



Allocation Agent

Self Review Performance Report

September 2009

This report contains a monthly self review of performance of the Allocation Agent operations. This is conducted in accordance with rule 12 of the Gas (Downstream Reconciliation) Rules 2008.

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1. Introduction

1.1 Purpose

This report is a monthly self review of the allocation agent function performed by M-co under contract to the Gas Industry Co. The review is conducted in accordance with rule 12 of the Gas (Downstream Reconciliation) Rules 2008.

1.2 Contact Details

The following is a list of contact details for further information or questions pertaining to this report:

Management Matters

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Allocation Operations

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2. Self Review Report

2.1 Allocation Agent Operations

The review period for this report is September 2009 for the August initial and May interim allocations

The principle activities undertaken by the allocation agent during the month were:

- The initial allocation for August 2009 was performed and published on Monday 7 September.
- The implementation of change request 7/RCR09-4 has so far gone smoothly.
- The interim allocation for May 2009 was completed successfully and published on Monday 14 September 2009.

August 2009 Initial Allocation incidents

- Change request 7, or RCR09-4 was built and implemented in time for the initial August 09 allocation under Transitional Exemption (DR09-08-T: Gas Gate Residual Profile) Notice 2009. There are no negative allocated quantities or negative profile shapes for the August 200 allocation.
- The GAR130 zip file was successfully uploaded. Just one file was uploaded by Vector Transmission staff. Greater Auckland GTA03610 fell outside the monthly tolerance limit by -0.185GJ.
- UFG is at the lowest since allocations began in October 2008. The net total is just -3909.878GJ

May 2009 Interim Allocation incident updates

- There are a total of 87 gas gates with allocation amendments in the interim allocation run. 18 of these gas gates have amended injection quantities.
- Total UFG reduced significantly from a net total of 318,186GJ in the initial allocation, to 142,658GJ in the interim allocation. The larger UFG reductions for May 2009 were (GJ):

Gas Gate	Initial	Interim	Difference
GTA03610	109,345	48,613	-60,732
TWA35610	53,117	21,789	-31,327
GTH11301	23,041	11,384	-11,656
PLN24201	16,628	6,617	-10,010
BEL24510	22,077	13,700	-8,377
NPL12101	12,660	5,576	-7,084
GTW06910	8,103	2,796	-5,307
LVN24401	5,593	1,628	-3,965
ROT08101	5,986	2,060	-3,926
WAG21501	5,650	1,809	-3,841
GMM08001	5,361	2,213	-3,148

HST05210	7,309	4,303	-3,006
GIS07810	4,480	1,763	-2,716
GTT07701	4,721	2,080	-2,641
HWA20801	3,767	1,449	-2,318

- Kinleith KIN02601 and Ramarama RAM15201 show small negative allocated quantities due to GNGC TOU data being higher than injection. Going forward this issue will be fixed when the change built under exemption DR09-08-T (zero-floor for negative GGRP values and scaling of allocated quantities) is released.
- The GAR130 files were uploaded into OATIS successfully on 16 September. Only Greater Auckland GTA03610 was outside of tolerance limits at -0.112GJ.

The allocation agent notified the following alleged breach incidents to the Market Administrator:

