Vector Transmission Code Change Request Appeal: draft recommendation

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GAS INDUSTRY COMPANY LIMITED

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About Gas Industry Co.

Gas Industry Co was formed to be the co-regulator under the Gas Act.

As such, its role is to:

- recommend arrangements, including rules and regulations where appropriate, which improve:
  - the operation of gas markets;
  - access to infrastructure; and
  - consumer outcomes;
- administer, oversee compliance with, and review such arrangements; and
- report regularly to the Minister of Energy on the performance and present state of the New Zealand gas industry, and the achievement of Government's policy objectives for the gas sector.

Authorship

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1 Introduction

The purpose of this paper is to set out Gas Industry Co Limited's (Gas Industry Co) draft recommendation on Contact Energy Limited's (Contact) change request appeals under the Vector Transmission Code (VTC).

Under the VTC, any party can request a variation or modification to, or waiver from, any provision of the VTC. Section 25 of the VTC sets out a process for the consideration of such change requests, which includes compulsory consultation with all shippers on Vector's transmission system. Under section 25.5(c)(i) of the VTC Vector and 75% of all shippers who respond must consent to a change request. Once that process is complete, certain parties may appeal the outcome whether or not the change request was successful. For example, a party who voted against a change request that was successful may appeal that outcome and vice versa.

Gas Industry Co is tasked with independently reviewing and making a recommendation on change request appeals. Following consultation, Gas Industry Co must make a final recommendation "supporting or not supporting the Change Request or finding that Vector Gas Limited (Vector) has or has not validly withheld consent"[1].

In consultation with its shippers, Vector developed a process for considering change request appeals under the VTC. Gas Industry Co and Vector have incorporated that process into a Memorandum of Understanding (MoU) setting out, in greater detail, the process that Gas Industry Co will follow when considering appeals. A copy of that MOU is available on Gas Industry Co's website: http://www.gasindustry.co.nz/Downloads/MoU%20Signed%20Version.pdf

When making its recommendation on an appeal, the MoU requires Gas Industry Co to have regard to the objectives specified in section 43ZN of the Gas Act 1992 (the Gas Act) and the objectives specified in the Government Policy Statement on Gas Governance (GPS). The combined principal objectives for Gas Industry Co are to ensure that gas is delivered to existing and new customers in a safe, efficient, fair, reliable and environmentally sustainable manner.

Gas Industry Co's final recommendation is binding on the parties to the VTC except to the extent that Vector has withheld its consent and the change would result in Vector incurring capital expenditure or

[1] VTC Section 25.7.

operating expenses[2]. Even then, if another party is prepared to cover the cost, or Gas Industry Co regulates to recover the cost, then Vector is obliged to make the change.

[2] VTC section 25.5(b)(i) and (ii).

2 The Appeal

On 10 September 2008, Vector received from Contact a change request proposing eight sets of changes to the VTC (the change request). Vector consulted with its shippers and consented to three out of the eight change requests submitted. These three changes have now been incorporated into the VTC. The drafting and effect of a fourth change is being worked through between Contact and Vector. Vector withheld its consent to the remaining four change requests.

On 9 October 2008, Gas Industry Co received an appeal from Contact (the appeal). The appeal concerns the remaining four (out of eight) change requests originally made by Contact. The appeals are described by Contact as follows:

- change request 4 (matching payments in and out of the BPP account);
- change request 5 (payments in and out of the BPP account);
- change request 6 (confidentiality); and
- change request 7 (provision of Vector running imbalance information).

On 20 October 2008, Gas Industry Co published the appeal on its website and notified relevant stakeholders. Submissions closed and were published on Gas Industry Co's website on 3 November 2008. Cross-submissions closed and were published on Gas Industry Co's website on 17 November 2008.

The VTC provides that any party making a change request must submit a written request specifying the reasons for the amendment and the nature, intended impact, effect of that amendment, and the date on which the amendment will take effect (section 25.4).

The details of each change request (including proposed wording changes) are set out in full in Contact's letter to Vector of 10 September 2008 and are summarised in Contact's appeal letter of 9 October 2008. Vector has summarised its view of the change requests in its submission dated 3 November 2008. This information and all other submissions are available on Gas Industry Co's website.

