



First Gas Limited
42 Connett Road West, Bell Block
Private Bag 2020, New Plymouth, 4342
New Zealand

P +64 6 755 0861
F +64 6 759 6509

14 September 2016
Attn: Sue Begg
Deputy Chair
Commerce Commission
PO Box 2351
WELLINGTON 6140

Dear Sue,

First Gas Non-Auckland gas distribution network - response to the Notice to supply information to the Commerce Commission under Section 53ZD of the Commerce Act 1986 dated 31 May 2016

This letter is provided as our response to your request for the First Gas Non-Auckland gas distribution network information to the Commerce Commission under Section 53ZD of the Commerce Act 1986 dated 31 May 2016 ("the Notice"). The disclosure report schedule ("the Schedule") is prepared by First Gas Limited, relying upon information prepared by Vector Limited, under the Notice and includes the following information:

Inputs	Disclosure year	Information Disclosure Schedule reference
Total opening RAB value	2015	Schedule 4, row 10
Total closing RAB value	2015	Schedule 4, row 24
Total depreciation	2015	Schedule 4, row 83
Amortisation of initial difference in asset values	2015	Schedule 5a, row 37
Opening sum of RAB values without revaluation	2015	Schedule 5a, row 46
Adjusted depreciation	2015	Schedule 5a, row 48
Opening deferred tax	2015	Schedule 5a, row 60
Opening sum of regulatory tax asset values	2015	Schedule 5a, row 83
Tax depreciation	2015	Schedule 5a, row 84
Closing sum of regulatory tax asset values	2015	Schedule 5a, row 90
Expenditure on network assets	2013, 2014, 2015	Schedule 6a, row 17
Expenditure on non-network assets	2013, 2014, 2015	Schedule 6a, row 18
Operating expenditure	2013, 2014, 2015	Schedule 6b, row 16

The additional, unaudited schedules being:

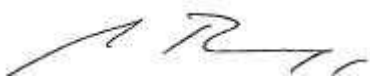
-) Schedule 8: Report on Billed Quantities and Line Charge Revenues – 2013, 2014, 2015 years
-) Schedule 9c: Report on Pipeline Data – 2013, 2014, 2015 years
-) Schedule 9d: Report on Demand – 2013, 2014, 2015 years

are also attached as requested.

Directors Certification

We, Philippa Jane Dunphy and Euan Richard Krogh, being directors of First Gas Limited, certify that, having made all reasonable enquiry, to the best of our knowledge and belief, the information provided in response to the Commerce Commission's (Commission) notice issued under section 53ZD of the Commerce Act dated 31 May 2016 (section 53ZD notice), complies in all material respects with the information requirements contained in the section 53ZD notice.

The information provided by First Gas has been prepared by Vector as the entity in possession of the relevant information and First Gas has relied Vector's representation that this information is true and correct.



Philippa Jane Dunphy
Director



Euan Richard Krogh
Director

14 September 2016

First Gas

Notice issued under section 53ZD of the Commerce Act 1986

Inputs	Disclosure year	Information Disclosure Schedule Reference	First Gas RESPONSE
Financial Model			
Total opening RAB value	2015	Schedule 4 row 10	129,670
Total closing RAB value	2015	Schedule 4 row 24	131,913
Total depreciation	2015	Schedule 4 row 83	5,316
Amortisation of initial difference in asset values	2015	Schedule 5a row 37	1,691
Opening sum of RAB values without revaluations	2015	Schedule 5a row 46	120,093
Adjusted depreciation	2015	Schedule 5a row 48	4,619
Opening deferred tax	2015	Schedule 5a row 60	-3,133
Opening sum of regulatory tax asset values	2015	Schedule 5a row 83	45,339
Tax depreciation	2015	Schedule 5a row 84	5,487
Closing sum of regulatory tax asset values	2015	Schedule 5a row 90	46,369
Operating and Capital expenditure			
Expenditure on network assets (\$000)	2013	Schedule 6a row 17	6,709
	2014		8,588
	2015		7,428
Expenditure on non-network assets (\$000)	2013	Schedule 6a row 18	309
	2014		341
	2015		299
Operating expenditure	2013	Schedule 6b row 16	6,893
	2014		5,649
	2015		6,088

