Administrator [gas.registry@jadeworld.com]
Sent: Friday, 18 December 2009 12:02 p.m.
To: Jacquie Kean
Cc: 'Gas Registry Administrator'
Subject: RE: Contact - record of settlement

Hi Jacquie

I can confirm that Jade has no objection to the terms of the proposed settlement.

Thanks

Greg Hay
Gas Registry Administrator
JADE Software Corporation Limited

Gas Registry Helpdesk 0800 652266
www.jadeworld.com

From: Jacquie Kean [mailto:Jacquie.Kean@gasindustry.co.nz]
Sent: Friday, 11 December 2009 10:22 a.m.
To: Gas Registry
Subject: Contact - record of settlement

Dear Greg,
Would Jade have any objection to the terms of settlement contained in the attached draft record of partial settlement?
Many thanks
Jacquie

Jacquie Kean
Investigator
Gas Industry Company Limited

www.gasindustry.co.nz

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Jacquie Kean

From: Rod Crone [Rod.Crone@contactenergy.co.nz]
Sent: Friday, 4 December 2009 2:09 p.m.
To: Jacquie Kean
Cc: Danny Mcmanamon; Campbell Wilson
Subject: RE: Breach notice 2009-169

Hi Jacquie,

Apart from one typo we are happy with the report and settlement. The typo is "250" is missing from clause 9 in the investigator's report.

I think the confusion with the registry screen/download is that even though you might need to scroll through several screen pages if you are viewing the data only, you would expect if you are downloading the report that the download would automatically include all ICPs in the report, and not just the page of ICPs that are on the screen you are looking at. It is normal practice when downloading a report/file that you get the complete report/file.

Rod Crone
Manager Networks & Reconciliation



contact.

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Phone: 64-4 499 4001 • Fax: 64-4 463 9295
Level 1 Harbour City Building, 29 Brandon Street, PO 10742
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Please consider the environment - do you need to print this email?

Angela Ibbotson

From: Hansens [totaraa@xtra.co.nz]
Sent: Monday, 21 December 2009 11:17 a.m.
To: Angela Ibbotson
Subject: Re: 2009-169 - final report and record of settlement

169 approved

Angela both approved and they can be dated today. i will physically sign them next time I am in the office.
Regards
John.

----- Original Message -----

From: Angela Ibbotson
To: Hansens
Sent: Monday, December 21, 2009 9:54 AM
Subject: FW: 2009-169 - final report and record of settlement

Good morning Sir John

The Rulings Panel is asked to consider the attached settlements for approval.

Kind regards

Angela Ibbotson

From: Jacquie Kean
Sent: Friday, 18 December 2009 12:40 p.m.
To: Angela Ibbotson
Cc: Ian Dempster; Lucy Elwood; Jacki Eves; Jenny Miller
Subject: FW: 2009-169 - final report and record of settlement

Hi Angela,

This matter has been settled. Could you please refer these documents to the Rulings Panel in order that the Rulings Panel may decide whether or not to approve the settlement.

Regards
Jacquie

From: Jacquie Kean
Sent: Friday, 18 December 2009 12:38 p.m.
To: 'Rod Crone'; Danny Mcmanamon; Campbell Wilson
Subject: 2009-169 - final report and record of settlement

Hello again Rod,

My reminder email to Jade must have done the trick because I received a reply almost immediately. Attached for your records is my final report and the record of settlement. Gas Industry Co will now refer this matter to the Rulings Panel, and I will advise in due course if the Rulings Panel approves the settlement.

Regards
Jacquie

Jacquie Kean
Investigator
Gas Industry Company Limited

www.gasindustry.co.nz

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