

12 April 2019

Ian Dempster
General Manager - Operations
Gas Industry Company
Wellington

VECTOR LIMITED
101 CARLTON GORE ROAD
PO BOX 99882
AUCKLAND 1149
NEW ZEALAND
+64 9 978 7788 / VECTOR.CO.NZ

Dear Ian

Submission on the Proposed Approach to Alleged Breaches of Rule 37.2 of the Gas Downstream Reconciliation Rules

Introduction

1. This is Vector Limited's submission on the Gas Industry Company's (GIC) consultation paper, *Approach to alleged breaches of rule 37.2 of the Gas (Downstream Reconciliation) Rules 2008*, published on 18 March 2019.
2. No part of this submission is confidential.

Rule 37 settlements

3. We support the GIC's proposal to discontinue the "Rule 37 settlements".
4. We agree that with the replacement of the initial allocation results with the D+1 results, and the extension of the D+1 pilot under the Gas Transmission Access Code, the "harm" that retailers associate with breaches of Rule 37.2 no longer exists.

Non-material breaches of Rule 37.2

5. As part of this work, we suggest that the GIC also commence the process of 'closing' all alleged breaches of Rule 37.2 that are immaterial.

Contact details

6. Please contact me if you have any questions or require further information at 04 803 9044 or Anna.Carrick@vector.co.nz.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Anna Carrick".

Anna Carrick
Manager Natural Gas Trading