



Allocation Agent

Self Review Performance Report

April 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.



Table of Contents

1. Introduction	3
1.1 Purpose	3
1.2 Contact Details	3
2. Self Review Report	4
2.1 Allocation Agent Operations	4
2.2 Rule Compliance	6
2.3 Service Provider Agreement Compliance	6
2.4 Performance Standards	6
2.5 Overall Comment	8



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

Shane Dinnan, General Manager Market Operations	498 0052
Ashley Milkop, Energy Services Manager	498 2184

Allocation Operations

Jo Hardy, Market Operations Analyst	498 0053
-------------------------------------	----------



2. Self Review Report

2.1 Allocation Agent Operations

The review period for this report is April 2009.

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

- The initial allocation for March 2009 was performed and published on Tuesday 7 April.
- The interim allocation for December 2008 was completed successfully and published on Wednesday 15 April.
- There were no requests for a special allocation.
- Continued enhancements to the operational procedures, including improved sanity checking of the monthly allocation results prior to publication.

March 2009 Initial Allocation incidents

- The Gar130 zip file failed to upload due to an internal fault within OATIS and was uploaded by Vector Transmission staff. Greater Auckland GTA03610 fell outside the tolerance limit by 0.153GJ.
- There were three gas gates with zero injection that consumption was supplied for, Bell Block have been advised:

FLH21901	Total consumption 7.284GJ
OTO14101	Total consumption 471.062GJ
TTK30601	Total consumption 81.946GJ
- Paekakariki PAE23001 again had 0 injection and 0 consumption supplied.
- Dannevirke DAN05001: The injection here (662GJ) looks very low, Bell Block have since posted a correction of 3578GJ for March 2009, and 812GJ for February 2009. All retailers except Nova Gas and OnGas have negative allocated quantities here. Both NovaGas and OnGas are happy with their TOU submissions. OnGas have estimated TOU consumption but believe their actual consumption is in line with what they have submitted.
- Putaruru PTR32601: There is negative allocation here for all retailers except for OnGas. OnGas have confirmed they are happy with their consumption submitted. Bell Block has been advised of the negative UFG, -2020GJ and will advise if there is a correction.
- Greater Waitoki GTW33901: There is a negative shape value for 16-17 March. Auckland Gas has amended consumption here by 1031GJ after adjusting the profile shape they use for those gas gates. This will reduce negative UFG by 1031GJ, leaving approximately -2105GJ of UFG (Bell Block have been advised). As the Auckland Gas re-submission was received only at 1530 on 8



April, it was decided there was not sufficient time to re-run and check allocation results adequately prior to the required 1730 publication on day 6. Genesis has confirmed they are happy with their consumption.

December 2008 Interim Allocation incident updates

- Vector corrected injection data at three gas gates Belmont BEL24510, Hawera HWA20801 and Tuakau TUK06501
- There is a total of 79 gas gates with amendments in the interim allocation run.
- Allocation at Kapuni KAP12901 and Hastings HST05210 is now correct for Contact Energy's contract ID's.
- UFG at Edgecumbe EGC30701 remains at -2987GJ.
- NovaGas submitted zeros for public holidays at Takapau TKP05101, causing the allocation to be outside of OATIS tolerances by 2.823GJ.
- There is zero injection data and small consumption at Oroua Downs ORD24701 and te Teko TTK30601.
- Tuakau TUK06501 has some negative allocation amongst retailers. NovaGas has been requested to check their TOU submissions
- Greater Waitoki GTW33901 has a negative shape between 8-18 December and negative UFG of -2183GJ, Bell Block have been advised as have Nova Gas to check accuracy of submissions
- Change request 5, allocating injection where there are zero consumption submissions from active retailers failed at Kairanga KRG24101 and is being investigated. As a result the GAR130 file for Kairanga was outside of OATIS tolerances by 0.708GJ.

In April, the allocation agent notified the following alleged breach incidents to the Market Administrator:

- 2009-28 Rule 31.1: OnGas Ltd (GNGC) submitted estimated TOU data at three gas gates for the March 2009 consumption month: Dannevirke DAN05001, Fielding FLD03001, and New Plymouth NPL12101. Data was estimated for the full consumption period at each gas gate.

Under rule 31.1 consumption supplied for allocation groups 1 and 2 should be actual daily energy quantities.

- 2009-27 Rule 31.1: Genesis (GEND) submitted some estimated TOU data at two gas gates for the March 2009 consumption month: Greater Mount Manganui GMM08001 and Greater Auckland GTA03610. Data was estimated for 3 days at GMM08001, and 18 days at GTA03610.

Under rule 31.1 consumption supplied for allocation groups 1 and 2 should be actual daily energy quantities.



- 2009-41 Rule 32: Greymouth Gas (GMTH) submitted their interim GAS050 file after 0800 on business day 9 (15 April 2009). There was no material impact.
- 2009-42 Rule 32.1: Energy Direct NZ (EDNZ) submitted some estimated interim TOU data at two gas gates, Greater Auckland GTA03610 (December 1-22) and New Plymouth NPL12101 (December 1-19). Under rule 31.2 consumption supplied for allocation groups 1 and 2 should be actual daily energy quantities.
- 2009-43 Rule 32.1: Nova Gas (GNVG) submitted estimated TOU data for the interim month of December 2008 at Hawera HWA20801. Under rule 31.2 consumption supplied for allocation groups 1 and 2 should be actual daily energy quantities.
- 2009-44 Rule 32.1: Genesis (GEND) submitted estimated TOU data for the interim month of December 2008 at Whangarei WHG07501. Under rule 31.2 consumption supplied for allocation groups 1 and 2 should be actual daily energy quantities.

2.2 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

2.3 Service Provider Agreement Compliance

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

Agreement Reference	Description

2.4 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	



2.5 Overall Comment

There were no major issues of note for April 2009. The calculation of the AUFG factors is underway. The production of draft AUFG factors to the industry is intended to take place by the end of May in order to pick up any issues prior to the formal publication by 1 July.

CR6, the GAR170 report is currently being implemented. It is hoped that it will be in production for the initial April 2008 allocation published on 7 May.

Shane Dinnan
General Manager Market Operations