|  |
| --- |
| Interconnection Agreement for Receipt Points |

First Gas Limited (First Gas)

[ ] (the Interconnected Party)

August 2017

**TABLE OF CONTENTS**

[1 parties’ rights and obligations 3](#_Toc490154966)

[2 Technical Compliance 3](#_Toc490154967)

[3 metering and energy quantity reports 6](#_Toc490154968)

[4 injection of gas 10](#_Toc490154969)

[5 allocation of gas at A receipt point 10](#_Toc490154970)

[6 gas quality 11](#_Toc490154971)

[7 odorisation 15](#_Toc490154972)

[8 health and safety 17](#_Toc490154973)

[9 Curtailment 18](#_Toc490154974)

[10 prudential 20](#_Toc490154975)

[11 fees and charges 22](#_Toc490154976)

[12 invoicing and payment 23](#_Toc490154978)

[13 ACCESS RIGHTS 24](#_Toc490154979)

[14 term and TERMINATION 25](#_Toc490154980)

[15 FORCE MAJEURE 27](#_Toc490154981)

[16 LIABILITIES 29](#_Toc490154982)

[17 regulatory change 31](#_Toc490154983)

[18 disputes 31](#_Toc490154984)

[19 general AND LEGAL 32](#_Toc490154985)

[20 definitions and construction 34](#_Toc490154986)

[schedule one: Receipt Point details 42](#_Toc490154987)

[schedule two: technical requirements 43](#_Toc490154988)

[SCHEDULE three: amending agreement 46](#_Toc490154989)

**PARTIES:**

**First Gas Limited** (*First Gas*)

**[ ] Limited** (*the Interconnected Party*)

**BACKGROUND:**

1. First Gas owns and operates a Gas Transmission System.
2. As at the date of this Agreement, the Interconnected Party is injecting Gas into First Gas’ Pipeline via an existing connection at the Receipt Point for sale or transfer to one or more Shippers.
3. The Parties have agreed to enter into this Agreement to set out the terms on which the Interconnected Party may continue to connect its Pipeline to, and inject Gas into First Gas’ Pipeline at the Receipt Point, and may do likewise at Additional Receipt Points.

**AGREEMENT:**

# parties’ rights and obligations

* 1. First Gas will permit connection of the Interconnected Party’s Pipeline, and the Interconnected Party will connect its Pipeline to a Receipt Point, on and subject to the terms and conditions set out in this Agreement.
  2. Each Party will act as a Reasonable and Prudent Operator when exercising any of its rights, powers, obligations and duties under this Agreement.
  3. Subject to the terms of this Agreement and the Code*,* First Gas has absolute discretion as to how it conducts the operation of its Gas Transmission System.

# Technical Compliance

## General

* 1. Subject to *section 2.2*, the Interconnected Party is responsible for the compliance of all Receipt Points, including Additional Receipt Points with Schedules One and Two.
  2. First Gas acknowledges and agrees that for the purposes of this Agreement the [ ] Receipt Point complies with Schedule Two as at the Commencement Date.

## Additional Receipt Point

* 1. Prior to commencing construction of any Additional Receipt Point, the Interconnected Party shall:
     1. consult with First Gas to ensure that the design of the Receipt Point will meet its reasonable requirements;
     2. consider and respond to all reasonable comments or queries put forward by First Gas in relation to compliance with Schedule Two; and
     3. use commercially reasonable endeavours to obtain all necessary consents and approvals required by Law in relation to the Receipt Point.
  2. In respect of any Additional Receipt Point, First Gas shall have the right to:
     1. negotiate with any land owner and/or other relevant party to obtain a site and/or such other appropriate property rights as First Gas may require in relation to any connection to its Pipeline;
     2. carry out a full risk assessment of any connection to its Pipeline in accordance with *paragraph 1.1* of Schedule Two, including in relation to:
        1. the means of connection;
        2. the need (notwithstanding section 5) and means to prevent solid or liquid contaminants from reaching First Gas’ Pipeline;
        3. the need and means to protect First Gas’ Pipeline from over-pressurisation; and
        4. the possibility of excess Gas flow into First Gas’ Pipeline and the mitigation of any consequences;
     3. submit the risk assessment referred to in *section 2.2(b)* for review by the certifying authority for its Pipeline and:
        1. resolve any concerns that the certifying authority may have; and
        2. obtain from the certifying authority a modified certificate of compliance for its Pipeline, allowing for the connection to its Pipeline and the Receipt Point;
     4. obtain any consents and approvals required in relation to the connection to its Pipeline;
     5. design, construct, install and commission the connection to its Pipeline; and
     6. determine whether Odorisation Facilities are required and if so, whether it shall be the Odorisation Facilities Owner and take on the obligations of such party as set out in *section 7*.
  3. The Interconnected Party will on request supply to First Gas a producer statement and/or a certificate of electrical inspection confirming that a Receipt Point is designed, constructed, operated and maintained in compliance with all applicable Laws. First Gas will on request supply to the Interconnected Party a producer statement and/or a certificate of electrical inspection in respect of any First Gas Equipment located at a Receipt Point.

## Interconnected Party’s Pipeline

* 1. The Interconnected Party shall ensure that its Pipeline is designed, constructed, operated and maintained in compliance with all applicable Laws and will not connect or continue to connect its Pipeline to a Receipt Point, or inject Gas at a Receipt Point, unless it is safe to do so.
  2. The Interconnected Party will provide First Gas with a copy of its maintenance records for a Receipt Point on request (not to be more than once per calendar year).

## Gas-on Date

* 1. Subject to *section 2.9*, at any Additional Receipt Point, the Interconnected Party shall not inject any Gas into First Gas’ Pipeline until the date First Gas has notified the Interconnected Party in writing that the following conditions have been satisfied (the *Gas-on Date*):
     1. commissioning is complete and the Metering has been demonstrated to be Accurate;
     2. Odorisation Facilities (if required) have been installed and commissioned;
     3. the Remote Monitoring Equipment is fully operational;
     4. First Gas has received all monies payable (if any) by the Interconnected Party (except where otherwise agreed in writing);
     5. the requirements set out in *section 10* have been met;
     6. the Interconnected Party has demonstrated in accordance with *section 6.5* that it will inject only Gas,

provided that the Interconnected Party may inject limited quantities of Gas at the Receipt Point, with First Gas’ prior written approval, to the extent reasonably required to facilitate commissioning.

* 1. In respect of any Receipt Point in existence as at the Commencement Date, the Gas-on Date shall be the Commencement Date.

## Gas Injection Rates

* 1. The Interconnected Party agrees that it will not at any time knowingly inject Gas at a Receipt Point at a rate greater than the Maximum Design Flow Rate.
  2. If Gas is injected at a Receipt Point at rates less than the Minimum Design Flow Rate such that, in First Gas’ opinion, gas quantities determined by the Metering may be inaccurate, First Gas shall notify the Interconnected Party accordingly. Unless the Interconnected Party can assure First Gas that such low Gas injection rates will not occur again then, without limiting its other rights or remedies, First Gas may give notice to the Interconnected Party requiring that the Metering be modified to ensure that it is Accurate at lower flow rates, whereupon the Interconnected Party shall procure that the Metering Owner carries out the appropriate modifications at its cost as soon as practicable. First Gas’ obligations to permit the connection of the Interconnected Party’s pipeline for the purposes of injecting Gas at that Receipt Point shall be suspended for the time required to carry out such modifications.

# metering and energy quantity reports

## Metering Required

* 1. The Metering Owner shall install metering in compliance with Schedule One and use all reasonable endeavours to ensure that it operates at all times.

## Direct Gas Measurement Only

* 1. Metering shall determine Gas quantities by direct measurement only and not by difference or by other indirect means.

## Testing of Metering and Provision of Information

* 1. The Metering Owner shall:
     1. no more than 3 Months before Metering is installed or placed into service (whichever is later), test each meter and other gas measurement device; and
     2. as soon as practicable after it is placed into service, subject each meter and other gas measurement device to an in-situ verification test,

to ensure that each such meter and gas measurement device is Accurate. If any meter or gas measurement device is found to be Inaccurate, it shall be serviced, repaired, re-calibrated or replaced, then re-tested to establish that it is Accurate. The Metering Owner shall provide the other Party with written evidence of testing pursuant to this *section 3.3* that demonstrates each meter and other gas measurement device is Accurate.

* 1. The Metering Owner shall use all reasonable endeavours, including by means of periodic testing in accordance with the Metering Requirements, to ensure that each meter and other gas measurement device is Accurate. The other Party shall be entitled to request, and the Metering Owner shall provide:
     1. reasonable technical information relating to the Metering;
     2. a copy of the planned maintenance schedules relating to the Metering; and
     3. the results of any testing of the Metering.

