

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

**Disclosure Year 2017  
(1/10/16 – 30/9/17)**

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# 1. Introduction

Powerco Limited (Powerco) offers gas distribution services and is regulated under the Commerce Act 1986. One of our obligations is to disclose information specified in the Gas Distribution (Information Disclosure) Determination 2012 (the IDD). Each year Powerco must disclose<sup>1</sup> the non-standard contracts it entered into or modified in the prior disclosure year. Powerco's disclosure year is from October to September, so this disclosure relates to the period 1 October 2016 and 30 September 2017 (DY17).

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 person<sup>2</sup> 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).

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.<sup>3</sup>

Powerco has elected to disclose option (1). Further information on the prescribed terms and conditions for any of the contracts listed in this document is available upon request (see the form in section 5 of this document).

## 2. Non-Standard Contracts Entered Into

### a) Direct Service Agreements

Table 1 describes the goods or services supplied under the Direct Service Agreement contracts entered into in DY17, 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.

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

<sup>2</sup> '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'.

<sup>3</sup> 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 reference	Assets providing gas pipeline services	Goods/Services to be supplied	
		Delivery Pressure (kPA)	Scmh <sup>4</sup>
60-016	Pipe, valves, GMS, corrector	118	2018

### 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 2 lists the contract number and minimum gas requirement of ISAs entered into in the RY17.

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

**Table 2: Individual Service Agreements entered into in the RY17 disclosure period**

Contract reference	Minimum quantity per annum (TJ)
52861	4
48445	60
48504	3
48505	1

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

Powerco did not enter into any new UoSA or WUoSA during the disclosure period.

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. 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.

The associated terms and conditions to these agreements are contained in the UoSA and WUoSA templates available at Powerco's website <http://www.powerco.co.nz/Publications/For-Retailers/>.

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

### 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.

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 DY17.

### 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. Contract Information - Request Form

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

Or by email to: [GasPricingandRevenue@powerco.co.nz](mailto:GasPricingandRevenue@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"> <li>• Update internet</li> <li>• Copy to the Commerce Commission</li> </ul>			