



Supreme Court of New Zealand

10 February 2010

MEDIA RELEASE – FOR IMMEDIATE PUBLICATION

**VECTOR GAS LIMITED v BAY OF PLENTY ENERGY LIMITED
(SC65/2008) [2010] NZSC 5**

PRESS SUMMARY

This summary is provided to assist in the understanding of the Court's judgment. It does not comprise part of the reasons for that judgment. The full judgment with reasons is the only authoritative document. The full text of the judgment and reasons can be found at Judicial Decisions of Public Interest www.courtsofnz.govt.nz

Pending the determination by the High Court of a dispute between them as to whether a gas supply agreement had been validly terminated, the parties agreed that Vector would supply Bay of Plenty Energy with gas at a price of \$6.50 per gigajoule. A dispute arose as to whether that price was inclusive or exclusive of transmission costs.

The Supreme Court, reversing the decision of the Court of Appeal and restoring the judgment of Justice Harrison in the High Court, has unanimously held that the price was exclusive of transmission costs.

In giving their reasons for reaching this conclusion, the members of the Court have discussed the principles which should be applied in interpreting commercial contracts.

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