

Industry Code Development (ICD) Process - Meeting Minutes

Date:	25 September 2009	Date of next meeting:	02 October 2009
Time:	9.30 am - 2 pm	Time of next meeting:	9.30 am - 2 pm
Location:	Contact Energy	Location of next meeting:	Gas Industry Co
Chair:	Concept Consulting Group	David Hunt	Chair
Attendees:	Contact Energy	Alex Love	AL
	Energy Acumen Limited	Michael Wright	MW
	Gas Industry Co	Ian Wilson	IW
		Melanie Strokes	MS
	Genesis Energy	Roger Johnston	RJ
		Ross Parry	RP
	Greymouth Petroleum	Chris Boxall	CB
	MDL	David Bott	DB
		Don Grey	DG
		Murray Jackson	MJ
		Ron Kelly	RK
	MRP	Jim Raybould	JR
	Multigas	Syd Hunt	SH
	NZ Steel	Dean Adams	DA
		Paul van Brakel	PvB
	OMV	Nick McDougall	NM
	On Gas and Vector Gas Contracts	Anna Carrick	AC
	Todd Energy	Charles Teichert	CT
	Vector Transmission	Paul Hodgson (left meeting at 1:45pm)	PH
Apologies:	Vector Transmission	Jo Murray	
	MRP	Duncan Jared	

Item	Discussion/Action	who	when
Approval of Minutes	DB requested a change to the draft minutes and the group agreed with the suggestion. MS to amend the draft minutes of the 18 Septemeber ICD meeting and circulate final approved minutes.	MS	29/09/09
High level preview of draft balancing regulations (powerpoint presentation)	IW and MW presented an overview of the draft balancing regulations to the group. A number of questions were asked on the material presented. IW reminded participants that they will have an opportunity to submit on the draft regulations when the Statement of Proposal is released 1 October.		
Overview of objectives and balancing criteria (hand-out)	The Chair noted that the evaluation criteria could be used as a guide to determine how close the group can get to achieving each.		
Balancing regime checklist (hand-out)	Participants were referred to a hand-out containing a draft balancing regime checklist that has been developed by Gas Industry Co to help facilitate discussion. The Chair noted that he would like the group to work through each one to define: 1) how close is the industry is to achieving each item; and 2) if industry is not close to achieving, what can be done to get there. Design objectives: Several participants noted that there isn't disagreement about the items on the checklist for design elements but only disagreement on how to achieve each. Procurement: It was suggested that the BGX may achieve the procurement design objectives, but the problem is that the arrangements are not locked in. The group discussed views on the possibility of an extended nominations arrangement. Some participants expressed reservations about virtual WPs and there was general agreement that more work needed to be done on the proposal. It was noted that the difficulty with virtual WPs will ultimately be who is responsible and who wears the risk. Linepack management: DG noted that the current MDL SOPs contain clear scope for Balancing Agent discretion. He noted that revised SOPs have been recently posted and MDL invites comments. Concerns from the group were expressed regarding the status of SOPs and the lack of protection they offer users. MDL noted it would consider suggestions. The Chair asked whether the TSOs have clear responsibility for compressor operation outlined. DG noted that MDL did and that they would be open to publishing the policy. The Chair motioned to remove curtailment from the list as it is being dealt with in other forums and the group agreed. Allocation: The Chair asked whether all balancing gas was allocated at present. DG noted that this section relates to back-to-back balancing and that no, at present, it was not achieved. He noted that it could be introduced through MPOC changes and MDL had been working on these changes. DG also noted that the proposals MDL is working on would deal with UFG. Other: The Chair pointed out that the items in the 'Other' category may be solutions to get ticks in the other boxes. It was noted that: the extended nomination proposal will be considered by the group at some point; D+1 is being pursued in a different context; tolerances would be considered along with back-to-back balancing; title tracking was embedded in other items and was not an essential item to deal with at present; and the direct balancing agent-causer relationship would need to be covered in an allocation plan. AL added that the extended nominations could go a long way to address this. The Chair asked for ideas on how the group could begin to develop these ideas. PH noted that Vector could put together a proposal for achieving a single balancing regime in a few weeks. DB suggested that MDL could do the same. He noted that MDL's proposals would cover back-to-back balancing, procurement, changes to the BGX, and unification of the regimes. Governance: The next item on the checklist was governance. It was suggested and agreed that Gas Industry Co should present a proposal for this.		
Agenda items for next meeting	MDL noted that they would put together a document outlining MDL's back-to-back balancing proposal for the next meeting. Gas Industry Co to provide participants with proposal for governance.	DG IW/MS	02/10/09 02/10/09