

## DAWG Meeting #1

**Date:** Wednesday 17 June 2015

**Time:** 10:00 – 12:00

**Venue:** Gas Industry Co, Level 8, the Todd Building, 95 Customhouse Quay, Wellington

# Minutes

Present	
<ul style="list-style-type: none"> <li>• Anna Carrick</li> <li>• Anna Casey</li> <li>• Chris Bolton</li> <li>• Craig Schubauer</li> <li>• Duncan Jared</li> <li>• Greg Redshaw</li> <li>• Jim Raybould</li> <li>• Matthew Carnachan</li> <li>• Michael Grace</li> <li>• Rod Wong</li> <li>• Sharon Wray</li> <li>• Bill Miller (on the phone)</li> </ul>	<p>From Gas Industry Co:</p> <ul style="list-style-type: none"> <li>• Andrew Walker</li> <li>• Ian Dempster</li> <li>• Kerry Check</li> <li>• Pamela Caird</li> <li>• David Weaver, Concept Consulting</li> </ul>
1	Scope and governance
	<ul style="list-style-type: none"> <li>• Ian Dempster welcomed DAWG members and opened the meeting with a discussion about aspects of governance and decision making by the DAWG.</li> <li>• Members agreed on the following aspects of the DAWG: <ul style="list-style-type: none"> <li>• Chair of the DAWG: members agreed that the GIC should chair the group and provide secretariat support</li> <li>• Commitment to participate: membership in the DAWG constitutes a commitment to attend meetings and participate in the work of the group. There may be times, however, when schedules clash and a DAWG member cannot attend: in these circumstances, an alternate person can be sent to a DAWG meeting.</li> <li>• In participating, DAWG members are acting as company representatives. In some cases, this may mean that decisions will need to be held until the next meeting, so that DAWG members can canvass their colleagues' views about a particular issue.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>At times, it may be appropriate for a DAWG member to bring along a person from his or her company who has expertise or interest in a particular matter under consideration.</li> <li>If a DAWG member is sending an alternate or bringing an extra person, he or she should let the group know in advance</li> <li>Where appropriate, DAWG meetings or discussions may be held by teleconference or via email.</li> <li>Minutes of the meetings will highlight the discussions and conclusions but will not record the who-said-what play-by-play.</li> <li>Decision making: the group will seek consensus but decisions can be made by a majority. The rules for voting (one vote per person? per company? per person present at the meeting?) have yet to be determined.</li> <li>Transparency is a hallmark of the DAWG. Meeting papers, minutes, etc., will be published on the Gas Industry Co website.</li> <li>Scope of work <ul style="list-style-type: none"> <li>The aim of the group is to develop and enable processes that will provide the information that shippers need to manage their positions.</li> <li>In scope is therefore the end-to-end process: collecting daily data, producing D+1 allocations, calculating daily receipts and BPP positions, and facilitating wash-ups between the parties.</li> <li>Gas Industry Co has taken the lead on developing D+1, but is not expert on GTA or BPP methodologies. Others will need to lead in these areas.</li> <li>The DAWG recognised that there are a number of potentially contentious issues that will need to be worked through. The group agreed that these issues should be identified and tackled early, so that there is adequate time to resolve them.</li> <li>The group noted that the aim is to have something in place (albeit possibly still with room for improvement) by 1 October, which provides impetus for the group to work as quickly as possible.</li> </ul> </li> </ul>
<b>2</b>	<b>D+1</b>
	<ul style="list-style-type: none"> <li>Daily inputs needed: <ul style="list-style-type: none"> <li>Gas gate injection data: GIC reported that data delivery seems late; early emails do not contain yesterday's data <b>Action:</b> Vector to look into data provision</li> <li>Consumption data for telemetry ToU customers <b>Action:</b> AMS to provide list of telemetry sites that they query daily <b>Action:</b> Concept to provide ToU ICPs that are particularly difficult to model (and would be candidates for telemetry, as daily data on these sites would be particularly helpful in making D+1 allocations more accurate)</li> </ul> </li> <li>There is a question about whether it is better to use earlier unvalidated data or wait for validated data <b>Action:</b> D+1 trial will include early morning and afternoon allocations, so that participants can get a feel for the difference that using validated data makes</li> <li>Retailers thought it would be helpful to know how much gas was being allocated to each of its ToU sites by the D+1 model. Then the summary report only needs to include one volume per pool <b>Action:</b> Concept Consulting to develop a detailed retailer report and adjust summary report</li> <li>Participants will also need yesterday's cashout information to feed into BPP positions – when will MDL make that information available?</li> <li>Contentious issues identified (these will be considered as a priority by the group): <ul style="list-style-type: none"> <li>Wash up methodology: How calculated? volume or financial? If financial, at what price?</li> <li>Time of D+1 allocation vs data quality</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• Calculating GTA and BPP with D+1 results (it was noted that Vector is resource constrained, and this needs to be taken into consideration)</li> <li>• Obtaining MDL cashout volumes. Would it be possible to get unvalidated cashout volumes by 8AM the following day?</li> <li>• GTA calculation needs notice of trades, which requires retailers to provide this notice.</li> <li>• Resourcing and costs: D+1 will require more work by a number of parties</li> </ul>
<b>3</b>	<b>Timetable</b>
	<ul style="list-style-type: none"> <li>• Gas Industry Co currently doing internal testing</li> <li>• Expect external testing to begin early July <ul style="list-style-type: none"> <li>• D+1 results will be emailed to retailers</li> </ul> </li> <li>• September <ul style="list-style-type: none"> <li>• Data collection and result dissemination by FTP data transfer</li> </ul> </li> </ul>
<b>4</b>	<b>Next meeting</b>
	<ul style="list-style-type: none"> <li>• The next meeting is scheduled for <b>8 July, 10:00 to 12:00.</b></li> </ul>