

**Gas Distribution Services
Non-Standard Contract Disclosure 2016**

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1. Introduction

Powerco Limited (Powerco) offers gas distribution services and is regulated under the Commerce Act 1986. This means we must disclose information specified in the Gas Distribution (Information Disclosure) Determination 2012 (the IDD). Each year Powerco must disclose¹ the non-standard contracts it has entered into or modified in the prior regulatory year (RY).

A non-standard contract is a contract for gas pipeline services or related services that is not a standard contract. Standard contracts are contracts for gas pipeline services between Powerco and any other person² where:

- a) the price at which the gas pipeline services are to be provided under the contract is determined solely by reference to a publicly disclosed schedule of prescribed terms and conditions, and
- b) at least 4 other persons have such contracts with Powerco (and none of those other persons is a related party of Powerco or a related party of those other persons).

Powerco's regulatory year is from October to September. This document lists the non-standard contracts Powerco has entered into, or modified, between 1 October 2015 and 30 September 2016 (RY16).

For each of these contracts, Powerco is required to publicly disclose either:

- 1) a description of the goods or services to be supplied under the prescribed contract and the quantity or amount of those goods or services; or
- 2) the prescribed terms and conditions of each prescribed contract with the exception of prescribed terms and conditions that specify, determine, or provide for the determination of the price at which goods or services are to be supplied.³

Powerco has elected to disclose a description of the goods or services to be supplied under the contract and the amount of those goods or services. Further information on the prescribed terms and conditions for any of the contracts listed in this document will be made available upon request. Requests should be made using the form in section 5 of this document.

2. Non-Standard Contracts Entered Into

a) Direct Service Agreements

Table one describes the goods or services to be supplied under the Direct Service Agreement contracts entered into in the RY16, and the quantity or amount of those goods or services. Direct service agreements contain terms and conditions specific to that agreement.

All gas contracts are for the supply of gas pipeline services to nominated connection points.

¹ Commerce Commission Gas Distribution (Information Disclosure) Determination 2012, clauses 2.4.12 and 2.4.15

² 'Person' is defined in the IDD as having the same meaning as in s2 of the Commerce Act 1986. The Commerce Act definition states a person 'includes a local authority, and any association of persons whether incorporated or not'.

³ The prescribed terms and conditions of the contracts mentioned in this document, excepting those that specify, determine, or provide for the determination of price, can be provided upon request.

Table 1: Direct Service Agreements – goods and services supplied

Contract	Assets providing gas pipeline services	Goods/Services to be supplied	
		Delivery Pressure (kPA)	Scmh ⁴
58 -- 2015	Piping, valves and associated hardware.	118	420

b) Individual Service Agreements

An individual service agreement (ISA) has standard terms and conditions. The quantity of energy to be supplied under an ISA is specific to that agreement.

Table two lists the contract number and minimum gas requirement of ISAs entered into in the RY16.

All gas contracts are for the supply of gas pipeline services to nominated connection points.

Table 2: Individual Service Agreements entered into in the RY16 disclosure period

Contract	Minimum quantity per annum (TJ)
46871	1.7

c) Use of System Agreements and Wholesale Use of System Agreement

Powerco's current Use of Systems Agreement (UoSA) came into existence in the 2015 disclosure period. This is our standard contract for operating on the Powerco gas network, however as at 30 September 2016 only three retailers have signed to this agreement so for the purposes of this disclosure, it is a non-standard contract.

The Wholesale Use of System Agreement (WUoSA) has the same prescribed terms and conditions as the UoSA. However under a WUoSA the counterparty acts as a wholesaler for the delivery of gas to other retailers at points of connection on Powerco's network. This means that those retailers can sell gas to consumers at those points of connection without maintaining a UoSA with Powerco. The WUoSA is a standard contract for operating on the Powerco network. However as at 30 September 2016 only one retailer has signed to this agreement so for the purposes of this disclosure, it is a non-standard contract.

The associated terms and conditions to these agreements can be found in the publicly available template UoSA and WUoSA online at Powerco's website <http://www.powerco.co.nz/Publications/For-Retailers/>.

Powerco has not entered into any new UoSA or WUoSA during the disclosure period.

3. Modified non-standard contracts

Under clause 2.4.15 of the IDD, Powerco is required to disclose modifications to any prescribed terms and conditions of a non-standard contract.

⁴ Standard cubic meter per hour: Maximum hourly capacity the gas is to be supplied at or conveyed under the non-standard contract.

There have been no modifications to the prescribed terms and conditions of Powerco's non-standard contracts in this regulatory period. Further there have been no modifications to Individual Service Agreements in the period from 1 October 2015 to 30 September 2016.

4. Requests for further information

Further information on the following prescribed terms and conditions for any of the contracts listed in this document will be made available upon request:

1. The terms and conditions that specify, determine or provide for the determination of the –
 - a) timing of payment for the goods or services supplied;
 - b) security for payment for those goods or services;
 - c) Powerco's obligations and responsibilities (if any) to consumers in the event that the supply of gas pipeline services to consumers is interrupted.

2. The description of the goods and services provided and the quantity (or method of determining the quantity) or amount of goods and services provided if these have not otherwise been provided.

Any request for this information should be made to Powerco's Wellington office on the form below.

5. Request form

To: Gas Customer and Commercial Manager
 The Gas Hub – Powerco
 Level 4
 1 Grey Street
 Private Bag 62
 Wellington 6011

Or by email to: wel_office@powerco.co.nz

Please provide the following information for contract _____

Summary information for this contract or the modification to terms and conditions under this contract are available on the Powerco website.

Information requested (as ticked):

- The terms and conditions that specify, determine or provide for the determination of the –
 - Timing of payment for the goods or services supplied
 - Security for payment for those goods or services
 - Powerco’s obligations and responsibilities (if any) to consumers in the event that the supply of gas pipeline services to consumers is interrupted.
- The description of the goods and services provided and the quantity (or method of determining the quantity) or amount of goods and services provided if this information has not been publicly disclosed previously.

This information is requested by:

Name: _____

Company or business name: _____

Contact address: _____

Contact phone number: _____

I/we understand Powerco will publicly disclose any information provided to me/us.

Signed: _____ Date: _____

For Powerco use only: Date Received: _____ Request Number _____

Action	Name	Signature	Date
Information approved for release by legal services manager			
Advise contract owner			
Information provided to requestor			
Regulatory team <ul style="list-style-type: none"> • Update internet • Copy to the Commerce Commission 			