

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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## Material for 17 May GTAC workshop.

At the February 2017 Gas Transmission Access Code (GTAC) workshop, First Gas proposed to prioritise four workstreams: access products, pricing, balancing and allocation, and code governance. A discussion paper prepared by Concept Consulting on code governance will be discussed at the workshop on 17 May. Feedback on that paper can be made [here](#).

In addition, First Gas intends to release material on the other three workstreams on Friday, 12 May 2017. This material will analyse detailed design choices that need to be made in drafting the new code, and will provide emerging views on the best way to make those design choices. First Gas will also release draft code provisions for access products, pricing, balancing and allocation to give stakeholders a sense of how the emerging views could be translated into code form.

First Gas will provide a 6-week period for any comments on the material released on 12 May, with submissions due on 23 June 2017. During this period, First Gas will seek to have one-on-one meetings with stakeholders to help ensure a good understanding of the emerging views and to get as much input as possible to the new code. Consistent with the work plan presented at the February workshop, First Gas then plans to release a full draft of the new code in August 2017 and will schedule a further industry workshop around that time.

Stakeholders are reminded to register for the 17 May workshop – workshop details can be found below. Please note the change of venue and that there will be no teleconferencing facility for this workshop.

[➤ Read more on GTAC](#)

### WORKSHOP DETAILS

Venue	Wellington Room, Intercontinental Hotel, 2 Grey Street, Wellington
Date	Wednesday, 17 May 2017
Time	10.00am to 3.00pm (lunch will be provided)
RSVP	<a href="#">Estelle Tolmay</a> (by 5.00pm, Monday, 15 May 2017)

## Costs for implementing MBB.

In our 9 March 2017 News Bulletin we reported on the release of our market-based balancing (MBB) Review *Submissions Analysis*. Among other matters we noted that several submitters believed that the cost of implementing MBB exceeded the allowance made in the *MBB Cost Benefit Analysis* (CBA). We considered that there was value in following up on this by finding out what one-off and ongoing incremental costs gas shippers actually incurred in adapting their businesses to the new regime. Six shippers responded to our request for information and we have anonymised these responses and present them in a short analysis, *The costs of implementing MBB*, which can be found [here](#).

In essence, we found that the CBA estimates of shipper costs seem to have been of the right order although individual shippers incurred significantly different costs. Also, it appears that in general the on-going incremental costs substantially outweighs the one-off costs. For the future, we conclude that although cost estimates need to be debated openly, individual market participants should be allowed to provide their cost estimates in confidence where, for example, they are concerned that such information might be used by a competitor. An independent assessment of these costs should also be made, where practical.

While *The costs of implementing MBB* is not a formal consultation paper, as always, we welcome any comment you have. Please send these by email to [ian.wilson@gasindustry.co.nz](mailto:ian.wilson@gasindustry.co.nz).

## REMINDER: Feedback invited on two gas metering papers

Following requests from industry stakeholders to look into gas metering issues, Gas Industry Co has released two papers it commissioned for stakeholder review and feedback.

The papers prepared by Rod Crone Consulting - *Gas Metering Review: Review of metering service provider arrangements*, and *Gas Metering Review: Review of advanced metering technology* are available [here](#).

The papers describe current metering arrangements and spell out the possibilities offered by advanced metering with a view to assessing whether there are barriers to competition in the metering market or to placement of advanced meters.

An overview of each of the papers, as well as questions that Gas Industry Co would like to pose to stakeholders in light of the papers' findings, can be found in a *Covering Document* available [here](#). Stakeholders are invited to provide responses by **5.00pm, Wednesday, 14 June 2017**.

[> Read more, and make a submission](#)

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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