3 Process and submissions

This draft recommendation will provide a basis for consultation, submissions will be considered and then a final recommendation will be published. The timeframe for this is as follows:

22 Dec 08	Gas Industry Co publishes draft recommendation on its website and notifies interested parties. Submissions on the draft recommendation invited.
19 Jan 09	Final date for submissions on draft recommendation. Gas Industry Co publishes submissions on its website and notifies interested parties.
23 Feb 09	Gas Industry Co makes final recommendation to Vector. Gas Industry Co publishes final recommendation on its website and notifies interested parties.

Submitters may identify any information in their submission which they believe to be confidential or commercially sensitive. If a submitter identifies any such information it must also provide the reasons for that belief. Gas Industry Co may delete that information from the submission before publishing it on its website where:

- it is satisfied that the submitter, or another identified person, would be materially commercially disadvantaged if the information is published;
- the information is not essential or material to the decision to be made by Gas Industry Co; and
- it is satisfied that, despite the deletion of the information, other parties and industry participants will not be hindered, ill-informed or otherwise materially disadvantaged when making, or deciding whether or not to make, submissions themselves.

Parties who wish to make submissions on the appeal are invited to respond by 5:00 pm on 19 January 2009. Please note that submissions received after those dates may not be able to be considered. By making a submission, submitters agree that Gas Industry Co will not be liable for publishing any information it receives in a submission.

Gas Industry Co's preference is to receive submissions in electronic form (Microsoft Word format or pdf) with "VTC Change Request Appeal - Submission" in the subject header to submissions@gasindustry.co.nz. A hard copy would also be appreciated and should be posted to:

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Gas Industry Co will acknowledge receipt of all submissions electronically.

4 Appeal of change request 4

The primary purpose of change request 4 is to make Vector liable for any amounts not paid by shippers and non-code shippers into the balancing and peaking pool (the 'BPP'). Contact submits that this is intended to ensure that Vector will use reasonable endeavours to seek to recover any unpaid amounts, especially with respect to non-code shippers.

The BPP is a mechanism included in the VTC that allocates the costs of balancing, including:

- payments made by Vector to Maui Development Limited (MDL) as a result of an imbalance limit overrun notice (ILON);
- payments made as a result of Vector taking its own balancing actions, such as purchasing balancing gas; and
- claims for non-delivery where a shipper was unable to take gas to which it was entitled.

BPP costs are allocated proportionately among:

- shippers who have a negative mismatch on that pipeline on that day; and
- Vector if it has any negative Vector imbalance on that pipeline on that day.

According to submissions, shippers with contracts that are not subject to the VTC (non-code shippers) are allocated their share of BPP costs on the same basis as shippers under the VTC, which is calculated in accordance with the shipper allocation formula set out in section 1 of the VTC.

Update

In paragraph 15 of its submission, Vector stated that it would be submitting a revised change request 4, which was identical to Contact's change request 4 except without the requirement on Vector to pursue non-code shippers for unpaid sums. At the time of writing this paper, the VTC Change Request Table on the Open Access Transmission Information System provides that a revised change request 4 has been submitted by Vector with a final date for notice of consent from shippers of 9 December 2008. If this change request obtains the required consent, Gas Industry Co's recommendation in respect of change request 4 need only relate to whether Vector should be required to pursue non-code shippers.

Submissions

Contact submitted that Vector is the only one with a contractual relationship with non-code shippers and should therefore be responsible for recovering unpaid sums from them. Contact also submitted that change request 4 would more clearly define the risks faced by all parties under the VTC, including Vector.

EDNZ supported the merits of the appeal of change request 4 but considered that Vector was within its rights under the VTC to refuse to consent because Vector would incur operating expenses that it could not reasonably expect to recover.

Genesis supported the appeal of change request 4 because it considered that it clarified the arrangements and was consistent with the intent of the VTC. Vector cross-submitted that this was not Vector's intention and that it did not believe the industry had this intention.

MRP did not support the appeal of change request 4. Rather, it considered that a payment recovery mechanism such as the one suggested by Vector in its submission would be more beneficial.

OnGas did not support the appeal of change request 4 as proposed by Contact because it considered the BPP should be managed separately by the BPP Trustee and not by Vector. OnGas suggested some amendments to the appeal of change request 4, which it considered would make the appeal of change request 4 acceptable. However, in its appeal role under the VTC, Gas Industry Co is limited in scope to considering change requests as proposed.