## Unscheduled Testing of Metering

* 1. The Party who is not the Metering Owner (the *Requesting Party*) may reasonably request the Metering Owner to carry out an unscheduled test of the Metering or any gas measurement device, and provide the Requesting Party with the test results and/or allow that Requesting Party or its representative to be present during such testing. The Metering Owner shall comply with any such request, provided that:
     1. the Metering Owner shall not be required to undertake such unscheduled testing of the Metering or gas measurement device where it has tested the Metering or gas measurement device within 1 Month of the Requesting Party’s request or more frequently than once every 6 Months;
     2. where the Metering or gas measurement device is found to be Accurate, the Requesting Party will reimburse the Metering Owner for all costs incurred by the Metering Owner in undertaking the unscheduled testing; and
     3. where the Metering or gas measurement device is found to be Inaccurate the Metering Owner shall:
        1. bear all costs it incurred in undertaking the unscheduled testing (but not any costs incurred by the Requesting Party or any other party); and
        2. at its own cost and as soon as reasonably practicable, service, repair, recalibrate or replace the Metering or gas measurement device to make such Metering or gas measurement device Accurate.

## Corrections for Inaccurate Metering

* 1. Where the Metering is found to be Inaccurate, the Metering Ownershall correct Gas quantities previously measured by, or determined using data from such Metering (as the case may be) in accordance with the Metering Requirements.

## Amendment of Metering Requirements

* 1. First Gas may amend the Metering Requirements at any time but such amended Metering Requirements shall apply to Metering only if both Parties agree in writing, such agreement not to be unreasonably withheld or delayed.

## Access to Data

* 1. The Metering Owner shall, subject to *sections 3.9* to *3.12*, continuously make available to First Gas from the Gas-on Date such of the following data (*Data*) as First Gas shall request:
     1. for each meter stream that forms part of the Metering:
        1. uncorrected volume flow rate at flowing conditions;
        2. corrected volume flow rate;
        3. mass flow rate;
        4. energy flow rate;
        5. accumulating (totalising) uncorrected volume;
        6. accumulating (totalising) corrected volume;
        7. accumulating (totalising) mass;
        8. accumulating (totalising) energy;
        9. the pressure and temperature at the meter;
        10. density at flowing conditions;
     2. in respect of Gas injected at a Receipt Point:
        1. Specific Gravity or Relative Density;
        2. Base Density;
        3. Gross Calorific Value;
        4. Nett Calorific Value;
        5. the concentration (in mole %) of Nitrogen, Carbon Dioxide and all hydrocarbon constituents of the Gas individually (including of each such constituent’s isomers that are present in the Gas in other than trace amounts) up to and including Pentanes;
        6. the concentration (in mole %) of all hydrocarbon constituents in the Gas with a molecular weight greater than that of Pentane, either collectively as Hexanes-plus or individually as total Hexanes, total Heptanes, total Octanes and Nonanes-plus, where the capabilities of the gas analyser for the Metering permits; and
        7. Gas quality information including hydrocarbon dewpoint and water content to the extent available.
  2. Pursuant to *section 3.8*, the Metering Owner shall:
     1. reasonably determine the source from which any Data is obtained; and
     2. at its own cost make the Data available at reasonably located termination points in a non-Hazardous area, in the manner and in accordance with such frequency, communications protocol and format (including units of measurement) as First Gas may reasonably request,

provided that the Metering Owner shall not be obliged to provide any Data that is not available to it at a Receipt Point.

* 1. First Gas shall be responsible for conveying the Data to any other location at its cost.
  2. Before upgrading or replacing the Metering such that it will no longer be able to provide any of the Data which First Gas has previously received, the Metering Owner will notify First Gas and ensure that it is able to continue undertaking the activity described in *section 3.13*.
  3. The Metering Owner shall use all reasonable endeavours to maintain the availability of Data, including while the Metering or any part thereof is undergoing repair, re-calibration, testing, servicing, upgrading, removal or replacement. The Interconnected Party shall not be relieved of any of its obligations under this Agreement due to the unavailability of any of the Data, for any reason.

## Energy Quantity Reports

* 1. Subject to the Metering Owner making available (in accordance with *section 3.9*), such of the Data as First Gas shall notify the Metering Owner in writing that it requires, First Gas shall produce daily delivery reports *(DDRs)* and hourly delivery reports *(HDRs)* in accordance with *sections 3.14* to *3.16*.
  2. Separate DDRs and HDRs shall be produced:
     1. for each meter at a Receipt Point and for each Receipt Point in aggregate;
     2. not less frequently than each Business Day for all Days since the previous Business Day; and
     3. at the end of each Month for all Days in that Month.
  3. Each DDR and HDR shall be in the format, and contain the information that First Gas shall reasonably determine from time to time. For each Day or Hour (respectively) such information may include (without limitation):
     1. the name and identification number (as determined by First Gas) of the Receipt Point;
     2. the date;
     3. the time of the Day (HDR only);
     4. uncorrected volume (cubic metres at flowing conditions)
     5. metering pressure (HDR only);
     6. metering temperature (HDR only);
     7. compressibility correction factor (HDR only);
     8. altitude correction factor (HDR only);
     9. corrected volume (standard cubic metres);
     10. Gross Calorific Value; and
     11. energy quantity (GJ).
  4. First Gas will make all DDRs and HDRs available to the Interconnected Party on OATIS.

## OATIS Access

* 1. First Gas will provide the Interconnected Party with access to OATIS:
     1. to enable the Interconnected Party to view and/or download DDRs and/or HDRs; and
     2. as may be required for any other purpose relating to this Agreement.
  2. The Interconnected Party shall be responsible at its cost for ensuring it can access OATIS and will do so on the terms and conditions of access to, and use of OATIS set out on OATIS.

# injection of gas

## Pressure

* 1. The Interconnected Party acknowledges and agrees that:
     1. it is solely responsible for providing all Gas it wishes to inject into First Gas’ Pipeline at a pressure sufficient for it to do so;
     2. the operating pressure of First Gas’ Pipeline may be as high as the MAOP of such Pipeline;
     3. First Gas shall not be obliged to operate its Pipeline to facilitate the injection of Gas by the Interconnected Party; and
     4. it shall not cause the MAOP of First Gas’ Pipeline to be exceeded and, if it does so, shall (subject to clause 16) indemnify First Gas against any and all Loss.

## Agreed Hourly Profile

* 1. The Interconnected Party may request an Agreed Hourly Profile in accordance with *section 3.24* of the Code. First Gas will consider, but shall not be obliged to approve such request.
  2. First Gas will use all reasonable endeavours to accommodate any Agreed Hourly Profile that it approves but, where it determines that such Agreed Hourly Profile is adversely affecting its operation of the Transmission System or other users of that system, First Gas may cancel that Agreed Hourly Profile without notice and shall have no liability to the Interconnected Party whatsoever if it does so.

# allocation of gas at A receipt point

* 1. The Interconnected Party agrees and acknowledges that it is connected to First Gas’ Pipeline at a Receipt Point in order to inject Gas into First Gas Pipeline for sale or transfer to one or more Shippers (including where the Interconnected Party may itself be a Shipper).
  2. The method used to determine Shippers’ Receipt Quantities at a Receipt Point will be, at the Interconnected Party’s election, either:
     1. an Operational Balancing Agreement (*OBA*); or
     2. a Gas Transfer Agreement (*GTA*); and

as at the Commencement Date the applicable method for a Receipt Point will be as set out in Schedule One.

* 1. The Interconnected Party may change the method referred to in *section 5.2* on the expiry of not less than 40 Business Days’ notice in writing to First Gas, provided that, in the case of changing from an OBA to a GTA, such a change will not be effective until First Gas advises the Interconnected Party that all Shippers using the Receipt Point have signed a Gas Transfer Agreement.

## Operational Balancing Agreement

* 1. Where an OBA applies at a Receipt Point, the Interconnected Party agrees that:
     1. it is both an “Interconnected Party” and an “OBA Party” as those terms are defined in the Code; and
     2. all provisions of the Code applicable to an Interconnected Party and an OBA Party are deemed to be incorporated into this Agreement and the Interconnected Party shall comply with all such provisions.
  2. To the extent that the Interconnected Party, as an OBA Party or otherwise, requires access to OATIS to approve or curtail Shippers’ Nominated Quantities at a Receipt Point in accordance with *section 4* of the Code, First Gas will provide the Interconnected Party with the appropriate OATIS access.
  3. The Interconnected Party agrees that, where it is the OBA Party at a Receipt Point:
     1. it will use all reasonable endeavours to ensure that the metered quantity of Gas it injects at the Receipt Point on a Day matches the Scheduled Quantity for that Day and that it is responsible for any difference; and
     2. to the extent that fails to comply with part (a) of this *section 5.6*, it may be liable for, and if so will pay Balancing Charges.

## Gas Transfer Agreement

* 1. Where a GTA applies at a Receipt Point, the Interconnected Party agrees that:
     1. it is an “Interconnected Party” as defined in the Code; and
     2. all provisions of the Code that apply to an Interconnected Party are deemed to be incorporated into this Agreement.