- 2009-150 Rule 31.1: Nova Gas (GNVG) submitted estimated TOU data at three gas gates for the initial August 2009 consumption month: Dannevirke DAN05001, New Plymouth NPL12101, and Papakura PAP06610. Under rule 31.1 consumption supplied for allocation groups 1 and 2 should be actual daily energy quantities.
- 2009-151 Rule 31.1: Genesis (GEND) submitted some estimated TOU data at one gas gate for the initial August 2009 consumption month: Henderson HEN74101. Under rule 31.1 consumption supplied for allocation groups 1 and 2 should be actual daily energy quantities.
- 2009-152 Rule 31.1: OnGas (GNGC) submitted estimated TOU data at three gas gates for the initial August 2009 consumption month: Greater Auckland GTA03610, Harrisville HAR11801 and Wanganui WAG21501. Under rule 31.1 consumption supplied for allocation groups 1 and 2 should be actual daily energy quantities.
- 2009-153 Rule 39: E-Gas 2000 (EGAS) supplied a trade notification on 4 September 2009 at gas gate Longburn LNB24301. The trade notification was to cease trading as at 31 July 2009. Under rule 39, exemption DR09-04-S, this notice should have been received by 1200 on 3 September, business day 3.
- 2009-154 Rules 31 and 39: Auckland Gas Company (AGCL) supplied a trade notification on 4 September for three gas gates. The gas gates are Tokoroa TKR19701, Taupo TAU07001 and Drury 2 DRU15102. Under rule 39, exemption DR09-04-S, this notice should have been received by 1200 on 3 September, business day 3. In addition, consumption data was supplied for these three gas gates after 1200 on 4 September. Under rule 31 consumption data should be received by 1200 on business day 4 of the month.

- 2009- Rule 32.1: Contact Energy (CTCT) submitted estimated TOU data at three gas gates for the May 2009 interim month: Bruce McClaren BMC17901, Mt Maunganui MMU08001 and Westfield WST03610. Under rule 32.1 consumption supplied for allocation groups 1 and 2 should be actual daily energy quantities.
- 2009- Rule 32.1: Energy Direct NZ (EDNZ) submitted estimated TOU data at one gas gate for the May 2009 interim month: Papakura PAP06610. Under rule 32.1 consumption supplied for allocation groups 1 and 2 should be actual daily energy quantities.
- 2009-82 Rule 32.1: OnGas (GNGC) submitted estimated TOU data at four gas gates for the May 2009 interim month: Dannevirke DAN05001, Greater Auckland GTA03610, Wanganui WAG21501 and HAR11801. Under rule 32.1 consumption supplied for allocation groups 1 and 2 should be actual daily energy quantities.
- 2009-83 Rule 31.1: Nova Gas (GNVG) submitted estimated TOU data at three gas gates for the May 2009 interim month: Levin LVN24401, Papakura PAP06610 and Westfield WST03610. Under rule 32.1 consumption supplied for allocation groups 1 and 2 should be actual daily energy quantities.
- 2009- Rule 40.1: Bay of Plenty Energy (BOPE) submitted their GAS080 as billed data two hours late, at 1400 on 14 September 2009. Under rule 40.1, the GAS080 submission should be received no later than 1200 on business day 10.
- 2009- Rule 52.2.1: Nova Gas (GNVG) did not submit GAS070 as-billed data for August for the five by-pass gas gates where allocation occurred in the July 09 consumption month. The gas gates are Flatbush FLB15601, Hastings HST05203, Hunua HUN15302, Hawera HWA20802 and Tawa B TWB24810.
- 2009- Rule 52.2.1: Auckland Gas (AGCL) did not submit GAS070 as-billed data for August for the three by-pass gas gates where allocation occurred in the July 09 consumption month. The gas gates are Flatbush FLB15601, Hastings HST05203, and Tawa B TWB24810.

