HOUSE OF REPRESENTATIVES

Supplementary Order Paper

Friday, 1 October 1982

GAS BILL

Proposed Amendments

HON. MR BIRCH, in Committee, to move the following amendments:

Clause 2 (1): To add on page 5 the following definition:

"Working day" means any day of the week other than—

(a) Saturday, Sunday, Good Friday, Easter Monday, Anzac Day, Labour Day, the Sovereign's

birthday, and Waitangi Day; and
(b) A day in the period commencing with the 25th

day of December in any year and ending with the

15th day of January in the following year.

Clause 8: To insert, after line 11 on page 8, the following subclause:

(1A) For the purpose of inspecting any distribution system (including any associated works) as provided by <u>subsection</u> (1) of this section, the Chief Inspecting Engineer may enter and re-enter any place.

To omit from line 16 on page 8 the expression "(1)", and substitute the expression "(1A)".

Clause 21: To omit subclause (3) in lines 15 to 18 on page 20, and substitute the following subclauses:

(3) Within 20 working days after the last publication of a notice under <u>subsection</u> (1) of this section, any person may give notice in writing to the Minister of his intention to apply for a franchise in respect of the whole or any part of the advertised area. Every such notice shall be accompanied by the prescribed application fee.

(3A) Within 65 working days after the last publication of a notice under <u>subsection</u> (1) of this section, any person who has given notice to the Minister under <u>subsection</u> (3) of this section may apply to the Minister for a franchise in respect of

the whole or any part of the advertised area.

(3B) If, after the period specified in <u>subsection</u> (3A) of this section, no application has been received from a person who gave notice under <u>subsection</u> (3) of this section, that person shall forfeit the application fee sent with the notice.

To omit from line 20 on page 20 the expression "(3)", and substitute the expression "(3A)".

Clause 27: To omit the words "If the Minister" in line 13 on page 24, and substitute the following words "This section shall apply in any case where the Minister".

To omit the word "relates,—" in line 21 on page 24, and substitute the word "relates.".

To omit lines 1 to 9 on page 25.

To omit subclause (2) on page 25, and substitute the following clause:

(2) All contracts for the supply of gas by the holder of the previous franchise (in this section referred to as the outgoing owner) shall be taken over and be enforceable by the holder of the new franchise (in this section referred to as the incoming owner).

Clause 31: To omit from line 18 on page 27 the word "survey", and substitute the word "supply".

Clause 35: To insert in line 29 on page 28, after the words "cost of", the words "supplying and laying".

To omit from line 31 on page 28 the words "shall be met by", and substitute the words "may be charged to".

To insert in line 32 on page 28, after the words "cost of", the words "supplying and laying".

To insert in line 39 on page 28, before the words "The cost of", the words "Subject to section 37 of this Act,".

Clause 37: To omit from line 35 on page 30 the word "of", and substitute the words "through which gas is being supplied by".

To insert, after subclause (2) on page 31, the following subclause:

(2A) Where any extension, in respect of which-

(a) On or after the commencement of this Act, an agreement under <u>subsection</u> (2) of this section has been entered into; or

(b) Before the commencement of this Act, an agreement of a similar nature has been entered into,—

is used, within 5 years from when gas was first supplied pursuant to that agreement, to supply any further consumer, that consumer shall be entitled to be supplied with gas only upon such terms as may be agreed upon between the franchise holder and the further consumer.

EXPLANATORY NOTE

Clause 2: This amendment inserts a definition of the expression "working day".

Clause 8: This amendment inserts an express power of entry for the Chief Inspecting Engineer for the purpose of inspecting any distribution system.

Clause 21: These amendments enable a person to lodge notice of his intention to lodge a counter proposal in relation to an application for the grant of a franchise before his counter proposal is formally made.

Clause 27: These amendments provide that the assets to be transferred and the price to be paid on the cancellation of a franchise are to be agreed by the parties, or, in the absence of agreement, by arbitration. The Minister's power to decide the matter has been removed.

Clause 31: This amendment corrects a printing error.

Clause 35: The first 3 amendments make it clear that the provisions relate to the cost of the pipes and the laying of them.

The fourth amendment makes the liability of the consumer to pay for pipes in excess of 30 metres from his boundary subject to the uneconomic supply provisions (clause 37).

Clause 37: This amendment provides that where any consumer enters into an agreement for the supply of gas under an uneconomic supply provision, any further consumer whose supply of gas is to be made under the same extension within 5 years of the first supply of gas shall be entitled to supply only on such terms as may be agreed upon between the franchise holder and the further consumer.