# gas quality

* 1. The Interconnected Party shall monitor the quality of all gas it injects to ensure it is able to demonstrate that it is Gas. Nothing in this Agreement requires First Gas to monitor the quality of gas injected at a Receipt Point.
  2. The Interconnected Party shall not knowingly inject Non-Specification Gas (except for the shortest practicable time necessary to terminate its injection of gas after becoming aware that it has been injecting Non-Specification Gas).

## Non-Specification Gas

* 1. First Gas shall promptly notify the Interconnected Party if it:
     1. detects that Non-Specification Gas has been injected or is being injected; or
     2. reasonably suspects that Non-Specification Gas has been injected, is being injected or is likely to be injected.
  2. If, by notification pursuant to *section 6.3* or otherwise becoming aware that it has injected or is injecting Non-Specification Gas, the Interconnected Party shall:
     1. immediately halt further injection of gas until it has investigated the matter;
     2. if Non-Specification Gas was injected, remedy the cause before resuming injection of gas;
     3. notify First Gas as soon as practicable of:
        1. the results of its investigation pursuant to part (a) of this *section 6.4*;
        2. the reason why Non-Specification Gas was injected;
        3. the likely time during which Non-Specification Gas was injected and the estimated quantities of Non-Specification Gas injected; and
        4. the extent to which, in terms of the gas characteristics and components referred to in *section 6.9*, the gas injected was Non-Specification Gas;
     4. assist First Gas to the maximum extent practicable to mitigate the effects of any Non-Specification Gas injected; and
     5. take all practicable steps to prevent further injection of Non-Specification Gas.

## Demonstration of Gas Quality

* 1. Upon First Gas’ written request at any time, the Interconnected Party shall promptly demonstrate to First Gas that it has adequate facilities, systems and procedures in place to ensure that it injects only Gas at a Receipt Point.
  2. If the Interconnected Party fails to comply with *section 6.5* within a reasonable time, First Gas may:
     1. require the Interconnected Party to immediately cease injecting gas until such time as First Gas is satisfied that the Interconnected Party complies with *section 6.5*; and/or
     2. enter upon the Interconnected Party’s premises (including gas processing facilities) at any reasonable time to undertake such inspections, inquiries, sampling or testing as First Gas deems necessary to determine the Interconnected Party’s compliance with *section 6.5*,

provided that when exercising its rights under this *section 6.6*, First Gas will comply with the Interconnected Party’s normal safety, environmental and security policies and procedures and cause as little inconvenience to the Interconnected Party’s operations as practicable.

* 1. The Interconnected Party shall pay all First Gas’ reasonable costs incurred in exercising its rights under *section 6.6(b)*.
  2. First Gas shall have no liability to the Interconnected Party, and the Interconnected Party shall not be relieved of its obligations under this Agreement, by reason only that First Gas exercised its rights in accordance with this *section 6*.

## Monitoring of Gas Quality

* 1. Without limiting anything in this *section 6*, the Interconnected Party shall at its cost monitor the gas it injects into First Gas’ Pipeline as set out in the following table:

|  |  |  |
| --- | --- | --- |
| **Characteristic or Component to Measure and/or Determine** | | **Required Measurement and/or Determination Frequency** |
| (a) | Wobbe Index | continuously |
| (b) | Relative Density | continuously |
| (c) | Hydrocarbon dewpoint | continuously |
| (d) | Water | continuously |
| (e) | Hydrogen Sulphide | as required but not less than quarterly |
| (f) | Total Sulphur (as S, excluding Sulphur due to odorant) | as required but not less than quarterly |
| (g) | Oxygen | continuously |
| (h) | Hydrogen | as required but not less than quarterly |
| (i) | Temperature | continuously |

To the extent that the Interconnected Party can demonstrate to First Gas with reasonable supporting evidence that:

* + 1. none of the characteristics or components in the above table can exceed; or
    2. any of the components (e) to (h) (inclusive) in the above table is absent from the Gas, or present only at a very low concentration compared to,

the limit set out in the Gas Specification, the Interconnected Party may measure and/or determine that characteristic or the concentration of that component less frequently than stipulated in the above table, provided that its monitoring must be sufficient to demonstrate compliance with the Gas Specification.

* 1. First Gas may disclose any testing frequency exceptions agreed with the Interconnected Party pursuant to *section 6.9* to any other person.
  2. Where it is the producer of the gas injected at a Receipt Point, the Interconnected Party shall test for all the components (e) to (h) in *section 6.9* following any material change in the source of its gas, including in the proportions of gas obtained from any new reservoir and/or production zones in any reservoir.
  3. The Interconnected Party shall determine the concentrations of components (d) to (h) (inclusive) in *section 6.9* by direct measurement or testing. When so doing the Interconnected Party shall use only:
     1. industry standard equipment and facilities and suitably qualified and competent persons; and
     2. either the relevant test method suggested in the Gas Specification or such other method as will produce results that are no less accurate or reproducible.
  4. The Interconnected Party may determine the value of item (c) in *section 6.9* by calculation from the composition of gas injected, provided that:
     1. it obtains First Gas’ approval (not to be unreasonably withheld); and
     2. the method it uses is sufficiently accurate to meet the requirements of the Gas Specification.

## No Contaminants

* 1. During both normal operations and when pigging its Pipeline (if applicable) the Interconnected Party shall ensure that all gas it injects is free of both dust and other solid and liquid matter, including hydrocarbon liquids, wax, gums, compressor oil and unsaturated hydrocarbons to an extent that might damage or interfere with the proper operation of First Gas’ Equipment, First Gas’ Pipeline or Gas Transmission System, either immediately or over time.

## Provide Gas Testing Results

* 1. Upon First Gas’ written request, the Interconnected Party shall promptly provide First Gas with copies of gas quality monitoring data and/or the results of any measuring or testing of gas undertaken pursuant to this *section 6*.First Gas may disclose such information to any other person.
  2. The Interconnected Party agrees that any failure by it to comply with this *section 6* shall constitute a failure to act as a Reasonable and Prudent Operator and that the limitation of its liability set out in *section 16.1* shall not apply.

# odorisation

## Requirement

* 1. If First Gas’ Pipeline is stipulated as “Odorised” in Schedule One, appropriate Odorisation Facilities must be installed and all Gas injected at the Receipt Point must be odorised. In this Agreement, any reference to “odorisation” means odorisation of Gas in compliance with New Zealand Standard 5263:2003: Gas Detection and Odorisation. First Gas shall specify the odorant to be used, from time to time.

## Ownership of Odorisation Facilities

* 1. First Gas may choose to be, but is not obliged to be the Odorisation Facilities Owner. The design, construction, operation and maintenance of the Odorisation Facilities shall be the responsibility of the Odorisation Facilities Owner.

## Land for Odorisation Facilities

* 1. Where First Gas chooses to be the Odorisation Facilities Owner it may request an area of land at the Receipt Point (or where the Metering is located), that it agrees is sufficient to accommodate the Odorisation Facilities, and the Interconnected Party will:
     1. at its cost make such land available to First Gas, free of any charge to First Gas whatsoever; and
     2. grant First Gas, including its employees, contractors and agents, a bare licence to occupy such land and use it for all purposes associated with the installation, commissioning, operation (including discharge, storage and load-out of odorant), inspection, maintenance, repair, upgrade, replacement and removal of the Odorisation Facilities.
  2. When undertaking any of the activities referred to in *section 7.3(b)*, First Gas shall act in accordance with the requirements set out in *section 13.2*.

## Odorisation Facilities

* 1. The Odorisation Facilities may include:
     1. an odorant storage vessel not exceeding 5 cubic metres capacity;
     2. a primary means of odorisation, being an odorant injection pump;
     3. a control system to regulate the injection of odorant;
     4. an independent secondary means of odorisation for use in the event the primary means of odorisation fails;
     5. an internally-bunded shelter for the items in *sections 7.5(a) to (d)*;
     6. a flare system to safely dispose of odorant vapour, located in a non-Hazardous area at a safe distance from other facilities; and
     7. where odorant is off-loaded in bulk from a vehicle to any odorant storage vessel, a suitably sealed and bunded standing area for such vehicle.

## Services to Odorisation Facilities

* 1. Where First Gas is the Odorisation Facilities Owner, the Interconnected Party shall provide First Gas with such services as it may reasonably require, at its own cost and free of any charge to First Gas whatsoever, including:
     1. 24 Volt DC and 230 Volt AC power supplies;
     2. a suitable signal representing the flow rate or quantity of Gas to be odorised;
     3. a supply of Gas, at a pressure not exceeding 10 bar gauge;
     4. a suitable water supply adjacent to the shelter referred to in *section 7.5(e)* for a personnel safety shower;
     5. suitable cabling and any other related facilities to convey the data referred to in *section 7.9* to First Gas’ Remote Monitoring Equipment; and
     6. means of access to the Odorisation Facilities for vehicles and personnel that First Gas agrees to be suitable to enable it to undertake any of the activities referred to in *section 7.3(b)*.
  2. The Interconnected Party shall make the services *(a)* to *(e)* in *section 7.6* available at agreed termination points at the boundary of the Odorisation Facilities.

