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Matthew Clark Senior Analyst Commerce Commission 44 The Terrace WELLINGTON 6140

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Sent via email: regulation.branch@comcom.govt.nz

Dear Matthew

Input methodologies review: CPP information requirements for gas

First Gas welcomes the opportunity to submit on the Commerce Commission's consultation paper "Input Methodologies review draft decisions: CPP information requirements for gas pipeline businesses" dated 24 October 2017.

First Gas has not dedicated substantial resource into this aspect of the Input Methodologies (IM) review; rather we have focused on how best the CPP processes can be used to address the particular issues facing the gas transmission network. That said, we consider that there are some quick wins that the Commission can and should take through this review – aligning terminology with IDs, and aligning CPP requirements for gas with electricity where it makes sense to do so.

Support alignment of terminology across information disclosure and input methodologies

First Gas supports Powerco's call for greater alignment between the terminology used in the information disclosure (ID) requirements and the CPP information requirements. Greater alignment of terminology would help gas pipeline businesses (GPBs) better interpret and apply the CPP requirements. It would also assist interested parties in the interpretation of the information released by GPBs. We consider that these improvements could be made in the near-term, without significantly impacting on any CPP application made by First Gas.

Future review to reflect on sector learnings

We agree with the Commission that a further review should also be undertaken following the completion of the first CPP from a GPB. It would also be beneficial to consider the learnings from the Powerco electricity CPP process and any other future CPPs submitted by electricity distribution businesses (EDBs).

First Gas supports a consistent CPP approach between EDBs and GPBs where it makes sense to do so. Where non-sector specific amendments are made to EDB CPP requirements, it would be prudent to ensure these are changes are incorporated into gas CPP requirements.

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¹ Paragraph 19.2 of the consultation paper.



If you have any questions regarding this submission, please contact me on 04 979 5368 or via email at karen.collins@firstgas.co.nz.

Yours sincerely

Karen Collins

Regulatory Manager

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