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 Ministry of Business, Innovation & Employment  
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**POWERCO – Submission on *Options for amending the Gas Act 1992***

Thank you for the opportunity to submit on the Ministry of Innovation, Business and Employment’s discussion document issued in May 2019. The paper is split in to 3 parts – we have commented in the table below, noting references to the questions in the discussion paper.

<p><b>Emerging Challenges</b></p>	<ul style="list-style-type: none"> <li>• <b>We suggest hydrogen be added to the list of gases</b> included in the definition – not because it’s excluded, but for consistency and avoidance of doubt. It makes sense and there’s no harm. The gas specification NZS5442 will need a review to include hydrogen and potentially other gas blends to enable trials and uptake. (Q1-4)</li> <li>• <b>Immediate changes to the Act aren’t crucial for us</b> and don’t affect compliance. We’re keen to get involved in trials, though not deploying any right now that are affected by the Gas Act (Q5-6)</li> <li>• <b>We’d like to be involved in MBIE’s longer term programme</b> of regulatory work. As a large distributor of electricity and gas across rural and urban areas, Powerco is in a unique position to consider the ‘whole of system’ impacts of energy use. (Q7)</li> </ul>
<p><b>Information Disclosure</b></p>	<ul style="list-style-type: none"> <li>• <b>We support the proposed changes to the Gas Act to enable broader information disclosure arrangements.</b> We support a regulatory approach if voluntary and market-based approaches are not delivering good outcomes for consumers. From the evidence in the discussion paper, the Gas Act is preventing a regulatory approach being pursued. We therefore support an enabling provision in the Gas Act as it doesn’t preclude market-based or voluntary solutions. (Q9)</li> </ul>
<p><b>Penalties under the Gas Act</b></p>	<ul style="list-style-type: none"> <li>• <b>We support improvements to align the penalty regime for industry/non-industry participants.</b> Non-compliance on a large scale can cause significant costs to the distribution network eg a relight. We support the principle of removing distinctions between users when the impact of a breach is the same. We support more analysis of the options in S4.3.4 to support changes, including responses from consumers (Q16-17)</li> </ul>

If you have any questions on this submission, or would like to discuss these issues further, please contact Andrew Kerr ([Andrew.Kerr@powerco.co.nz](mailto:Andrew.Kerr@powerco.co.nz)).

Yours sincerely



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