



Notification email - Commerce Commission - Gas DPP reset – Additional supplier evidence published – 24 February 2017

Good afternoon

In our gas default price-quality path reset 2017 draft decision, we signalled that our draft decision was not to accept the significant increase in First Gas Transmission's asset replacement and renewal (capex) category of expenditure. In particular, we considered that two projects forecast by the First Gas transmission business in that expenditure category were not adequately supported: namely the Gilbert Stream project and White Cliffs preparatory work. While we considered that the White Cliffs project was more suited to a greater level of scrutiny that can be provided under a customised price-quality path, we noted that any further evidence supplied by First Gas about Gilbert Stream would be considered for our final decision.

We provided First Gas with additional questions relevant to the Gilbert Stream project and White Cliffs preparatory work. These are being published today along with the responses from First Gas so this information can be taken into consideration in submissions on the draft decision, due by 5pm on 10 March 2017.

The documents can be found on our website at this link:

<http://www.comcom.govt.nz/regulated-industries/gas-pipelines/gas-default-price-quality-path/2017-2022-gas-dpp/>

Kind regards

Matthew Lewer

Manager, Price-Quality Regulation | Regulation Branch
Commerce Commission | *Te Komihana Tauhokohoko*
44 The Terrace | PO Box 2351 | Wellington 6140 | New Zealand
DDI +64 (0)4 924 3820 | matthew.lewer@comcom.govt.nz

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