## Odorisation Fee

* 1. Where First Gas is the Odorisation Facilities Owner, the Interconnected Party shall shall pay the Odorisation Fee determined by First Gas in accordance with *section 11* to recover any costs it incurs to design, install, commission, operate and maintain the Odorisation Facilities*.*

## Remote Monitoring of Odorisation Facilities

* 1. Whether it is the Odorisation Facilities Owner or not, the Interconnected Party shall enable First Gas to monitor the Odorisation Facilities, including:
     1. the status or availability of any odorant injection pump;
     2. any direct indication of odorant injection pump operation, such as stroke rate or speed;
     3. odorant flow rate and/or the accumulating (totalising) volume of odorant injected;
     4. odorant storage vessel inventory or liquid level;
     5. odorant storage vessel vapour space pressure;
     6. the status of any odorant storage vessel pressure-relief device;
     7. the Gas supply pressure to the Odorisation Facilities;
     8. the electricity supply to the Odorisation Facilities;
     9. the operating status of the odorant vapour flare;
     10. any alarm conditions; and
     11. any other parameters First Gas reasonably considers to be relevant.

## No Injection Without Odorisation

* 1. The Odorisation Facilities Owner will use all reasonable endeavours to maintain odorisation at all times.
  2. Where the Odorisation Facilities Owner becomes aware that odorisation is not (or may not be) occurring, it will notify the other Party immediately and use all reasonable endeavours to restore odorisation (or verify that odorisation is occurring) as soon as practicable.
  3. The Interconnected Party shall immediately cease injecting Gas into First Gas’ Pipeline on becoming aware that odorisation is not, or may not be, occurring.
  4. All provisions of this *section 7* shall apply in the event that First Gas’ Pipeline becomes an odorised pipeline after the Commencement Date.

# health and safety

* 1. Each Party shall, and shall ensure that its personnel shall at or in respect of a Receipt Point:
     1. comply with all applicable Law regarding safety;
     2. comply with its own and other Party’s health and safety plan, as provided to each Party from time to time;
     3. take all practicable steps to identify and eliminate risks to health and safety;
     4. where it is not practical to eliminate a risk to health and safety despite taking all practicable steps, take all practicable steps to minimise such risk;
     5. immediately advise the other Party verbally of any incident affecting, or which may affect, a Receipt Point and which must be reported or notified to the relevant authority pursuant to the relevant Law, and as soon as possible afterwards, provide the other Party with:
        1. written details of the incident;
        2. a copy of any notice given to the relevant authority; and
        3. details of steps taken or to be taken to eliminate or minimise any risk associated with that incident; and
     6. provide all information and assistance reasonably requested by the other Party to ensure that no harm comes to any persons.
  2. For the purpose of this *section 7* “all practicable steps” shall be deemed to have been taken where the relevant Party takes such steps as are required under applicable Law.

# Curtailment

## Adverse Events

* 1. First Gas may, without incurring any liability to the Interconnected Party, curtail the injection of Gas (or the ability to inject Gas) at a Receipt Point to the extent it determines is necessary, where:
     1. First Gas detects or suspects that an Emergency is occurring or will occur;
     2. a Force Majeure Event has occurred;
     3. injections are exceeding the Maximum Design Flow Rate; and/or
     4. First Gas considers that injections are likely to cause the Line Pack in its Pipeline to exceed an acceptable upper limit;
     5. the GTA (if any) has expired or been terminated;
     6. First Gas needs to undertake Maintenance or Scheduled Maintenance;
     7. no Shipper is using or is entitled to use that Receipt Point,

provided that First Gas shall, to the extent practicable:

* + 1. notify the Interconnected Party, prior to such curtailment, of the reason for and the likely duration and extent of the curtailment;
    2. minimise the period of curtailment; and
    3. where appropriate or practical, consult with the Interconnected Party regarding the timing of any curtailment so as to minimise the reduction in the Interconnected party’s ability to inject Gas.

## Scheduled Maintenance

* 1. Where it intends to carry out Scheduled Maintenance that will curtail the Interconnected Party’s ability to inject Gas (but not, for the avoidance of doubt, other Scheduled Maintenance), First Gas shall:
     1. give the Interconnected Party as much notice as it reasonably can, and in any case not less than 30 Days’ notice, prior to commencing such Scheduled Maintenance;
     2. use reasonable endeavours to undertake such Scheduled Maintenance at a time convenient to the Interconnected Party; and
     3. advise the Interconnected Party of the likely duration of the Scheduled Maintenance and the extent of the reduction in the Interconnected party’s ability to inject Gas.
  2. Where it intends to carry out Scheduled Maintenance that will reduce its ability to inject Gas (but not, for the avoidance of doubt, other Scheduled Maintenance), the Interconnected Party shall:
     1. give First Gas as much notice as it reasonably can prior to commencing such Scheduled Maintenance; and
     2. advise First Gas of the likely duration of the Scheduled Maintenance and the extent of the reduction in its ability to inject Gas.
  3. The Interconnected Party shall reasonably assist First Gas’ Scheduled Maintenance by using reasonable endeavours to inject Gas in the manner requested by First Gas.

## Operational Flow Order

* 1. If any of the circumstances described in *section 9.1(a)* to *(g)* occur, First Gas may give the Interconnected Party an Operational Flow Order, and the Interconnected Party shall use its best endeavours to comply with that Operational Flow Order in the shortest practicable time consistent with (where relevant) the safe shut down of affected plant. First Gas will minimise the period of curtailment stipulated in an Operational Flow Order to the extent practicable.

## CCM Regulations

* 1. First Gas may instruct the Interconnected Party to curtail its injection of Gas (or its ability to inject Gas) at a Receipt Point as required to comply with the CCM Regulations, without incurring any liability to the Interconnected Party.

## Failure to Comply

* 1. The Interconnected Party agrees that in the event it fails to comply with an Operational Flow Order:
     1. First Gas may curtail the Interconnected Party’s injection and/or take of Gas itself; and
     2. the Interconnected Party shall indemnify First Gas for any Loss incurred by First Gas that results from that failure to comply and the limitation set out in *section 16.1* shall not apply in respect of the Interconnected Party’s indemnity.

## Rebate of Fees

* 1. In any case of curtailment under this *section 9,* First Gas shall provide the Interconnected Party with a rebate of the Interconnection Fee and the Odorisation Fee (if any) for the period of such curtailment in proportion to the reduction in,the Interconnected Party’s normal or scheduled injections of Gas, except to the extent that the Interconnected Party:
     1. caused or contributed to any event or circumstance giving rise to such curtailment, including in the circumstances referred to in *section 2.12*;
     2. was itself carrying out Maintenance or Scheduled Maintenance during the curtailment that reduced its ability to inject Gas; or
     3. failed to comply with an instruction from First Gas given under *section 9.5 or section 9.6*.

# prudential

* 1. At all times during the term of this Agreement and at all times until the Interconnected Party has paid all outstanding amounts and all amounts payable or which may become payable in the Month following expiry or termination of this Agreement, the Interconnected Party must comply, at its election, with one of the following (each individually *Credit Support*):
     1. hold an acceptable credit rating in accordance with *section 10.2*;
     2. arrange for a third party to provide one or a combination of the following securities, for the amount required in accordance with this *section 10*, provided the party providing the security maintains an acceptable credit rating in accordance with *section 10.2*:
        1. an unconditional payment guarantee or letter of credit in favour of First Gas; or
        2. an unconditional third party payment guarantee in favour of First Gas; or
        3. a security bond in favour of First Gas.
  2. For the purposes of *section 10.1*, an acceptable credit rating means a long term credit rating of at least Baa3 (Moody’s Investor Services Inc.), BBB- (Standard & Poors Ratings Group), B (AM Best), B (Fitch) or such other equivalent credit rating or other reference from a reputable person which is reasonably acceptable to First Gas, (including confirmation from an auditor that, in its opinion, the relevant Interconnected Party or third party security provider satisfies the criteria that would be applied in the granting of such a credit rating).
  3. The Interconnected Party or third party security provider (as the case may be) will provide such evidence of the acceptable credit rating (as set out in *section 10.2*), as First Gas may from time to time reasonably require.
  4. The amount which may be payable to First Gas pursuant to any security provided under *section 10.1* shall be First Gas’ reasonable estimate of 3 Months of the Charges (plus GST). Either Party may review such amount from time to time (though not more frequently than quarterly) and require it to be adjusted up or down.
  5. Where it has complied with the requirements of this *section 10*, the Interconnected Party shall as soon as reasonably practicable notify First Gas should any of the following occur:
     1. the Interconnected Party ceases to comply with the requirements of *section 10.1*;
     2. the Interconnected Party believes that its financial position is likely to be materially adversely impaired such that its ability to pay the Charges will be consequently affected; or
     3. a third party security provider (upon which its current satisfaction of the prudential requirements in this *section 10* is dependent) ceases to hold an acceptable credit rating in terms of *section 10.1*.
  6. If the Interconnected Party fails to pay First Gas any amount set out in any invoice issued by First Gas pursuant to this Agreement on the due date for payment (otherwise than for manifest error or as a result of an invoice dispute or dispute) then on the expiry of 5 Days’ prior written notice from First Gas, without limiting any other right First Gas may have under this Agreement, First Gas may:
     1. make a claim under any Credit Support to the extent payment is due and the Interconnected Party shall procure such payment;
     2. require Credit Support from the Interconnected Party, if Credit Support has not already been provided by the Interconnected Party;
     3. require a change to the type of Credit Support provided for the Interconnected Party;
     4. require an increase to the level of Credit Support held for the Interconnected Party.
  7. Where any claim is made under any Credit Support instrument, the Interconnected Party must procure replacement Credit Support within 20 Business Days so that the Credit Support requirements set out in *section 10.1* continue to be met.
  8. Where an Interconnected Party is required to provide new or additional Credit Support, it must do so within 20 Business Days of First Gas’ written request.
  9. If this Agreement is terminated, First Gas will release any associated security to the extent that the Interconnected Party has paid all outstanding amounts under this Agreement.
  10. If required by First Gas in writing, the Interconnected Party will show evidence of comprehensive liability insurance cover with a reputable insurer covering third party property damage and personal liability for which the Interconnected Party may be legally liable under or in relation to this Agreement, up to the Capped Amounts*,* except to the extent that such insurance is not permitted by law.