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

This schedule requires the billed quantities and associated line charge revenues for the disclosure year for each consumer group or price category code used by the GDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

sch ref

8 **8(i): Billed quantities by price component**

9

10

11

12

Consumer group name or price category code	Consumer type or types (eg, residential, commercial, etc.)	Standard or non-standard consumer group (specify)	Average no. of ICPs in disclosure year	Quantity of gas delivered to ICPs (TJ per annum) in disclosure year
GA0R	Residential	Standard	56,633	1,273
GA01	Commercial	Standard	2,063	159
GA02	Commercial	Standard	1,260	386
GA03	Commercial	Standard	472	631
GA04	Commercial	Standard	41	272
Non-standard	Commercial	Non-standard	66	5,780

Add extra rows for additional consumer groups or price category codes as necessary

	Standard consumer totals	Non-standard consumer totals	Total for all consumers
	60,469	66	60,535
	2,721	5,780	8,501

31 **8(ii): Line charge revenues (\$000) by price component**

32

33

Consumer group name or price category code	Consumer type or types (eg, residential, commercial, etc.)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Notional revenue foregone (if applicable)
GA0R	Residential	Standard	\$16,969	
GA01	Commercial	Standard	\$1,555	
GA02	Commercial	Standard	\$3,253	
GA03	Commercial	Standard	\$4,585	
GA04	Commercial	Standard	\$1,452	
Non-standard	Commercial	Non-standard	\$4,106	

Add extra rows for additional consumer groups or price category codes as necessary

	Standard consumer totals	Non-standard consumer totals	Total for all consumers
	\$27,815	\$4,106	\$31,921
	-	-	-

52

Billed quantities by price component

Price component

Unit charging basis (eg, days, GJ, etc.)

Fixed	Variable			
20,627,545	353,706,673			
753,035	44,081,111			
458,528	107,449,292			
172,412	175,064,123			
14,473	75,571,837			
22,725	1,705,693,610			

Add extra columns for additional billed quantities by price component as necessary

22,025,993	755,873,036	-	-	-
22,725	1,705,693,610	-	-	-
22,048,718	2,461,566,646	-	-	-

Line charge revenues (\$000) by price component

Price component

Rate (eg, \$/day, \$/GJ, etc.)

Fixed	Variable			
\$5,187	\$11,782			
\$255	\$1,300			
\$223	\$3,031			
\$554	\$4,031			
\$146	\$1,306			
\$2,822	\$1,284			

Add extra columns for additional line charge revenues by price component as necessary

\$6,365	\$21,450	-	-	-
\$2,822	\$1,284	-	-	-
\$9,187	\$22,734	-	-	-

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

This schedule requires the billed quantities and associated line charge revenues for the disclosure year for each consumer group or price category code used by the GDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

sch ref

8 **8(i): Billed quantities by price component**

9

Billed quantities by price component

Add extra columns for additional billed quantities by price component as necessary

10

Price component

Fixed	Variable			
Days	kWh			

Unit charging basis (eg, days, GJ, etc.)

Consumer group name or price category code	Consumer type or types (eg, residential, commercial, etc.)	Standard or non-standard consumer group (specify)	Average no. of ICPs in disclosure year	Quantity of gas delivered to ICPs (TJ per annum) in disclosure year
GA0R	Residential	Standard	56,931	1,196
GA01	Commercial	Standard	2,074	158
GA02	Commercial	Standard	1,291	394
GA03	Commercial	Standard	487	782
GA04	Commercial	Standard	61	942
Non-standard	Commercial	Non-standard	32	5,297

20,760,998	332,170,710			
756,635	43,814,735			
470,686	109,486,567			
177,707	217,104,363			
22,105	261,763,383			
10,809	1,570,289,940			

Add extra rows for additional consumer groups or price category codes as necessary

	Standard consumer totals	60,844	3,472
	Non-standard consumer totals	32	5,297
	Total for all consumers	60,876	8,769

22,188,131	964,339,758	-	-	-
10,809	1,570,289,940	-	-	-
22,198,940	2,534,629,698	-	-	-

31 **8(ii): Line charge revenues (\$000) by price component**

32

Line charge revenues (\$000) by price component

Add extra columns for additional line charge revenues by price component as necessary

33

Price component

Fixed	Variable			
\$/Day	\$/kWh			

Rate (eg, \$/day, \$/GJ, etc.)

