



DRAG – Meeting #6

13 September 2012

Agenda

1. Welcome and introduction	10:00am
2. Statement of Proposal – July 2012	10:05am
3. Initial allocation	11:30am
• SADSV	11:40am
• Concept's report	
4. Next steps	12:55pm

Statement of Proposal – July 2012

- Key themes from submissions

Statement of Proposal – July 2012

Whether commercial arrangements provide sufficient obligations on meter owners for the purposes of the Rules

Is there anything in submissions to change the SoP analysis?

“...some meter owners do not operate in a contestable market, i.e. where dx network owners do not permit other meters on their network...”

“...regulation is needed because metering technology is difficult...”

“...gas metering is a pseudo-monopoly so a set of industry guidelines wouldn't be amiss...”

Statement of Proposal – July 2012

Atypical gas gates

Direct Connects: General agreement on DCs; Access to injection data

G1M: General agreement; Greymouth comments: proof that TOU is cause of UFG

Statement of Proposal – July 2012

Estimated daily energy quantities

MDL: "MPOC makes meter owners responsible for metering data, alternate definition: "...responsible allocation participant's meter owner's best estimate..."

Vector drafting comments

Vector's proposed drafting:

daily metered energy quantities are quantities from gas measurement systems with ~~a datalogger or corrector~~ equipment fitted that records daily information or other devices used for a similar purpose in the future, ~~if no,~~ provided that if reliable data is not available at the relevant time, the relevant energy quantities will be ~~determined in accordance with~~ the responsible allocation participant's best estimate at the relevant time determined in a manner consistent with:

(a) Schedule 1 for [gas quantities submitted under rules 31.1, 32.1, 33.1 or 44.1 (as relevant)]**consumer installations in allocation groups 1 and 2];** or

(b) The relevant **transmission services agreement** for [gas quantities injected at an **allocated gas gate**/information submitted under rule 41 or 44.1 (as relevant)]." ...

Statement of Proposal – July 2012

Trading notifications

Mixed response on whether to link allocation system with gas registry or extend deadline for compliance

Statement of Proposal – July 2012

Audits

Performance audits: general agreement on auditing registry fields; mixed views on whether to include in Reconciliation Rules or Switching Rules

Auditor discretion regarding audit costs: general agreement

Major system changes: guideline for meaning of 'major'; suggested that post-event audits should not be compulsory

Statement of Proposal – July 2012

Rule 42 & extending rule 28.4 to TSOs

General support for deleting rule 42. Exception is Greymouth noting limited lifespan of OATIS.

Extending rule 28.4 to TSOs: general agreement with exception of Vector

Statement of Proposal – July 2012

Parameter	GAR170	SupSub
Visibility	Gas Industry Co	EA & reconciliation participants
Frequency	The AA must produce this summary report for each initial, interim and final allocation performed during the month by 0800 hours on the 5 th , 11 th , and 16 th business days [and] for each special allocation performed	The RM must deliver the report to all participants and the board by 1600 hours on the 7th business day of each calendar month, and in respect of revisions, by 1200 hours on the last business day of each month.
Detail rows	Consumption period Allocation stage Network Code Gas Gate Allocation participant Aggregation Level Total quantity (GJ) Estimate Indicator	Consumption period Revision cycle Balancing area Network ID Participant code Total retailer consumption from submissions Total retailer sales (electricity supplied) Difference (kWh) Sales/submission ratio

Next steps & future of DRAG

- **Submissions analysis – end of October**
- **Recommendation to the Minister**
 - Rules
 - Implementation
- **Minister gazettes new rules**
- **New rules go live**



Earlier publication of SADSVs

	BD4	BD5	BD6
Current approach	12:00 TSO submits injection information 12:00 Retailers submit all consumption data	12:00 AA publishes initial allocation	
Alternate "B"	10:00 TSO submits injection data; retailers submit TOU data 15:00 AA publishes SADSV	12:00 Retailers submit non-TOU consumption data	12:00 AA publishes initial allocation

Feedback on Alternate "B"

Contact

Concerned with tight deadlines: lack of opportunity to make corrections/validations

Earliest deadline for TOU data = 17:00 on BD3

Genesis

Need 36 hours to submit non-TOU data after receiving SADSVs

MRP

OK with alternate "B" – could shorten further, but that would risk not being able to make corrections/validations/emergencies

Vector

OK with either option but more estimation likely under "B"

Concept's report

- **Algorithm works ok for AG6**
- **Doesn't work so well for AG4**
- **Is there any further info that would improve AG4 estimation?**
- **Should we pursue this line or try something else?
Pipeline-level monthly allocations?**