# fees and charges

* 1. The Interconnected Party may request an Additional Receipt Point at any time during the term of this Agreement. The Parties shall enter into an Amending Agreement in respect of that Additional Receipt Point before commencing any work in relation to it.
  2. First Gas, in its sole discretion, shall determine how it shall recover its design, construction, operation and maintenance costs relating to any Additional Receipt Point, which may include an Interconnection Fee (and Termination Fee) determined in accordance with this *section 11*. If relevant, First Gas shall determine any Odorisation Fee (and additional termination fee) in the same manner.

## Interconnection Fee

* 1. Provisional Interconnection Fees and Termination Fees payable under this Agreement will be based on First Gas’ reasonable estimate of its costs (*Estimated RP Cost*) and will be set out in the relevant Amending Agreement.
  2. Approximately 4 Months after the Gas-On Date, First Gas shall determine the confirmed Interconnection and Termination Fees based on its actual cost to design, build, operate and maintain the Additional Receipt Point (*Actual RP Cost*). First Gas will notify the Interconnected Party of such Actual RP Cost and the confirmed fees (which shall replace the provisional fees determined in accordance with *section 11.3*) together with reasonable evidence of its costs as soon as practicable. First Gas shall debit or credit the Interconnected Party (as the case may be) for the difference in the amount paid to that date based on the provisional Interconnection Fee and the amount that would have been paid based on the confirmed Interconnection Fee in First Gas’ next invoice.
  3. If, pursuant to any request of the Interconnected Party, First Gas agrees to make material modifications (as determined by First Gas) to a Receipt Point after the date of the relevant Amending Agreement, First Gas may re-determine the Interconnection Fees and the Termination Fees (in a manner consistent with this *section 11*) to reflect any actual and reasonable costs it incurs in relation to such modifications.
  4. Interconnection Fees shall be rounded up to the nearest dollar per Day.
  5. Where an Interconnection Fee is payable for a Receipt Point, the Interconnected Party shall pay such fee to First Gas, Monthly in arrears in accordance with *section 12*, from the Gas-on Date until the Expiry Date (inclusive), subject to early termination of this Agreement, in whole or in respect of the relevant Receipt Point, pursuantto *section 14.*

# invoicing and payment

## Timing

* 1. First Gas shall invoice the Interconnected Party, on or before:
     1. the 10th Day of each Month for the Charges (if any) and any other amounts (excluding Balancing Gas Charges); and
     2. the 14th Day of each Month (or as soon thereafter as is practicable), for the Balancing Charges (if any) (Gas incurred by that party in respect of the previous (and any prior) Month,

payable under this Agreement in respect of the previous Month, provided that where the Balancing Gas Charges for a Month are less than the Balancing Gas Credits for that Month, First Gas will credit the difference against any Balancing Gas Charges payable the following Month.

## Goods and Services Tax

* 1. All payments under this Agreement are expressed before the calculation of GST, which shall be due and payable at the same time as the payment to which it relates is due (*GST Amount*). Any invoices provided to the Interconnected Party under this *section 12* shall specify the GST Amount and shall comply with the “tax invoice” requirements in the Goods and Services Tax Act 1985.

## Other Taxes

* 1. In addition to the fees, charges and taxes payable pursuant to this Agreement, the Interconnected Party shall pay to First Gas an amount equal to any Tax (including without limitation, any increase of any such Tax) and First Gas will pass any decrease of any such Tax on to the Interconnected Party. If any such Tax is imposed on or incurred by a related company of First Gas (directly or indirectly), only the amount of such Tax properly attributable or related to this Agreement, will be charged to the Interconnected Party pursuant to this *section 12.3*.

## Payment by the Interconnected Party

* 1. Subject to *sections 12.1, 12.5* and *12.6*, the Interconnected Party shall pay to First Gas the aggregate amount stated on each invoice issued under *section 12.1* by direct credit to First Gas’ bank account notified on the invoice by the 20th Day of the Month following the Month in which the invoice is rendered and will immediately notify First Gas of the invoice numbers and the respective amounts to which any payment relates.

## Disputed Invoices

* 1. If the Interconnected Party disputes any invoiced amount under *section 12.1*, the Interconnected Party shall, within 10 Days from the date it received the invoice under *section 12.1*, notify First Gas in writing identifying the amount in dispute together with full reasons for the dispute. The Interconnected Party shall pay the undisputed portion of the invoice under *section 12.4*, and *section 18* shall apply.

## Incorrect Invoices

* 1. If it shall be found at any time that the Interconnected Party has been overcharged or undercharged for any reason whatsoever under this Agreement then, within 30 Days after such error has been discovered and the amount has been agreed to by the Parties or determined pursuant to *section 18*, First Gas shall issue a credit note or debit note (as appropriate) in accordance with the Goods and Services Tax Act 1985. If the Interconnected Party has paid the invoice(s) containing such overcharge or undercharge First Gas will refund or pay the Interconnected Party the amount of any such overcharge or undercharge, as appropriate, provided that there shall be no right to re-open invoices if more than 18 Months has elapsed since the date of the invoice.

## Default Interest

* 1. Where the Interconnected Party defaults without reasonable excuse in the payment on the due date of any fee or other amounts payable to First Gas, then interest shall be payable on the amount unpaid from the due date for payment until the date payment is made, at a rate equal to the Bill Rate plus 5% per annum, calculated on a Daily basis (compounded Monthly).

# ACCESS RIGHTS

## Grant of Rights

* 1. The Interconnected Party grants First Gas a right to access a Receipt Point on the terms set out in this *section* *13* to the extent necessary for First Gas to:
     1. to carry out Maintenance on any First Gas Equipment; and
     2. to exercise any right First Gas may have under this Agreement.

## Exercise of Rights

* 1. The following procedures apply to the exercise of the rights of access conferred by *section 13.1*:
     1. only “Approved Persons” may enter a Receipt Point, where Approved Persons means those of First Gas’ officers, agents, employees and contractors (including subcontractors) who are certified by virtue of completing the set of competency requirements created by the Gas Association of New Zealand and authorised by both First Gas and the Interconnected Party to carry out the particular work on or in relation to the First Gas Equipment;
     2. First Gas will take all reasonable steps to ensure that its Approved Persons cause as little inconvenience to the Interconnected Party as is reasonably practicable and comply at all times with the Interconnected Party’s standard safety, environmental and security policies and procedures, as notified to First Gas in writing from time to time;
     3. First Gas must obtain a Work Permit from the Interconnected Party before any Approved Persons enter a Receipt Point to carry out any hot work, electrical work or excavation. First Gas is not required to obtain a Work Permit to enter a Receipt Point to carry out general Maintenance or operational checks of any First Gas Equipment;
     4. First Gas will give the Interconnected Party at least 48 hours’ written notice of its requirement for a Work Permit, and specify why it requires access to a Receipt Point. The Interconnected Party shall not unreasonably withhold or delay its consent to any request for a Work Permit;
     5. The Interconnected Party may withdraw or suspend the right of access of any Approved Person for any failure by that person to comply with the performance requirements referred to in *section 13.2(b)*;
     6. where relevant a Receipt Point will be dual locked so that each of First Gas and the Interconnected Party can access it without requiring a key for the other Party’s lock;
     7. except where an Interconnected Party representative is present, Approved Persons shall notify the Interconnected Party both when they enter and leave a Receipt Point;
     8. the Interconnected Party may temporarily withdraw or suspend any Approved Person’s access to a Receipt Point at any time and without notice during an Emergency (including when undertaking Maintenance required due to an Emergency) and/or Critical Contingency; and
     9. notwithstanding any other provision of this *section 13.2*, in the event of an Emergency First Gas will not be required to give the Interconnected Party prior written notice or obtain a Work Permit before entering a Receipt Point.

