

14 August 2015

CHANGE REQUEST NOTIFICATION: Gas Transfer Agreement Timing Changes

1. Pursuant to section 25.4 of the Vector Transmission Code posted on OATIS and effective as at 1 April 2015 (*Code*), this is a Change Request Notification for proposed amendments to the Code regarding the timing for the gas transfer process.
2. The following documents are appended to this Change Request Notification:
 - (a) A list of the proposed changes to be made to the Code.

Summary of proposed change

3. The Gas Industry Company (GIC) on 28 April 2015 issued its Final Recommendation on 10 October 2014 MPOC Change Request. This will see the implementation of purchasing of balancing gas on an open market and daily cash outs of welded parties imbalance above tolerance.
4. For Vector's shippers and customers to be able manage their mismatch positions on a daily basis the following changes are being implemented as part of a trial:
 - (a) Retailers to provide unvalidated and validated daily data for group 1 allocation sites to the GIC;
 - (b) GIC to run a D+1 allocation model to produce daily allocation results to provide to Vector Transmission;
 - (c) Vector's shippers will supply Vector Transmission with daily gas transfer submissions;
 - (d) MDL will supply Vector Transmission with daily cash out quantities; and
 - (e) Vector Transmission will use the daily allocation results, daily gas transfer submissions and daily cash out quantities to produce daily Balancing and Peaking Pool position for Vector's Shippers.
5. This change request relates to only to the altering of the gas transfer agreement process. Currently this process is run weekly and to support the trial this process needs to move to daily.

Effective date of change request

6. The intended effective date of the proposed amendment is 1 October 2015.

Invitation for submissions

7. In accordance with section 25.6 of the Code, any party to the Code or any other interested person may provide a response to this Change Request Notification by 5pm on 21 August 2015. Submissions received after this date will not be considered, subject to the provision in section 25.15 for the parties to the Code to extend this deadline.
8. Submissions may be provided by emailing them to sharon.wray@contact-energy.co.nz

Draft Change Request

9. Subject to submissions received in response to the shortened timeframes under section 25.15, this Change Request Notification, an amended version of the Code shall be issued in accordance with section 25.7 by 5pm on 28 August 2015, being 5 Business Days after the closing date for submissions set out in paragraph 7 above.

Sharon Wray

Appendix A

Changes required in order to implement the Gas Transfer timing changes:

GTA Template Changes

1. Clause 4(b)(iii) – the verification is currently 24 hours – change to times specified on Vector OATIS;
2. Clause 10(a) reference to clause 3.7 – incorrect clause reference;
3. Schedule 7 – Gas Transfer Agreement template – replace with updated version.

Vector Transmission Code changes

4. Clause 6.2 needs to be changed as currently states 2 business days – change to times specified on Vector OATIS;
5. Schedule 6 - 1.1(f) & (g) change to time specified on Vector OATIS