

Welcome to Gas Industry Co's *News Bulletin*, a periodic advisory of new and current consultations, workstream developments, publications and presentations.

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## GAS TRANSMISSION ACCESS CODE

In the 27 January 2017 News Bulletin, Gas Industry Co indicated that in mid-February First Gas would propose a set of directions and next steps for the new code development process. First Gas has done this in a paper entitled: *Gas Transmission Access Code Development: Proposed Decisions and Next Steps*, which has now been published on our website [here](#), and which will be discussed at a workshop at Gas Industry Co on 28 February.

Gas Industry Co and First Gas are co-leading the development of a single new gas transmission access code. As part of that, Gas Industry Co issued a paper in September 2016 entitled *Gas Transmission Access: Single Code Options Paper Part 1 (SCOP1)*, and First Gas issued a paper in November 2016 entitled *Gas Transmission Access: Single Code Options Paper (SCOP2)*.

The purpose of *SCOP2* was to explore the options for shaping a single new Gas Transmission Access Code (GTAC) to replace the Maui Pipeline Operating Code and the Vector Transmission Code. *SCOP2* focused on decisions that are important to establishing the direction for the new code and the IT system to implement it.

*SCOP2* attracted thirteen submissions, and a *SCOP2 Analysis of Submissions* was published in January. It includes Gas Industry Co's comments on the submissions and on the process forward. Submissions showed a high level of stakeholder engagement and strong support for the main objective proposed by First Gas; to enable the use of gas.

Building on the feedback received on *SCOP2*, First Gas now issues a paper entitled *Gas Transmission Access Code Development: Proposed Decisions and Next Steps*. It sets out a number of provisional decisions on the design of a new access regime and the process for putting it in place. Stakeholders are encouraged to attend a workshop to discuss the paper and provide their feedback:

Venue	Gas Industry Co, Level 8 The Todd Building, 95 Customhouse Quay, Wellington
Date	Tuesday 28 February 2017
Time	10.00am to 2.00pm (Sandwich lunch provided)
RSVP	<a href="#">Estelle Tolmay</a> (by Friday 24 February 2017)

All the documents referred to above and previous workshop presentations are available on our website.

[> Read more](#)

## Market-Based Balancing Review – Analysis of Submissions available.

MBB is the transmission pipeline balancing regime designed by Maui Development Limited (MDL). MBB came into effect on 1 October 2015. In November 2016, following the first year anniversary of the introduction of Market-Based Balancing (MBB), Gas Industry Co released the *Review of Market-Based Balancing (MBB Review)* for stakeholder feedback. The *MBB Review* found that primary and secondary balancing had significantly improved, and that there was scope for further improvement.

An *Analysis of Submissions on Review of Market-Based Balancing (MBB Review Submissions Analysis)* has been prepared by Gas Industry Co following stakeholder submissions which closed in December 2016.

The *MBB Review Submissions Analysis* found that most submitters considered that Gas Industry Co's approach to the analysis was reasonable and helpful, with some submitters suggesting further analysis was needed. Submitters generally agreed with the findings of the paper, but had different views on what conclusions could be drawn from the results. In particular, several submitters noted that it would be wrong to conclude that MBB had improved efficiency, since the cost of implementing it had not been reviewed.

The *MBB Review*, submissions received and the *MBB Review Analysis of Submissions*, are available [here](#).

## Critical Contingency Operator – Annual Industry Exercise date released.

The Critical Contingency Operator (CCO) will be running its Annual Industry Exercise on 11 April 2017 to test the First Gas Ltd Critical Contingency Management Plan. In preparation, the CCO will conduct the following training sessions in Auckland, New Plymouth and Wellington.

Location	Venue	Date	Time
Auckland	Genesis Energy 660 Great South Rd Ellerslie	Tuesday 14 March 2017	1.00 – 3.00pm
Wellington	Gas Industry Company Level 8, The Todd Building 95 Customhouse Quay	Wednesday 15 March 2017	10.00 – 12.00pm
New Plymouth	First Gas Ltd 42 Connett Road West Bell Block	Tuesday 21 March 2017	10.00 – 12.00pm

To attend one of the sessions above or to find out more, please respond directly to the CCO [here](#). The Participant's Brief which provides details of the exercise and how to participate is available on the CCO website [here](#).

## Consultation on Gas Industry Co FY2018 Statement of Intent and Levy - Analysis of Submissions released.

In December 2016, Gas Industry Co issued the paper *Consultation on Gas Industry Co FY2018 Statement of Intent and Levy (Consultation Paper)*. This is in respect of Gas Industry Co's proposed strategy, work programme and levy for FY2018. The five formal submissions received were broadly supportive of Gas Industry Co's proposed work for FY2018.

Based on industry submissions, an *Analysis of Submissions* has been prepared. The *Analysis of Submissions* noted positive industry support for the FY2018 proposals. Generally, submitters were comfortable with the proposed Work Programme and most highlighted expected significant work on the single transmission code development work.

The *Consultation Paper*, *Analysis of Submissions* and submissions received can be found [here](#).

## Gas Industry Co publishes its Briefing to the Incoming Minister.

Gas Industry Co has published its Briefing to the Incoming Minister of Energy and Resources, Hon Judith Collins. The *Briefing to the Incoming Minister (BIM)* is available [here](#).

As the industry body under the Gas Act 1992, Gas Industry Co reports to the Minister of Energy and Resources on a range of matters pertaining to the Company's activities. For new Ministers appointed to this portfolio the *BIM* describes the co-regulatory framework for the downstream gas sector and sets out Gas Industry Co's role, workstream and strategic priorities, its view of the current status of Government policy outcomes for the industry, and an assessment of the industry's performance.

## December 2016 Quarterly Report released.

Gas Industry Co's *December 2016 Quarterly Report* is now available on our website. Among other items, we continue to highlight developments in our gas transmission work, and the setting out of our proposed strategy, work programme and levy requirements for the year ending 30 June 2018.

## Consumer switching numbers for January 2017 available.

The Gas Registry statistics recording [gas consumer switching numbers for January 2017](#) are available. There were 3147 customer switches completed during January. This was 755 fewer switches in January than in December 2016.

Switching rates have been over 18% for more than two years. Switching times have fallen markedly in the past two years. At the start of 2015, switches took a little over six days, on average. It now takes an average of two business days for a switch to be completed.

If you wish to discuss any aspect of this Bulletin, please contact us at [info@gasindustry.co.nz](mailto:info@gasindustry.co.nz) or 04-4721800

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