# term and TERMINATION

* 1. This Agreement will commence on the later of [ ] and the date it is signed by both Parties (*Commencement Date*).
  2. This Agreement will expire on the earlier of:
     1. 30 September [ ]; or
     2. in respect of an individual Receipt Point, the date determined pursuant to *section 14.3* or *section 14.5,* or the date on which the relevant Lease (if any) expires or is terminated*,*

(*Expiry Date).*

## Early Termination of Receipt Point

* 1. The Interconnected Party may terminate this Agreement in respect of a particular Receipt Point at the end of any Year provided that the Interconnected Party:
     1. notifies First Gas in writing not later than 1 December in that Year; and
     2. pays First Gas, prior to the end of that Year:
        1. the Interconnection Fee (if any) and the Odorisation Fee (if any) for the remainder of the current Year in accordance with this Agreement; and
        2. the Termination Fee (if any),

whereupon the relevant page of Schedule One shall be deemed to be deleted.

## Termination for cause

* 1. Either party may terminate this Agreement immediately on notice in writing to the other Party specifying the cause, if:
     1. the other Party defaults in the performance of any material covenants or obligations imposed upon it by this Agreement and has not remedied that default within 30 Days of notice from the terminating party; or
     2. a resolution is passed or an order made by a court for the liquidation of the other Party, except for the purposes of solvent reconstruction or amalgamation; or
     3. the other Party makes or enters into or endeavours to make or enter into any composition, assignment or other arrangement with or for the benefit of that Party’s creditors; or
     4. a Force Majeure Event occurs such that other Party could not reasonably be expected to be in a position to perform its obligations under this Agreement within one Year.

## Termination for no usage

* 1. First Gas may terminate this Agreement in respect of a Receipt Point by written notice to the Interconnected Party with immediate effect if:
     1. the Interconnected Party does not commence injecting Gas at that Receipt Point within 6 Months of the Gas-on Date or, at any time after the Gas-on Date fails to inject Gas for a continuous period of 12 Months or more; or
     2. First Gas’ total transmission charges from shipping Gas from that Receipt Point in the preceding 12 Months were less than $10,000.

## Consequences of termination

* 1. Where First Gas is the terminating Party, it may:
     1. isolate its Pipeline from the Interconnected Party’s Pipeline;
     2. remove any or all First Gas Equipment, including Odorisation Facilities (if any);
     3. require the Interconnected Party to disconnect its Pipeline from First Gas’ Pipeline and (where relevant) remove any of its Equipment from First Gas’ property,

for the purposes of which *section 13* shall apply; and

* + 1. where First Gas has terminated due to the Interconnected Party’s default, the Interconnected Party will pay in respect of each Receipt Point the amounts referred to in *section 14.3(b)*, as calculated by First Gas.
  1. Where the Interconnected Party is the terminating Party, it may:
     1. isolate its Pipeline from First Gas’ Pipeline;
     2. require First Gas to disconnect its Pipeline from the Interconnected Party’s Pipeline and (where relevant) remove any of its Equipment from the Interconnected Party’s property,

for the purposes of which *section 13* shall apply.

* 1. The provisions of *section*s *12, 13.1(b), 13.2, 13.7* to *13.11, 16* and *18* to *19* of this Agreementshall continue in effect after termination of this Agreement to the extent they relate to any event or circumstance that occurred prior to the date of such termination.

## Effects of Termination

* 1. The termination rights set out in this *section 14* shall be in addition to and not in substitution for, any other rights and remedies available to the Parties, whether at law, at equity, or otherwise.
  2. Termination or expiry of this Agreement shall be without prejudice to any rights or obligations of the Parties that exist prior to termination.

# FORCE MAJEURE

* 1. Notwithstanding the other provisions of this Agreement, but subject to s*ection 15.2*, a Party shall be relieved from liability under this Agreement to the extent that a Force Majeure Event results in or causes a failure by that Party in the performance of any obligations imposed on it by this Agreement.
  2. Notwithstanding *section 15.1*, a Force Majeure Event shall not relieve a Party from liability:
     1. to pay money due under this Agreement; or
     2. to give any notice required to be given pursuant to this Agreement (other than a notice via OATIS where OATIS is affected by such Force Majeure Event),

provided that the Interconnected Party shall be relieved of its obligation to pay the relevant Interconnection Fee and the Odorisation Fee (if any) that that affects that Receipt Point, to a level which First Gas determines is proportionate with the duration and extent of the Force Majeure Event.

* 1. If either Party seeks relief under *section* *15.1*, that Party shall, upon the occurrence of any such failure due to a Force Majeure Event:
     1. as soon as reasonably practicable but in any event within 48 hours give notice to the other Party of the occurrence of the event or circumstance claimed to be a Force Majeure Event and provide to the other Party full particulars relating to the event or circumstance and the cause of such failure. Such notice shall also contain an estimate of the period of time required to remedy such failure;
     2. render the other Party reasonable opportunity and assistance to examine and investigate the event or circumstance and the matters which caused the event or circumstance and failure;
     3. as quickly as reasonably practicable, use due diligence and take all reasonable steps which may be necessary to rectify, remedy, shorten or mitigate the circumstances giving rise to Force Majeure Event so as to minimise any Loss or other effects of the suspension of obligations suffered or incurred, or likely to be suffered or incurred by the Party; and
     4. give notice as soon as reasonably practicable, but in any event within 48 hours to the other Party upon termination of the Force Majeure Event.
  2. A Party will not be able to claim relief from liability under *section 15.1* solely as a result of the act or omission of any agent or contractor of that Party, unless such act or omission is caused by or results from events and/or circumstances which would be a Force Majeure Event if such person were the Party.
  3. For the avoidance of doubt, the Interconnected Party will not be able to claim relief from liability under *section 15.1* solely as a result of the suspended performance, or non-performance, of the obligations of any Shipper using a Receipt Point, only to the extent that such suspended performance, or non-performance of that Shipper’s obligations relates to that Receipt Point.

## Information

* 1. On becoming aware of any serious prospect of a forthcoming Force Majeure Event, the Interconnected Party must notify First Gas as soon as practicable of the particulars of which it is aware.
  2. The Interconnected Party shall, as soon as practicable after the occurrence of any Force Majeure Event, provide First Gas with a full report on the details of such event, its causes, its effects on the Interconnected Party and the actions taken by the Interconnected Party to rectify, remedy, shorten or mitigate the event or circumstance which gave rise to the Force Majeure Event. First Gas will publish such report [on OATIS].

# LIABILITIES

## Exclusion from a Party’s Liability

* 1. Subject to any further limitations contained in this *section 16*,a Party (*Liable Party*) will not be liable to the other Party (*Other Party*) in respect of any Loss suffered or incurred by that Other Party that arises out of or in connection with this Agreement (in contract, tort or generally at common law, equity or otherwise), except to the extent that such Loss arose from an act or omission of the Liable Party that constituted a failure by it to comply with a provision of this Agreement to the standard of a Reasonable and Prudent Operator. The Liable Party shall only be liable to the Other Party to the extent that the Other Party did not cause or contribute to such Loss (in whole or in part) through breach of this Agreement. The Liable Party shall not be liable to the extent that the Other Party has not mitigated its Loss to the fullest extent reasonably practicable.

## Limitation of a Party’s Liability

* 1. If the Liable Party is liable to the Other Party in respect of any Loss suffered or incurred by that Other Party that arises out of or in connection with this Agreement (in contract, tort or generally at common law, equity or otherwise), other than for payment of amounts due pursuant to *section 12*), the Liable Party will only be liable for direct Loss suffered or incurred by the Other Party excluding (and the Liable Party shall not be liable for):
     1. any loss of use, revenue, profit or savings by the Other Party;
     2. the amount of any damages awarded against the Other Party in favour of a third party; and
     3. the amount of any money paid by the Other Party by way of settlement to a third party.
  2. The Liable Party shall in no circumstances be liable for any indirect or consequential Loss arising under or in connection with this Agreement, whether or not the Loss was, or ought to have been, known by the Liable Party.

## Capped Liability

* 1. Subject to *section 16.5,* the maximum liability of a Party to the Other Party under this Agreement will be the same as the liability of a Shipper to First Gas and the liability of First Gas to a Shipper under the Code (the *Capped Amounts*).

