

## Industry Code Development (ICD) Process - Meeting Minutes

Date:	20 November 2009		
Time:	9.30 am - 4.45pm		
Location:	Gas Industry Co		
Chair:	Concept Consulting Group	David Hunt	Chair
Attendees:	Contact Energy	Alex Love Sharon Wray Tim Whiteley (left at 10.20am)	AL SW TW
	Gas Industry Co	Ian Wilson Melanie Strokes Robert Brears Jacquie Kean (left at 10.20am) Jenny Cassie (left at 10.20am)	IW MS RB JK JC
	Genesis Energy	Roger Johnston (left at 3.55pm)	RJ
	Greymouth Petroleum	Chris Boxall (left at 1pm)	CB
	MDL	David Bott Matt Chisnall Ron M Kelly (left at 12.35pm) Don Gray Murray Jackson (Absent from 11.20am-12.20pm)	DB MC RK DG MJ
	MRP	Duncan Jared (video conference) Jim Raybould	DJ JR
	Multigas	Syd Hunt (tele conference)	SH
	NZ Steel	Paul van Brakel (tele conf left at 12.30pm)	PvB
	On Gas and Vector Gas Contracts	Anna Carrick Jim Seymour	AC JS
	Todd Energy	Charles Teichert	CT
	Vector Transmission	Jo Murray (left at 2pm) Paul Hodgson	JM PH
Apologies:	NZ Steel	Dean Adams	
	OMV	Nick McDougall	

Item	Discussion/Action	who	when
<b>Approval of Minutes</b>	The Chair asked that the word 'joint' be deleted from 'joint balancing solutions' in relation to the Vector/MDL presentation. SW noted that there was a typo. Attendees agreed with the amendments. RB to amend.	RB	24/11/09
<b>Gas Industry Co presentation / discussion (Jacquie Kean and Jenny Cassie)</b>	<p>JC and JK presented on Gas Industry Co's Compliance Regime. JK outlined the three stages/roles of the regime: the Market Administrator (who determines whether breaches are material or not); the Investigator (who investigates material breaches, tries to effect settlements, and refers breaches that were not settled to the Rulings Panel); and the Rulings Panel (who makes a determination at a hearing or on the papers). JK also addressed several concerns regarding the Rulings Panel raised by Contact. JC helped answer attendees questions in relation to compliance with the Draft Gas Governance (Balancing) Rules.</p> <p>In relation to concerns that the Compliance Regime is not timely, JK noted that there has only been one hearing to date, which took seven and half months to resolve. There was a delay in appointing the Rulings Panel, which meant the case took longer than would be expected. Under normal circumstances JK would expect that the timeframe would be approximately six months. JK also noted that the timeframe and cost are less than a court case as the Investigator undertakes a limited discovery process. Contact also had concerns that the Compliance Regime may not be equipped to deal with complex issues. JK pointed out that the regime currently deals with many technically complex breaches that occur under other gas governance arrangements and that it was unlikely that balancing ones would be any more difficult. Contact also noted concerns with the one person Rulings Panel and that there were not enough checks and balances. JK noted that there were a number of protections parties could exercise if they believed a decision was unjust, including: appeal rights, judicial review, and Ministerial protection (the Minister has the power to remove the Rulings Panel). JK also noted that both settlements and Rulings Panel determinations are both published (less confidential information). At present, the Investigator reports are not published, and JK noted that she makes her reports available to the parties involved in the breach.</p>		
<b>Heads of Agreement- discussion on HoA, MoU, and Schedules</b>	<p>Changes to the Schedules were suggested by Genesis, OnGas, Vector, Greymouth, Genesis, and MDL. Attendees reviewed the changes to the Schedules and agreed that the HoA should focus on documenting the areas of agreement, and also record any outstanding issues where agreement had not been reached.</p> <p>It was agreed that the changes necessary to fulfill the expected content in the Schedules would be intended to come into effect on 1 October 2010.</p> <p>IW will update the MoU and Schedules to reflect the discussion and circulate to attendees. DB noted that MDL would circulate suggested changes to the MoU.</p>	IW DB	23/11/09 24/11/09
<b>Next steps</b>	<p>The Chair noted that attendees would need to quickly review the updated HoA and make any final changes. It was noted that the group may need another meeting to discuss the changes next week.</p> <p>Once all final changes to the HoA are made, IW will circulate the final draft for companies to sign.</p>	IW	27/11/09