



Decemeber 2010

Welcome to the LPG Association
Newsletter - Gasline

The LPG Association represents all major LPG companies in New Zealand.

Liquefied Petroleum Gas (LPG) is one of the most environmentally friendly fossil fuels available. It is cleaner burning than petrol, diesel, wood, coal and fuel oil.

INDUSTRY, CONSUMERS WIN FROM
HSNO RE-ASSESSMENT

LPG consumers and LPG companies are the major winners following a decision by the Environmental Risk Management Authority (ERMA) to approve the industry's call for a re-assessment of sections of the HSNO regulations.



ERMA announced its decision in September.

The successful re-assessment, the key points of which are below, will mean major financial savings both for industry and consumers as follows.

- The removal of annual Location Certificates for between 100 and 300kg of storage will save customers about \$975,000 a year. It will also save cylinder swap sites about \$200 each per annum.
- Removal of the Stationary Container Certificate will save the industry about \$250,000 a year.
- Removal of the need for a fire extinguisher for every domestic facility over 50kg will have a potential saving to customers of about \$4 million.
- Removing the blanket requirement for spray cages over all parked tankers could save further hundreds of thousands of dollars for the industry.

LPG Association Executive Director, Peter Gilbert, congratulated ERMA whose officials took an open-minded approach to the issues and were prepared to work with industry to find mutually-agreeable solutions.

"This is a prime example of industry and regulators working co-operatively to find outcomes that benefit both industry and consumers," Peter said.

ERMA New Zealand's Re-assessments Manager, Lynne Waterson, said it's a win-win when the agency can work with industry to reduce compliance costs while maintaining safety standards.

"Our focus is safeguarding people and the environment. We encourage industry to talk to us about ways that systems and processes can be improved. When we develop practical solutions that satisfy the rules, it is more likely that compliance will be achieved."

Lynne said there was effective interaction between the LPG industry and ERMA New Zealand throughout the re-assessment. The open and clear communication helped the process.

ADVOCACY GROUP
"GAS FOR NEW ZEALAND"

The LPGA and Gas Association of New Zealand have agreed that the progress made with the "Gas for New Zealand" initiative should continue.

The Chair of GANZ's Advocacy/Gas Awareness Committee, Ray Ferner, says the focus will be to build on the advocacy work with the Energy Efficiency and Conservation Authority (EECA) which has seen a positive repositioning of gas heating and water heating solutions in their literature and consumer assistance schemes.



A good example of this is the inclusion of efficient 4 star gas heaters and gas fireplaces into both the Energywise Insulation and home heating programme and also the Earthquake Commission Christchurch chimney repair programme.

Continuous flow gas water heating has also been recognised as a cost effective and energy efficient solution and is more prominent in the EECA advisory material and website.

Going forward, Ray says, the advocacy group will use the power of public relations to ensure that positive messages are regularly in front of the media, public and key influencers.

A public relations programme will be developed to not only talk to the issues of the day but to also ensure that these audiences understand the real value of gas used directly in the home, from the perspectives of comfort, health, energy efficiency and economics.

GAS REGULATIONS UPDATE

The [Gas \(Safety and Measurement\) Regulations 2010](#) came into force on 4 May 2010. They introduce [the third party certification](#) regime for gas appliances over a two-year transition period. From 4 May 2012, the new certification regime must be followed.

The Ministry of Economic Development now intends to seek agreement from the Minister of Energy and Resources to amend the Gas Regulations.

The proposal will involve correcting technical errors in the current Regulations, updating references to standards, and making some changes to the gas appliance certification regime.

The amendments would more clearly ensure the effective and efficient delivery of gas appliance safety, and would recognise that New Zealand sources gas appliances from a variety of countries.

The Ministry will seek to defer the full implementation of the third party certification of gas appliances by a further 12 months.

Any proposed changes to the Regulations would undergo the customary consultation process, and include key gas industry stakeholders.

To keep up to date on Energy Safety's work and any changes to the regulations, visit their [website](#).

GASFITTING CERTIFICATION AND FEES REVIEW

As Gasline readers know, most gasfitting requires certification to ensure the installation is compliant with safety regulations.

Energy Safety, part of the Ministry of Economic Development, is conducting a review of certification of gasfitting and prescribed electrical work. They are working with the Department of Building and Housing (DBH) to conduct the reviews.

The Gas and Electrical Certification Review considers whether certification practices are effectively and efficiently contributing to safety. A Fees Review is also being conducted to ensure that the fees applied under the regulations are appropriate.