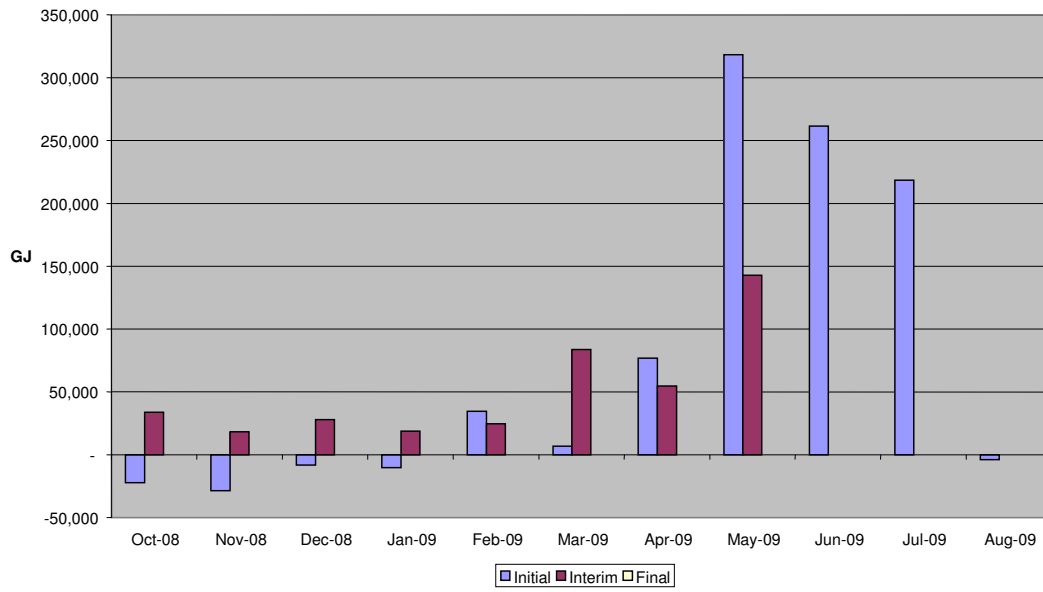
2.2 UFG

The below graphs illustrate UFG to date, and in the most recent consumption month.

The 'Total Net UFG by month' shows total net UFG per allocation to date. Where there has been a special allocation, the UFG for the special supersedes the initial or interim and is shown below. For example, the total UFG below shown for the April initial allocation is actually the total UFG from the April special allocation.



