



10 March 2020

Andrew Knight
Chief Executive Officer
Gas Industry Company Limited

Dear Andrew,

Re: Information Disclosure Problem Assessment – Cross-Submission Issues

Greymouth Gas considers that matters should be assessed on their fundamentals and merits,¹ and not on the basis of popularity.

1. Contract price and volume information

- 1.1 Pursuant to s43N of the Gas Act 1992, it is unclear what the objective would be of regulations designed to address this matter.
- 1.2 Further, nothing has changed for a long time vis-à-vis release of contract prices. MBIE publishes quarterly sales information and prices meaning further information would be of marginal benefit at best.
- 1.3 In the previous paper, GIC noted that no rationale had been put forward by the parties in support of this idea. Greymouth Gas submits, in the spirit of the cross-submission process, that should those parties now provide the rationale then all parties should have the opportunity to cross-submit on that rationale.

2. Forecasts of major users' gas consumption

- 2.2 Greymouth Gas has nothing further to add.

3. Major gas user facility outages and the expert report

- 3.1 It is difficult to reconcile the brief ('The Impact of Methanex Plant Outages on the Gas Wholesale Market') with the one recommendation ("...[develop an] information disclosure regime requiring a party intending to [sell gas] to [disclose that intention prior to sale]"). More specifically, it is as if the author:
 - Has not considered the Upstream Gas Outage Information Disclosure Code 2020, which is relevant and has been consulted on publicly.
 - Has not considered the 'buy' side, i.e. why wouldn't the report also recommend disclosure of intention to buy if it recommends the same on the sell side?

¹ Including those raised by Greymouth Gas in our previous submission in this workstream.

- Is unaware that there are other ways of executing wholesale transactions in the market² in addition to using emsTradepoint.

3.2 Greymouth Gas considers that the discussion has deviated from the matter at hand and has strayed to querying potential bids and offers not yet on the market. This is not a problem identified in any GIC papers to date.³

3.3 The matter at hand is outage information for downstream participants. The GIC is urged to consider this.

Yours sincerely

Chris Boxall
Commercial Manager

² E.g. bilateral processes, which is also what the GTAC will help enhance.

³ How would a party even disclose intention prior to the making of gas available? The making of gas available *is* the intention when it comes to offers. And if gas has not been made available for a bid to accept, a party clearly does not yet intend for that gas to be sold.