

28 August 2015

DRAFT CHANGE REQUEST: Gas Transfer Agreement Timing Changes

1. Pursuant to section 25.7 of the Vector Transmission Code posted on OATIS and effective as at 1 April 2015 (*Code*), this is a Draft Change Request for proposed amendments to the Code regarding the timing for the gas transfer process.
2. The following documents are appended to this Draft Change Request:
 - (a) A list of the proposed changes to be made to the Code.
 - (b) An amended version of the Code showing the proposed changes to it in track changes

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 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.
6. In order to future proof the provision of gas transfers the timing for provision of information regarding those transfers will be published by Vector on OATIS.

7. In addition Shippers will be asked to agree to the amendment of their current Gas Transfer Agreements so that they align with this change request. This will avoid re-issuing and signing new agreements.

Effective date of change request

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

Invitation for submissions

9. 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 11 September 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.
10. Please provide your response to the draft change request stating your support for the proposed change request in principle, any specific objections to it and any conditions to your support for the proposed change, in each case including reasons. Please direct these responses by emailing them to sharon.wray@contact-energy.co.nz by 11th September 2015.

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