

31 July 2020

Attention: All parties to a Transmission Services Agreement or Interconnection Agreement under the Maui Pipeline Operating Code (MPOC)

Notice regarding MPOC Tariffs from 1 October 2020

The following tariffs will be charged from 1 October 2020 to 30 September 2021 (Gas Year 2021) for transmission services provided under the Maui Pipeline Operating Code (MPOC):

- Tariff 1: \$0.001665 per GJ.km
- Tariff 2: \$0.076057 per GJ

These tariffs, together with prices to be set under the Vector Transmission Code (VTC) for Gas Year 2021, are calculated to recover regulated revenue under the Default Price-Quality Path (DPP) Determination 2017.¹

These tariffs represent a 4% increase over the current tariffs, which were set in October 2018. This increase reflects an adjustment for inflation over the two years since the last time MPOC tariffs were changed and are set to recover Firstgas' regulated revenue over the forecast gas volumes for Gas Year 2021. We expect a slight decrease in Maui Pipeline volumes for Gas Year 2021 (both GJ.km and GJ) as set out below:

	Gas Year 2020	Gas Year 2021
Tariff 1, per GJ.km	\$0.001601	\$0.001665
Tariff 2, per GJ	\$0.073132	\$0.076057
GJ.km (used for Tariff 1)	15,318,343,104	14,856,910,671
GJ (used for Tariff 2)	154,574,477	147,916,234

The full Transmission Pricing Methodology will be published at least 20 days prior to 1 October 2020, in accordance with the *Gas Transmission Information Disclosure Determination*.

Yours faithfully



Ben Gerritsen
General Manager Commercial and Regulation

¹ *Gas Transmission Services DPP Determination 2017*, consolidating all amendments as at 18 December 2018, available here: <http://www.comcom.govt.nz/regulated-industries/gas-pipelines/gas-default-price-quality-path/2017-2022-gas-dpp/>