Vector did not support the requirement to pursue non-code shippers in change request 4 as proposed by Contact largely because Vector does not consider that it should be responsible for the day-to-day operation of the BPP. Vector submitted that "balancing is, for the most part, largely a Shipper created problem." Vector admitted that it does contribute to pipeline imbalances through the need for compressor fuel and as a result of UFG. However, Vector considered it inappropriate that, as pipeline owner, it should "bear the costs of chasing Shippers or Non-Code Shippers who, for whatever reason, have chosen not to pay their invoices in a particular month".

Extent of the change relating to pursuing non-code shippers

In addition to its primary purpose, change request 4 proposes several reasonably significant amendments to the drafting of some of the provisions of the VTC. One of these amendments is to the wording of the requirement on Vector to pursue non-code shippers for unpaid sums in respect of a Maui Pipeline Operating Code (MPOC) indemnity cost. Section 8.12 provides that:

> "Vector shall use reasonable endeavours to pursue and seek recovery from the Non-Code Shipper of the Non-Code Shipper's relevant proportion of indemnity payment that was payable to MDL, if applicable".

It is suggested that the wording be changed from "pursue and seek recovery from the Non-Code Shipper" to "cause the Non-Code Shippers to pay into the BPP Account the relevant proportion of the indemnity payment attributable to them" Further, change request 4 proposed adding the same requirement into sections:

- 8.13 (allocation of payments into and out of the BPP Pool);
- 8.18 (where a sale or purchase of balancing gas occurs); and
- 8.19 (where a cash-out occurs).

At a meeting with Gas Industry Co on 13 October 2008, Contact noted that section 8.12 already requires Vector to pursue non-code shippers for unpaid monies.

While the effect of change request 4 might be similar to section 8.12, there are clearly differences in the drafting and an extended application of the requirement to other areas than just the MPOC indemnity. Therefore, Gas Industry Co must consider the altered wording to be a change to the existing requirement to pursue non-code shippers.

Financial neutrality

Balancing is primarily covered in section 8 of the VTC. Vector submitted that section 8.20, which is titled 'financial neutrality', means that Vector should neither profit nor lose money from operating the BPP and that therefore it should not be liable for non-code shippers' non-payments, including the costs of recovering those payments. Contact cross-submitted that section 8.20 only prevents Vector from profiting from the BPP but that it is silent on whether Vector might incur losses as a result of operating the BPP, including from shipper non-payment into the BPP.

Section 1.2(c) provides that headings are for convenience only and have no effect on the construction of the code. The concept of financial neutrality only appears in the heading to section 8.20 and can therefore not be used in interpreting the section.

However, in terms of its meaning, section 8.20 provides that Vector is entitled to recover any costs paid to a third party for the administration of Vector's operation of the BPP Account. It is not clear to Gas Industry Co whether this extends to recovery of third party fees for using reasonable endeavours to recoup unpaid monies. If it does, section 8.20 provides that these administration costs are to be allocated to shippers in proportion to the quantity of each shipper's aggregate deliveries of gas over the relevant period. Assuming Vector is also allocated its share of the costs, this appears to be an equitable outcome and one to which the parties have already agreed.

Gas Industry Co analysis

There seems to be some merit in clarifying in VTC who is liable for a shortfall in the BPP account and who is liable for costs incurred in recovering the shortfall. For instance, section 8.20 of the VTC could be clearer as to whether debt recovery costs are 'administrative costs' and therefore recoverable from shippers.

Gas Industry Co considers that balancing is a community issue and that the costs of administering balancing arrangements should be allocated fairly across all those who benefit from them, including both shippers and non-code shippers. Gas Industry Co's preference is therefore that shippers and non-code shippers be subject to the same balancing arrangements.

However, until all shippers are subject to the same balancing arrangements (which may require regulation) and while the non-code shippers remain outside the VTC, it is arguable that the costs and benefits of the arrangements for non-code shippers should lie fairly with Vector just as other non-code shipper costs and benefits do.

Nevertheless, section 25.7 requires Gas Industry Co to consider (among other things) whether Vector has validly withheld its consent. Section 25.5(b)(ii) provides that Vector withholding its consent will be reasonable where the change would require Vector to incur operating expenses or costs that Vector cannot reasonably expect to recover.