As part of the Reviews, a public discussion document will be available online for consumers, tradespeople, and industry organisations to provide feedback on certification and fees.

Energy Safety and DBH will value the LPG sector's feedback on the discussion document, particularly in light of the current exclusion of gasfitting of small (less than 15 kg) cylinders from certification requirements.

Having your say

The release of the public discussion document will be announced in a news item at www.energy-safety.govt.nz when the date is confirmed by Cabinet.

If you want to be added to the stakeholder list and automatically receive an electronic copy of the discussion document, email submissions@energy-safety.govt.nz.

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NEW CODE TO FOLLOW
RE-ASSESSMENT

There is still some very important follow-up work to be done by the LPG Association as a result of this very pleasing decision by ERMA to grant the re-assessment.

Executive Director, Peter Gilbert, said the focus over the past month has been very much on ensuring rigorous processes are in place to manage the new 'regime' and make sure it functions smoothly.

The most significant piece of this work has been the development of a draft code of practice for ensuring ongoing compliance of LPG installations between 100 and 300kg. This is required now that the need to renew the Location Certificate has been removed.

There are approximately 4,000 affected sites that will need to be compliance-checked.

The LPG Association has been developing this draft compliance code which was open for public comment until December 15. It is expected the Code will be approved by ERMA before March next year when the HSNO changes become effective.

The Code will cover issues such as the technical guidelines that ensure compliance, how compliance is to be checked and recorded, who is involved in the compliance-checking process, and how the system will be audited.

It is anticipated that LPG cylinder delivery drivers will be involved in the ongoing compliance-checking process.

The Association is also working with ERMA on the processes necessary to ensure LPG suppliers know whether an installation has a current location certificate before arranging delivery.

INDUSTRY SUPPORT FOR HEATER
LABELLING PROPOSALS

New labelling proposals that will hammer home how to use LPG cabinet heaters responsibly and effectively have been welcomed by the LPG industry.

Several weeks ago, the Ministry of Economic Development issued proposals that will make cabinet heaters 'declared articles'.

This move puts additional responsibilities on manufacturers to provide evidence of an appliance's safety rating before it can be sold in New Zealand.

It also means these heaters will wear new labelling that highlights how they should be used for maximum safety and effectiveness.

"There are hundreds of thousands of these heaters in use in New Zealand and it is important to ensure owners and users know how to use them properly and responsibly," Peter said.

"These new proposals will certainly help."

Peter said industry takes this cabinet heater issue very seriously and has invested a lot of time and effort in running annual public awareness campaigns to stress the basic rules of responsible use of cabinet heaters.

These rules are:

- Test your connections.
- Keep a safe space around the heater.
- Keep a window partly open to ensure a flow of fresh air.
- Use your nose and if you smell LPG turn off immediately.
- Service your heater annually.
- Only keep a maximum of 20kg of LPG indoors.

2010 INDUSTRY FORUM GENERATES
BIG TURNOUT

Unfortunately, Energy Minister Gerry Brownlee had to pull out at the last moment, but neither that nor the odd after-shock prevented a record number of delegates from enjoying the 2010 LPG Industry Forum.

Held in Christchurch in late October despite the earthquake, the Forum attracted nearly 90 delegates as the industry grapples with some major issues around volumes, supply and demand challenges and how the LPGA works more closely with the Gas Association in future.

Speakers included Greenstone Energy's Michael Bennets, ERMA's Rob Forlong, the BNZ's Stephen Topliss and David Tyler of the World LPG Association.

Gerry Brownlee's place was taken at the last moment by Jonathan Young MP, who gave the minister's presentation and delegates appreciated the fact that he attended.

The business side of the programme was complemented by the typically successful social programme that included an afternoon's golf at Clearwater Resort, a Waipara Valley wine tour and after-dinner speaker, Gary McCormack. Not even the odd after-shock managed to sway delegates from enjoying this aspect of the two day forum.

Forum presentations can be downloaded [here](#).

ASSOCIATION CONSULTING ON
CUSTOMER SWAP PROTOCOL

The Association is trying to broker protocols governing how the industry addresses the practical issues around how 45kg cylinder customers switch suppliers.

This is the first time such protocols have been considered for the LPG industry. In other circumstances such protocols often involve regulator input, however, the LPG industry is keen to demonstrate that it can make these often complicated process decisions itself and continue to ensure customers are treated fairly and are not disadvantaged.

This is obviously a complex issue and the protocols are currently with industry for comment. The Association expects the draft to excite a range of responses but is confident industry appreciates the value of resolving this issue 'inhouse'.

