

Gas Industry Co Standard gas trading contract – user guide

Gas Industry Co, in conjunction with industry participants, has developed a standard gas trading contract specifically designed for use for short term (up to one year) bilateral trades of gas. The standard contract is available free of charge on Gas Industry Co's website. The contract is made up of the following two parts:

Gas Supply Agreement in which the parties specify the variable terms of trade, including the following.

- Identity of parties, addresses for notices etc.
- Supply commencement and end dates.
- Day on which gas is to be supplied and delivery point for that gas.
- Agreed quantities – with options to specify maximum and minimum quantities, minimum daily take, times for buyer notifications and seller nominations.
- Price – includes options for variable or fixed pricing.
- Force majeure – option to specify time after which either party may terminate agreement after force majeure event.
- Termination – option to specify termination date and number of days after which Buyer may terminate for non-delivery of gas.
- Liability – options to specify liability caps and set amount of liquidated damages for non-delivery.

The GSA is set up as a Word form. Use the tab key to insert data in each field.

Schedule of standard, non-variable terms of trade, including the following.

- Defined terms.
- Condition subsequent regarding s41 of Crown Minerals Act (which may apply where the Seller is a permit holder under that Act).
- Obligations and rights relating to passing of title, delivery, transportation and allocation arrangements, agreed quantities, and measurement of gas quantities.
- Price and payment obligations, including rights on non-payment and how to dispute invoices.
- Limits on liability and specific liability for delivery failure.
- Force Majeure clause, including specific terms in respect of "MPOC Events".
- Assignment, termination, and confidentiality.
- Dispute resolution.

The standard contract is designed for trading on both the Maui and Vector transmission systems. For this reason, arrangements for transportation of gas are dealt with outside of the standard contract.

The contract is intended to be non-exclusive and therefore does not contain any restriction on the on-sale of gas to third parties.