Gas Industry Co considers that, while some costs of recovering payment from non-code shippers may be recoverable under section 8.20, there are potentially significant costs that may not be recoverable, including the costs of the actual shortfall itself, court costs, legal costs, and in-house costs. While some of these costs may be recoverable from the shipper itself or through the courts, there is also a likelihood that not all of these costs would be able to be recovered. Consequently, Gas Industry Co's recommendation is that Vector has validly withheld its consent under section 25.5(a)(i) to change request 4.

5 Appeal of change request 5

Change request 5 proposes to amend the VTC to prevent a payment being made out of the BPP account where it would exceed the amount of payments made into the BPP as a result of the same matter.

In the change request, Contact stated that it considers it is:

> "not appropriate for the BPP to go into overdraft to fund any shortfall in amounts that are to be paid out of the BPP account where one or more Shipper, Non-Code Shipper or Vector (as applicable) fails to pay into the BPP Account amounts it is required to pay into that account".

Submissions

EDNZ supported the merits of the appeal of change request 5 but considered that Vector was within its rights under the VTC to refuse to consent to the changes because Vector would incur operating expenses that it could not reasonably expect to recover.

Genesis supported the appeal of change request 5 because it also did not consider it appropriate for the BPP to go into overdraft.

Mighty River Power did not support the appeal of change request 5 because it did not consider that Vector should be 'out-of-pocket' if payments into the BPP were less than payments required from the BPP.

OnGas did not support the appeal of change request 5 because it considered that an overdraft was the correct facility to manage the shortfall. OnGas' submission suggests that the BPP Trustee should seek to recover payments due but does not address who it considers should be liable in the event of a party defaulting.

Vector submitted that the appeal of change request 5 would require it to underwrite the actions or omissions of shippers (as they related to the BPP) and effectively act as a bank. Vector disagreed with the appeal of change request 5 for the same reasons it disagreed with the appeal of change request 4, including that it would require Vector to incur costs that it could not reasonably expect to recover.

Gas Industry Co analysis

Change request 5 prevents the BPP from going into overdraft. While change request 5, by itself, does not address who would be liable for any shortfall in the BPP account, it would essentially force the issue of who is liable for the shortfall to be decided. Since Vector remains liable to MDL regardless of who pays into the BPP, Vector would be the party left 'out-of-pocket' until a dispute with a shipper could be resolved and the shipper pays up.

In Contact's letter to Gas Industry Co it added that "the VTC does not state the consequences of payments from the BPP exceeding payments into the VTC." Contact submits that one benefit of change request 5 would be clarifying in the VTC whether payments out of the BPP can exceed payments into the VTC; in other words, whether an overdraft is possible. Contact submits that an overdraft should not be possible and the effect of that is to put the costs of a shortfall on Vector.

There may be some benefit to the industry in clarifying whether the BPP can go into overdraft. And, as discussed in relation to the appeal of change request 4, it is Gas Industry Co's view that the costs of a balancing regime for the industry should fall on all those who benefit from it. However, because of the non-code shipper arrangements, Gas Industry Co's view is that the costs and benefits of these arrangements should fairly lie with Vector.

For this reason, consistent with Gas Industry Co's analysis of the appeal of change request 4, Gas Industry Co considers that imposing these costs on Vector would be likely to result in Vector incurring operating expenses or costs that Vector cannot reasonably expect to recover. Consequently, Gas Industry Co's recommendation is that Vector has validly withheld its consent under section 25.5(a)(i) to change request 5.

6 Appeal of change request 6

Change request 6 requires Vector to publish all information on energy quantities listed in Schedule 4 of the VTC for all code shippers at welded points, receipt points and delivery points on the Vector transmission system. Presently, this information is only published in respect of gas gates with more than two shippers sharing the gate. The rationale for this is that if there is only one shipper at a gas gate then everyone would become aware of that shipper's actual energy quantity information. Further, if there are only two shippers at a gas gate then giving out the aggregate would give each shipper at that gas gate the other shipper's actual energy quantity information.

Update

Vector informed Gas Industry Co by email of 26 November 2008 that a revised version of change request 6 had been resubmitted by Vector. According to Vector, two shippers responded and both supported the revised change request. Vector advised that it would consent to the revised change request only if non-code shippers agreed to execute deeds of amendment. The deeds are intended to clarify that publishing the energy quantity information does not breach the confidentiality provisions of the transmission services agreements between Vector and non-code shippers.

