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Cc: Ian Dempster, Ian Wilson – Gas Industry Company Limited

SUBMISSION ON PROPOSED GAS TRANSMISSION ACCESS CODE

Methanex appreciates the opportunity to respond to the proposed GTAC circulated recently by First Gas. We have enclosed the tabular form of the GTAC with our mark-ups and comments.

However, we wish to clarify that the mark-ups and comments we have provided are not intended to represent legal drafting and are given without prejudice. It is also important to make clear that they do not in any way derogate from Methanex' view that the design of the proposed GTAC is inferior in comparison to the Maui Pipeline Operating Code when it comes to addressing the particular characteristics of the Maui Pipeline and its users (including Methanex).

The MPOC was designed to fully prescribe the relationships between (and among) the Transmission Service Provider, Shippers and Interconnected Parties, and which has been notably successful in this regard. We consider that by design the GTAC addresses only a part of the transmission regime that is currently prescribed in MPOC. We do not consider that the GTAC meets the following requirements:

- Providing a contractual nexus between (and among) all parties who interact with the transmission system and the operator of that asset.
- Determining the most efficient and appropriate allocation of rights and obligations between the various parties, particularly in terms of allocating risks and responsibilities to those parties best able to manage them.
- Recognition that Interconnected Parties (not Shippers) are best placed to manage physical gas flows and balancing actions through coordination with Shippers and other Interconnected Parties.

- Recognition of the fundamentally different characteristics of the Maui Pipeline and the users on the Maui Pipeline from those on other parts of the transmission system.

Yours sincerely



Phil Watson

Methanex New Zealand Ltd