Consumer group name or price category code	Consumer type or types (eg, residential, commercial, etc.)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Notional revenue foregone (if applicable)
GA0R	Residential	Standard	\$15,146	
GA01	Commercial	Standard	\$1,222	
GA02	Commercial	Standard	\$2,242	
GA03	Commercial	Standard	\$3,433	
GA04	Commercial	Standard	\$2,050	
Non-standard	Commercial	Non-standard	\$1,836	

\$5,982	\$9,164			
\$348	\$874			
\$375	\$1,867			
\$666	\$2,767			
\$259	\$1,791			
\$1,468	\$368			

Add extra rows for additional consumer groups or price category codes as necessary

	Standard consumer totals	\$24,092	-
	Non-standard consumer totals	\$1,836	-
	Total for all consumers	\$25,928	-

\$7,630	\$16,462	-	-	-
\$1,468	\$368	-	-	-
\$9,098	\$16,830	-	-	-

52

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

This schedule requires the billed quantities and associated line charge revenues for the disclosure year for each consumer group or price category code used by the GDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

sch ref

8(i): Billed quantities by price component

Consumer group name or price category code	Consumer type or types (eg, residential, commercial, etc.)	Standard or non-standard consumer group (specify)	Average no. of ICPs in disclosure year	Quantity of gas delivered to ICPs (TJ per annum) in disclosure year
GA0R	Residential	Standard	57,452	1,254
GA01	Commercial	Standard	2,090	172
GA02	Commercial	Standard	1,327	425
GA03	Commercial	Standard	491	863
GA04	Commercial	Standard	70	1,239
Non-standard	Commercial	Non-standard	21	5,046

Add extra rows for additional consumer groups or price category codes as necessary

Standard consumer totals	61,430	3,953
Non-standard consumer totals	21	5,046
Total for all consumers	61,451	8,999

Billed quantities by price component

Price component	Fixed	Variable	Unit charging basis (eg, days, GJ, etc.)	
			Days	kWh
Standard consumer totals	22,400,576	1,098,172,764	-	-
Non-standard consumer totals	6,662	1,513,368,346	-	-
Total for all consumers	22,407,238	2,611,541,110	-	-

Add extra columns for additional billed quantities by price component as necessary

8(ii): Line charge revenues (\$000) by price component

Consumer group name or price category code	Consumer type or types (eg, residential, commercial, etc.)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Notional revenue foregone (if applicable)
GA0R	Residential	Standard	\$15,752	-
GA01	Commercial	Standard	\$1,238	-
GA02	Commercial	Standard	\$2,033	-
GA03	Commercial	Standard	\$3,189	-
GA04	Commercial	Standard	\$2,655	-
Non-standard	Commercial	Non-standard	\$1,053	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-

Add extra rows for additional consumer groups or price category codes as necessary

Standard consumer totals	\$24,867	-
Non-standard consumer totals	\$1,053	-
Total for all consumers	\$25,920	-

Line charge revenues (\$000) by price component

Price component	Fixed	Variable	Rate (eg, \$/day, \$/GJ, etc.)	
			\$/Day	\$/kWh
Standard consumer totals	\$8,897	\$15,970	-	-
Non-standard consumer totals	\$1,043	\$10	-	-
Total for all consumers	\$9,940	\$15,980	-	-

Add extra columns for additional line charge revenues by price component as necessary

Company Name	First Gas
For Year Ended	30 June 2013
Network / Sub-network Name	First Gas

SCHEDULE 9c: REPORT ON PIPELINE DATA

This schedule requires a summary of the key characteristics of the pipeline network.

sch ref

Network Information (end of year)

System length by material (defined by GDB)	Length (km)	%
Steel	355 km	8.01%
PE	4,081 km	91.97%
Other	1 km	0.02%
		-
		-
		-
System length	4,437 km	100.00%

By operating pressure:	System length (km) (at year end)	Weighted average pipe diameter (mm)	Number of ICPs (at year end)	Gas conveyed for
				Persons not involved in the GDB (TJ)
Intermediate pressure	178 km	81.4 mm	40	3,042 TJ
Medium pressure	4,171 km	34.2 mm	58,684	2,956 TJ
Low pressure	88 km	38.3 mm	2,000	46 TJ
Total	4,437 km	36.2 mm	60,724	6,044 TJ

Company Name
For Year Ended
Network / Sub-network Name

First Gas
30 June 2014
First Gas

SCHEDULE 9c: REPORT ON PIPELINE DATA

This schedule requires a summary of the key characteristics of the pipeline network.