However, Contact notified Gas Industry Co by email of 2 December 2008 that it has:

> "identified a number of defects in the Deed of Amendments that Vector is requiring Contact to sign as a Non-Code Shipper before it will publish the information sought by Contact through its Change Request 6. We advised Vector of those defects yesterday and await its response".

If, prior to Gas Industry Co making its final recommendation, agreement is reached between Vector and non-code shippers, and Contact has agreed to withdraw its appeal, then Gas Industry Co will not be required to make a recommendation in respect of change request 6. However, until the appeal is withdrawn, Gas Industry Co is required to consider and make a recommendation on the appeal.

Submissions

Contact submitted that the benefits of this change would be that:

- shippers would have access to information that would help them better manage balancing risks; and
- it would make operation of the transmission system more open and transparent.

EDNZ supports the appeal of change request 6 with the qualification that non-code shippers also agree.

Genesis supports the appeal of change request 6 on the basis that it would better allow shippers to manage their imbalance positions.

MRP supports the appeal of change request 6 for the reasons set out by Contact in the appeal. MRP is also a non-code shipper and submits that it consents to Vector publishing the information in its capacity as a non-code shipper.

OnGas submitted that it did not support the appeal of change request 6 as proposed by Contact but that it would support the appeal of change request 6 if non-code shippers indicated support for the information being published.

Vector did not consent to change request 6 but said that it would consent if non-code shippers agreed to change their transmission system agreements to clarify that Vector would not be breaching confidentiality obligations by making the information available.

GIC analysis

Gas Industry Co agrees with Contact, as do most other submitters (including Vector), that disclosure of the energy quantity information would benefit the industry. However, most submitters agree that Vector should not be required to publish the information unless all non-code shippers agree to publish their energy quantity information as well.

This position is reflected in the Gas (Downstream Reconciliation) Rules 2008 (the reconciliation rules) under which much of the energy quantity information in relation to delivery points is already required to be notified to retailers on business days for all gas gates equipped with telemetry. Non-telemetry gas gates will be subject to the same requirement when a transitional exemption ends on 30 April 2008.

Contact submitted that it does not consider the energy quantity information to be confidential and considers that publishing the information would not be a breach of its transmission services agreement. Therefore, Contact submitted that it is unnecessary for non-code shippers to sign an agreement, assuming all non-code shipper transmission services agreements have confidentiality provisions matching (or similar in effect to) that of Contact's.

In the case of energy quantity information already required to be disclosed under the reconciliation rules, this information cannot be considered to be confidential.

For all other energy quantity information covered by schedule 4, having considered the confidentiality clause in paragraph 44 of Contact's cross-submission dated 17 November 2008, Gas Industry Co considers that there is a reasonable risk that the remaining energy quantity information may be confidential to shippers under non-code shipper transmission services agreements. However, whether disclosure of this energy quantity information would constitute a breach of Contact’s and other non-code shipper agreements is for the courts to decide.

Gas Industry Co considers that supporting the appeal of change request 6 might leave code shippers in the position where one or more non-code shippers refused to publish the same information, which would leave code shippers at a disadvantage when balancing. Therefore, Gas Industry Co considers that it would be unfair on code shippers to support the appeal of change request 6 unless non-code shippers agree and sign appropriate deeds amending non-code shipper transmission services agreements clarifying that disclosure of the energy quantity information does not constitute breach of confidentiality.

If appropriate deeds of amendment could not be agreed Gas Industry Co would not support the appeal of change request 6.

7 Appeal of change request 7

Change request 7 requires Vector to publish the 'Vector running imbalance' information on the Open Access Transmission Information System (OATIS) on the date that Vector issues invoices to VTC shippers.

'Vector running imbalance' is the aggregate of all operational imbalances attributable to Vector at a welded point at the end of a gas day less any gas Vector has sold to MDL on that gas day in relation to that welded point.

Submissions

Contact submitted that change request 7 would:

> "enable shippers to ascertain whether the amounts specified in [BPP] invoices rendered pursuant to section 16.2 are correctly calculated. In order to determine whether invoices are correctly calculated, shippers require information regarding the total amounts payable into and out of the BPP and its own position compared to the total amount payable by or to all shippers, non-code shippers, and Vector. As Vector will make payments into and receive payments out of the BPP based on Vector running imbalance, shippers should be provided with information regarding the amount of Vector running imbalance in respect of each day covered by the relevant BPP invoice in order to check the accuracy of that invoice. The information should be made available on the same day as the invoice is provided".