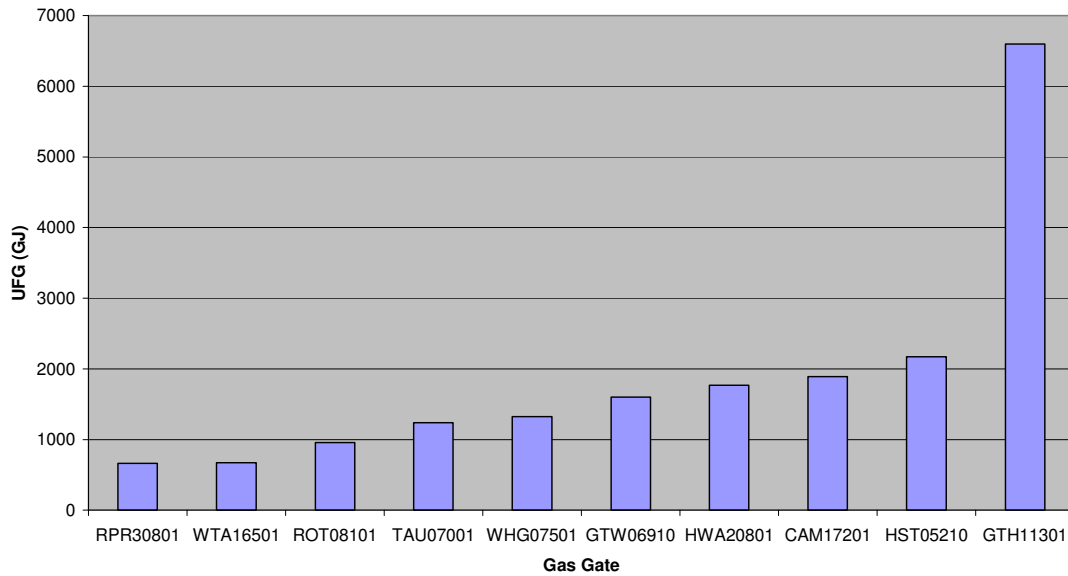
Total Net UFG by Month



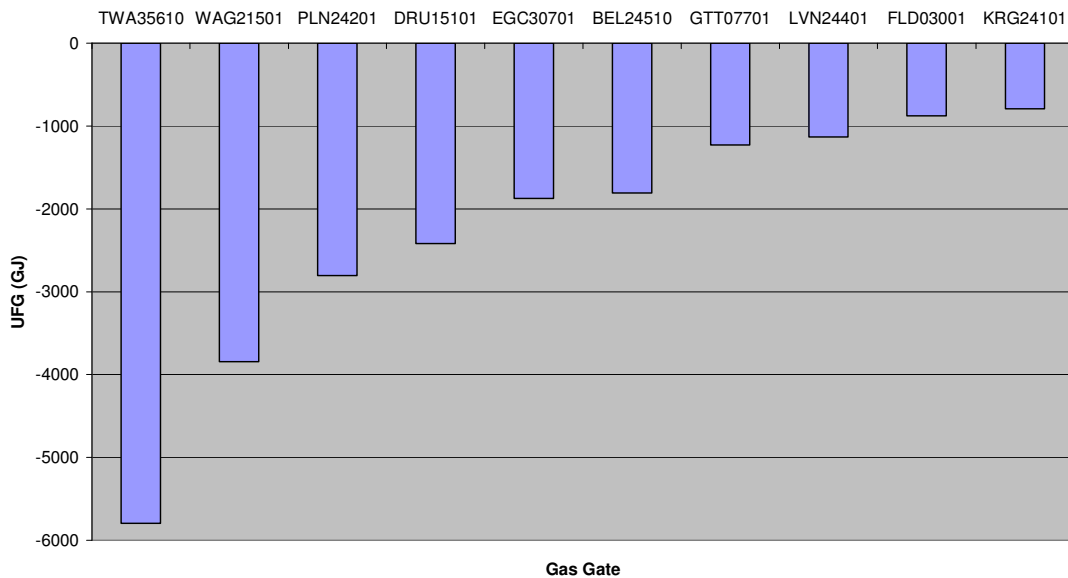


The two graphs below show the top ten positive and negative UFG gas gates for the most recent initial allocation performed.

August 2009 Initial Allocation - Positive UFG



August 2009 Initial Allocation - Negative UFG



2.3 Rule Compliance

To the best of its knowledge, the allocation agent complied with all rules during the review period. Non-compliance or problems in respect of allocation agent obligations under the Rules are detailed in the table below.

Rule Reference	Description

2.4 Service Provider Agreement Compliance

For the review month, there were no instances of non-compliance with the service provider agreement.

Agreement Reference	Description

2.5 Performance Standards

The following table details allocation agent performance against agreed performance indicators.

Allocation System Performance

Performance Standard	Achieved	Corrective Action
Allocation System available to Allocation Participants 99.5% of the time on a 24/7 basis	✓	
Unplanned downtime less than 0.2% of time	✓	
Every accepted transfer of information recorded in the expected manner	✓	
The capacity parameters set out in Schedule 2 are achieved	✓	

Ongoing Operations Performance

Performance Standard	Achieved	Corrective Action
100% adherence to rulebook timelines	✓	
Information updated on website within one Business Day of becoming available for updating	✓	
All allocations made are correctly calculated, i.e. in accordance with the rules, and accurate	✓	
All reports contain the required information and are securely directed to the right participant	✓	
All reports required to be published are published and are publicly available	✓	

Management Reporting Performance

Performance Standard	Achieved	Corrective Action
Incident report provided within the timeframes specified in paragraph 1.13(b) and (c) of Schedule 1	✓	
Monthly reports provided within 5 Business Days of the end of each month	✓	
Annual reports provided within 20 Business Days of the end of each Financial Year	n/a	

2.6 Overall Comment

The main event of note during September, for the August consumption period, was the first running of an allocation with the RCR09 change implemented. The UFG levels are very low for the August 2009 consumption period. M-co is currently working on testing a D+1 allocation algorithm, to be presented to industry participants for comment mid-October 2009.



Ashley Milkop
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