## Liability where First Gas is the Liable Party under multiple agreements

* 1. Where:
     1. First Gas is the Liable Party; and
     2. First Gas’ liability is wholly or partially caused or contributed to by a breach of any other interconnection agreement and/or TSA and/or a Supplementary Agreement by one or more third parties (*Liable Third Parties*), and First Gas recovers (using all reasonable endeavours to pursue and seek recovery of such amounts) any amount from those Liable Third Parties in respect of that breach,

then First Gas’ liability shall be limited to the aggregate of the amount so recovered plus any First Gas-caused liability (where the First Gas-caused liability is any amount for which First Gas is liable as a result of failing to comply with the provisions of the Agreement to the standard of a Reasonable and Prudent Operator, which in any event shall be limited to the Capped Amounts).

* 1. Where:
     1. First Gas is the Liable Party;
     2. First Gas is liable to the Interconnected Party and/or one or more third parties under any other interconnection agreement, any TSA and/or any Supplementary Agreement (each such agreement being a *Coincident Agreement*); and
     3. the sum of First Gas’ liability to the Interconnected Party and to any and all third parties before the application of any monetary caps (*the Apparent Liability*) exceeds the relevant Capped Amount,

then the maximum liability of First Gas to the Interconnected Party under this Agreement and/or all Coincident Agreements shall be reduced to an amount determined and notified to the Interconnected Party by First Gas (acting reasonably), which amount shall reflect the proportion that First Gas’ liability to the Interconnected Party bears to the Apparent Liability taking into account any differences between the respective monetary caps under this Agreement and/or all Coincident Agreements. For the avoidance of doubt, First Gas’ aggregated liability to the Interconnected Party together with its liability under all Coincident Agreements shall not exceed the Capped Amount.

* 1. Where the Interconnected Party is the Liable Party and is liable to First Gas under any Coincident Agreement, the maximum liability of the Interconnected Party to First Gas under this Agreement and/or all Coincident Agreements shall not exceed the Capped Amount.

## General

* 1. Each limitation or exclusion of this *section* *16* and each protection given to First Gas or the Interconnected Party or its respective officers, employees, or agents by any provision of this *section 16* is to be construed as a separate limitation or exclusion applying and surviving even if for any reason any of the provisions is held inapplicable in any circumstances and is intended to be for the benefit of and enforceable by each of the Party’s officers, employees, and agents.
  2. Nothing in this Agreement shall limit the right of either Party to enforce the terms of this Agreement by seeking equitable relief, including injunction and specific performance, in addition to all other remedies at law or in equity.
  3. Nothing in this *section 16* shall affect any liability a Party may have under the Code.
  4. If required by either Party in writing, the other Party will show evidence of comprehensive liability insurance cover with a reputable insurer covering third party property damage and personal liability for which the other Party may be legally liable under or in relation to this Agreement, up to the Capped Amounts*,* except to the extent that such insurance is not permitted by law.

# regulatory change

* 1. If a Party becomes aware of, or anticipates the introduction of, a Regulatory Change that necessitates a change to this Agreement, that Party may submit a change request requesting one or more such changes (a *Regulatory Change Request*).
  2. Neither Party (*Approving Party*) will withhold approval of any Regulatory Change Request submitted by the other Party, so long as:
     1. the changes requested are reasonably necessary to enable the Party requesting them to comply with the relevant Regulatory Change while continuing to perform its obligations under, and receive the intended benefit of, this Agreement;
     2. the Approving Party is technically and operationally capable of implementing the associated changes;
     3. any costs to be charged to the Interconnected Party under the Regulatory Change Request are reasonable in the circumstances; and
     4. the Regulatory Change Request is otherwise reasonable.
  3. Each Party will use commercially reasonable endeavours to prevent or mitigate (as applicable) the cost and impact of any Regulatory Change for which it seeks a change to this Agreement.

# disputes

* 1. The Parties agree that any dispute of whatever nature arising between the Parties is to be notified in writing by the disputing Party to the other Party (*Dispute Notice*). On receipt of a Dispute Notice, each Party shall use reasonable endeavours to resolve the dispute by discussion, meeting and/or other informal means.
  2. If the dispute is not resolved in accordance with the above process within 15 Business Days of the date of the Dispute Notice, then the Parties shall submit the dispute to arbitration pursuant to the Arbitration Act 1996 (excluding paragraphs 4 and 5 of the Second Schedule to such Act).
  3. The arbitration will be conducted by an arbitrator appointed:
     1. jointly by the Parties; or
     2. if the Parties cannot agree on an arbitrator within 25 Business Days of the date of the Dispute Notice, by the President of the Arbitrators and Mediators’ Institute of New Zealand upon the application of either Party.
  4. Nothing in this *section 18* affects either Party’s right to seek urgent interlocutory relief.

# general AND LEGAL

## Notices

* 1. Subject to *section* *19.2*,all notices and other documents provided under this Agreement must be in writing and shall be deemed served if personally delivered or sent by registered mail or email to:
     1. in the case of First Gas, the contact set out below (or other such contact as First Gas may notify in writing):

Transmission Manager – Commercial  
First Gas Limited  
Level 6, Resimac House

45 Johnston Street  
PO Box 865  
Wellington 6011,

Email: [ ]@firstgas.co.nz; and

* + 1. in the case of the Interconnected Party, the contact set out below (or other such contact as the Interconnected Party may notify to First Gas in writing).

[ ]  
[ ]  
[ ]

[ ]  
[ ]  
[ ],

Email: [ ]@firstgas.co.nz

* 1. A notice sent:
     1. by registered mail shall be deemed served on the earlier of the date of receipt or on the second Business Day after the same was committed to post;
     2. by email shall (unless the sender receives an automatic response stating that the recipient’s email address does not exist or the email has not been successfully sent):
        1. if sent prior to 4.00 p.m. on any Business Day, be deemed served on that Business Day; or
        2. if sent after 4.00 p.m. on any Business Day, shall be deemed served on the next Business Day.

## Disclosure of Agreement

* 1. The Parties agree that this Agreement is not Confidential Information (as defined in the Code) and that either Party may disclose this Agreement in full to any other person, including (in the case of First Gas) by publishing the Agreement on its website and/or OATIS.

## Waiver

* 1. No failure, delay or indulgence by a Party in exercising any power or right conferred on that Party by this Agreement will operate as a waiver of that power or right.

## Entire Agreement

* 1. This Agreement constitutes the entire agreement between the Parties in relation to the subject matter of this Agreement and supersedes all prior negotiations, representations and agreements between the Parties.

## Amendment

* 1. Except as otherwise expressly set out in this Agreement, no variation, modification or waiver of any provision of this Agreement shall be of any force or effect unless it is in writing and signed by both Parties.

## Severability

* 1. If any section or provision of this Agreement shall be held to be illegal or unenforceable by any judgment of any Court or tribunal having competent jurisdiction, that judgment shall not affect the remaining provisions of this Agreement which shall remain in full force and effect as if that illegal or unenforceable section or provision had not been included in this Agreement, but only if severance does not materially affect the purpose of, or frustrate, this Agreement. In that event, the severed section or provision shall be modified to the extent necessary to render it legal, valid and enforceable and to reflect the economic and operational effect of the severed section or provision to the maximum extent practicable.

## Exclusion of Implied Terms

* 1. All terms and conditions relating to this Agreement that are implied by law or custom are excluded to the maximum extent permitted by law.

## Exclusion of Consumer Legislation

* 1. The Parties acknowledge and agree that in relation to this Agreement:
     1. the Parties are in trade and agree to contract out of the provisions of the Consumer Guarantees Act 1993, and it is fair and reasonable to do so; and
     2. the provisions of sections 9, 12A, 13 and 14(1) of the Fair Trading Act 1986 shall not apply to the obligations of the parties under, and that it is fair and reasonable that the Parties contract out of those provisions.

## Contractual Privity

* 1. This Agreement shall not and is not intended to confer any benefit on or create any obligation enforceable at the suit of any person who is not a Party to this Agreement.

## Counterparts

* 1. This Agreement may be executed in two counterparts. Once the Parties have executed the counterparts, and each Party has received a copy of the signed counterpart which that Party did not execute, each counterpart will be deemed to be as valid and binding on the Party executing it as if it had been executed by both Parties.

## Assignment

* 1. Neither Party may assign or transfer any of its rights or obligations under this Agreement unless it has obtained the other Party’s prior written consent, such consent not to be unreasonably withheld or delayed.
  2. Neither Party shall assign or transfer any of its rights and obligations under this Agreement, unless it believes that the assignee is capable of meeting that Party’s obligations under this Agreement.
  3. Where a Party (*Assignor*) assigns or transfers this Agreement, the Assignor shall remain liable to the other Party for the due performance of all obligations under this Agreement as primary obligor and not merely as surety or guarantor only, unless that other Party has given its prior written consent to the release of the assignor from its obligations.
  4. Prior to any assignment or transfer of this Agreement, the Assignor must obtain execution by the assignee of a deed of covenant, in favour of the other Party, binding the assignee to perform all the Assignor’s obligations under this Agreement.
  5. Notwithstanding any assignment, the assignor shall remain liable for any amounts payable by it under this Agreement up to the end of the Month during which the assignment takes effect.