sch ref

8	Network Information (end of year)				
9	System length by material (defined by GDB)	Length (km)	%		
10	Steel	348 km	7.78%		
11	PE	4,125 km	92.20%		
12	Other	1 km	0.02%		
13			-		
14			-		
15			-		
16	System length	4,474 km	100.00%		
17					
18	By operating pressure:	System length (km) (at year end)	Weighted average pipe diameter (mm)	Number of ICPs (at year end)	Gas conveyed for Persons not involved in the GDB (TJ)
19	Intermediate pressure	176 km	81.4 mm	38	2,886 TJ
20	Medium pressure	4,211 km	34.2 mm	59,113	3,454 TJ
21	Low pressure	86 km	38.0 mm	1,890	53 TJ
22	Total	4,474 km	36.1 mm	61,041	6,392 TJ

Company Name
For Year Ended
Network / Sub-network Name

First Gas
30 June 2015
First Gas

SCHEDULE 9c: REPORT ON PIPELINE DATA

This schedule requires a summary of the key characteristics of the pipeline network.

sch ref

Network Information (end of year)

System length by material (defined by GDB)

Length (km)

%

Steel	326 km	7.25%
PE	4,170 km	92.73%
Other	1 km	0.02%
		-
		-
		-
System length	4,497 km	100.00%

By operating pressure:

Intermediate pressure
Medium pressure
Low pressure

Total

System length (km) (at year end)	Weighted average pipe diameter (mm)	Number of ICPs (at year end)	Gas conveyed for Persons not involved in the GDB (TJ)
176 km	81.5 mm	35	1,784 TJ
4,249 km	34.2 mm	60,321	3,898 TJ
71 km	37.3 mm	1,322	47 TJ
4,497 km	36.1 mm	61,678	5,729 TJ

Company Name
 For Year Ended
 Network / Sub-network Name

First Gas
 30 June 2013
 First Gas

SCHEDULE 9d: REPORT ON DEMAND

This schedule requires a summary of the key measures of network demand for the disclosure year (number of new connections including,
 sch ref

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

9d(i): Consumer Connections

Number of ICPs connected in year by consumer type

Consumer types defined by GDB	Number of connections (ICPs)
Residential	861
Commercial	93
Total	954

9d(ii): Gas Delivered

Number of ICPs at year end	60,708	connections
Maximum daily load	33,799	(GJ per day)
Maximum monthly load	877,803	(GJ per month)
Number of directly billed ICPs	-	(at year end)
Total gas conveyed	8,522,875	(GJ per annum)
Average daily delivery	23,350	(GJ per day)
Load factor	80.91%	

Company Name

First Gas

For Year Ended

30 June 2014

Network / Sub-network Name

First Gas

SCHEDULE 9d: REPORT ON DEMAND

This schedule requires a summary of the key measures of network demand for the disclosure year (number of new connections including,

sch ref

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

9d(i): Consumer Connections

Number of ICPs connected in year by consumer type

<i>Consumer types defined by GDB</i>	Number of connections (ICPs)
Residential	840
Commercial	99
Total	939

9d(ii): Gas Delivered

Number of ICPs at year end	60,954	connections
Maximum daily load	34,649	(GJ per day)
Maximum monthly load	893,242	(GJ per month)
Number of directly billed ICPs	-	(at year end)
Total gas conveyed	8,830,846	(GJ per annum)
Average daily delivery	24,194	(GJ per day)
Load factor	82.39%	

Company Name
 For Year Ended
 Network / Sub-network Name

First Gas
 30 June 2015
 First Gas

SCHEDULE 9d: REPORT ON DEMAND

This schedule requires a summary of the key measures of network demand for the disclosure year (number of new connections including,
 sch ref

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

9d(i): Consumer Connections

Number of ICPs connected in year by consumer type

Consumer types defined by GDB	Number of connections (ICPs)
Residential	991
Commercial	103
Total	1,094

9d(ii): Gas Delivered

Number of ICPs at year end	61,678	connections
Maximum daily load	34,613	(GJ per day)
Maximum monthly load	912,110	(GJ per month)
Number of directly billed ICPs	-	(at year end)
Total gas conveyed	9,141,595	(GJ per annum)
Average daily delivery	25,045	(GJ per day)
Load factor	83.52%	