Contact also referred more generally to the benefits of Vector's running imbalance being transparent, including that "[e]xposure of Vector Running Imbalance is an appropriate discipline and will help ensure that Vector manages its running imbalance effectively".

EDNZ supports change request 7 for the same reasons as Contact in its change request and appeal. EDNZ submitted that it does not consider that Vector would incur any significant additional costs as a result of obtaining or publishing this information. EDNZ notes that it has previously consented to its mismatch positions to be disclosed by Vector.

Genesis supports change request 7 on the basis that it allows BPP invoices to be verified.

MRP supports change request 7 because it considers Vector's running imbalance at a welded point is a determinant of a shipper's mismatch position and therefore impacts on a shipper's balancing invoice.

It considers that Vector's imbalance information is required to reconcile shipper balancing invoices and should therefore be published.

OnGas does not support change request 7. Instead OnGas noted that it will be submitting a different change request to allow shippers to check invoices without requiring Vector to publish its running imbalance.

Vector submitted that it did not consent to change request 7 because:

- it would not enable shippers to check BPP invoices;
- the VTC contains an audit process through which errors would be identified; and
- the Vector running imbalance is the equivalent of a shipper's mismatch position and shippers have refused publication of their mismatch positions fearing blaming behaviour of others and therefore it considered that it should be treated no differently than other shippers.

Vector also mentioned that publishing the Vector Running Imbalance (and shipper mismatch information) would tend to create industry quarrels around whose fault an imbalance was.

GIC analysis

Under the VTC, Vector is required to publish an estimate of the contribution that the Vector running imbalance has had to the ILON issued by MDL. This information is largely the same as the information that would need to be published under change request 7.

Contact describes two benefits of change request 7. Firstly, it submits that Vector's running imbalance is required to help verify BPP invoices. Secondly, it submits that transparency of Vector's running imbalance will help ensure that Vector manages its running imbalance effectively. Contact submits that a failure by Vector to manage its running imbalance will expose all shippers to higher gas transportation costs.

In response to the first benefit described by Contact, Vector submits that disclosure of Vector's running imbalance will not enable shippers to replicate or check their BPP invoices because two variables will remain unknown. These two variables are:

- the value of the non-code shipper contribution; and
- the sum of the VTC shippers' running mismatch.

Vector argues that the independent audit process should comfort its shippers in respect of managing the BPP account. No audits have yet been conducted but only 10 transactions have taken place in the BPP account thus far.

Vector's response to the second benefit described by Contact (transparency to encourage Vector to manage its running imbalance effectively) is that Vector should be treated no differently than other shippers. Vector has taken the position in paragraph 52 of its submission that it would "be more than willing to disclose its position when others disclose theirs". Vector submits that it recently conducted a poll of its shippers and the result was that shippers do not want imbalance positions known. While transparency across all shippers would also be likely to promote the objectives of the Gas Act and the GPS, the change request in front of Gas Industry Co only concerns Vector's running imbalance.

In these circumstances, Gas industry Co considers that publication of Vector's running imbalance will:

- improve each shipper's ability to verify BPP invoices, especially if in future the value of the non-code shipper contribution and the sum of the VTC shippers' running mismatch is disclosed; and

- encourage Vector to manage its running imbalance efficiently, thereby exposing shippers to lower gas transportation costs.

In relation to the latter point, Gas Industry Co agrees with Vector that disclosure of shipper mismatch positions would bring a similar benefit. From this perspective Vector may wish to consider submitting its own change request.

According to the appeal and submissions, Vector must determine the Vector running imbalance in order to calculate amounts for BPP invoices and therefore change request 7 would not result in additional costs for Vector. Vector did not disagree with this in its submission or cross-submission.

Consequently, Gas Industry Co's recommendation is to support the appeal of change request 7.

8 Draft recommendation

In accordance with section 25.7 of the VTC, and in respect of Contact's appeals of 9 October 2008 under the VTC, Gas Industry Co makes the following recommendations:

- that Vector has validly withheld its consent in respect of change request 4;
- that Vector has validly withheld its consent in respect of change request 5;
- to not support the appeal of change request 6; and
- to support the appeal of change request 7.