## Governing Law

* 1. This Agreement shall be construed and interpreted in accordance with the law of New Zealand and the Parties submit to the non-exclusive jurisdiction of the New Zealand courts.

# definitions and construction

## Defined Terms

* 1. In this Agreement:

*Accurate* has the meaning set out in the Metering Requirements, and *Accuracy* and *Accurately* shall be construed accordingly;

*Additional Receipt Point* means a receipt point that:

* + 1. is built after the Commencement Date; or
    2. exists at the Commencement Date but to which the Interconnected Party proposes to make material (in the opinion of First Gas) modifications at any later date,

that is incorporated into this Agreement pursuant to an Amending Agreement;

*Agreed Hourly Profile* means a schedule of consecutive Hourly quantities of Gas that may be injected into the Transmission System at a Receipt Point for one or more consecutive Days;

*Agreement* means this interconnection agreement for Receipt Points, including the schedules and appendices (if any) annexed;

*Amending Agreement* means an agreement, substantially in the form attached at Schedule Three, that provides for an Additional Receipt Point;

*Receipt Point* means a facility referred to in Schedule One at which Gas is injected (or may be injected) into First Gas’ Pipeline from the Interconnected Party’s Pipeline;

*Balancing Charges* means any charges determined by First Gas and payable by the Interconnected Party pursuant to *section 8 of the Code*;

*Balancing Credits means* any credits determined by First Gas and due to the Interconnected Party pursuant to *section 8* of the Code;

*Bill Rate* means, on any Business Day, the 90-Day Rate published by the Reserve Bank of New Zealand for the weekly period in which the Business Day falls;

*Business Day* means a Day (other than a Saturday, Sunday or a public holiday) on which registered banks are open for business in Wellington and New Plymouth;

*Calorific Value* means the energy content of gas, expressed in units of Megajoules per standard cubic metre;

*Capped Amounts* has the meaning described in *section 16.4*;

*CCM Regulations* means the Gas Governance (Critical Contingency Management) Regulations 2008;

*Charges* means the aggregate charges determined by First Gas from the Interconnection Fee (if any) and the Odorisation Fee (if any) for each Receipt Point that are payable by the Interconnected Party to First Gas under this Agreement;

*Code* means the Gas Transmission Access Code, as amended or replaced;

*Commencement Date*has the meaning set out in *section 14.1*;

*Critical Contingency* has the meaning given in the CCM Regulations;

*Day* means a period of 24 consecutive hours, beginning at 0000 hours (New Zealand standard time) and *Daily* has a corresponding meaning;

*Emergency* means a state of affairs, or an event or circumstance (or a series of events or circumstances) that a Party determines to be an emergency, irrespective of its cause or whoever may have caused or contributed to that emergency. An Emergency may exist where:

* + 1. either Party’s Pipeline or a Receipt Point experiences a loss of containment of Gas;
    2. a Party reasonably believes that the safe transportation of Gas in its own or the other Party’s Pipeline is significantly at risk;
    3. Gas in either Party’s Pipeline is of such quality as to constitute a hazard to that Pipeline, a Receipt Point or Metering; or
    4. injection of Gas at a Receipt Point exceeds the Maximum Design Flow Rate or the flow rate specified in an Operational Flow Order;

*Equipment* means equipment owned and/or controlled by a Party and located at a Receipt Point, as referred to in Schedule One;

*Expiry Date* has the meaning set out in *section 14.2*;

*Force Majeure Event* means an event or circumstance beyond the reasonable control of a Party which results in or causes a failure or inability by such Party in the performance of any obligations imposed on it by this Agreement, notwithstanding the exercise by such Party of reasonable care and, subject to the foregoing, shall include any such event or circumstance which causes a Critical Contingency to be determined and/or any action or inaction of a Party necessary to comply with the CCM Regulations which causes a failure or inability of the kind described above;

*Gas* means gas that complies with the Gas Specification;

*Gas Specification* means New Zealand Standard NZS5442:2008: Specification for Reticulated Natural Gas

*Gas-on Date* has the meaning set out in *section 2.8* or *section 2.9*;

*Gas Transfer Agreement* or *GTA* has the meaning set out in the Code;

*GJ* or *Gigajoule* means a gigajoule of Gas, on a “gross calorific value” basis;

*GST* means Goods and Services Tax payable pursuant to the Goods and Services Tax Act 1985;

*Hazardous* means, in relation to any area or space, any area or space that is hazardous or potentially hazardous in relation to the installation of electrical equipment or facilities, as defined in AS/NZS2430;

*Hour* means a period of 60 consecutive minutes beginning on the hour and *Hourly* shall be construed accordingly;

*Inaccurate* means not Accurate;

*Interconnection Fee* means the fee referred to in Schedule One and determined in accordance with *section 11*;

*Interconnected Party* means the Party named as the Interconnected Party in this Agreement;

*Interconnection Point* means the point at which the Interconnected Party’s Pipeline physically connects to First Gas’ Pipeline at a Receipt Point, and the demarcation point between the Parties’ respective assets, as set out in Schedule One;

*Law* includes all statutes, regulations, codes of practice and local authority rules;

*Lease* means a lease agreement between the Parties under which First Gas leases from the Interconnected Party the land on which a Receipt Point is located;

*Loss* means any loss, damage, expense, cost, liability or claim;

*Maintenance* includes any testing, adding to, altering, repairing, replacing, upgrading, inspecting, cleaning, pigging, servicing or removal of (including any works preparatory to any such activity or required to return to service on completion of any such activity) all or any part of:

* + 1. a Receipt Point, Metering or Equipment;
    2. Odorisation Facilities (if any); or
    3. First Gas’ or the Interconnected Party’s Pipeline;

*MAOP* means maximum allowable operating pressure;

*Maximum Design Flow Rate* means the maximum flow rate of Gas that a Receipt Point and Metering are designed to have flow through them and, in the case of Metering Accurately measure, as set out in Schedule One;

*Metering* means the equipment at the location set out in Schedule One and complying with the Metering Requirements which measures the quantities of Gas injected into First Gas’ Pipeline at a Receipt Point;

*Metering Owner* means the Party set out in Schedule One;

*Metering Requirements* means First Gas’ document entitled “Metering Requirements for Receipt Points and Delivery Points” posted on OATIS;

*Minimum Design Flow Rate* means the minimum flow rate of Gas that a Receipt Point and Metering are designed to have flow through them and, in the case of Metering Accurately measure, as set out in Schedule One;

*Month* means the period beginning at 0000 hours on the first Day of a calendar month and ending at 0000 hours on the first Day of the next calendar month, and *Monthly* shall be read accordingly;

*Nominated Quantity* means, in respect of a Day and a Receipt Point, the quantity of Gas that a Shipper requests the Interconnected Party to inject into First Gas’ Pipeline for that Shipper, which, to the extent that the Interconnected Party and First Gas approve such Nominated Quantity, shall be that Shipper’s Receipt Quantity:

*Non-Specification Gas* means gas that is not Gas;

*OATIS*means First Gas’ internet-based open access transmission information system, whose homepage is located at http://www.oatis.co.nz (or such other homepage as First Gas may notify to the Interconnected Party in writing from time to time), or any replacement system;

*Odorisation Facilities* means all equipment and facilities used to odorise Gas injected into First Gas’ Pipeline at a Receipt Point, as more particularly described in *section 7*;

*Odorisation Fee* has the meaning set out in *section 7.8*;

*Operational Balancing Agreement* or *OBA* has the meaning set out in the Code;

*Operational Flow Order* means a notice issued pursuant to*9.3* requiring the Interconnected Party to immediately curtail its injection of Gas at a Receipt Point;

*Party* means each of First Gas and the Interconnected Party and *Parties* means them collectively;

*Pipeline* means:

* + 1. in relation to First Gas, that part of the high-pressure Gas Transmission System owned and operated by First Gas into which Gas is injected at a Receipt Point; and

(b) in relation to the Interconnected Party, the high-pressure pipeline owned and/or controlled by the Interconnected Party that conveys Gas to a Receipt Point;

*Reasonable and Prudent Operator* means, in relation to the performance of obligations under this Agreement:

(a) for First Gas, an operator of a high-pressure gas Transmission System whose standard of performance is equal to, or better than, good high-pressure gas Transmission System operating practice as determined by reference to proper and prudent practices recognised internationally as applying to the operation of such systems; and

* + 1. for the Interconnected Party, an operator of a high-pressure pipeline and (where relevant) gas producing facilities whose standard of performance in relation to such is equal to, or better than, good operating practice as determined by reference to proper and prudent practice recognised internationally as applying to the operation of such pipelines and gas producing facilities;

*Receipt Point* means a facility at which Gas from the Interconnected Party’s Pipeline is injected (or is made available to be injected) into First Gas’ Pipeline that complies with the technical requirements in Schedule Two, and includes any Additional Receipt Point, in each case the details of which are set out in Schedule One;

*Receipt Quantity* means, in respect of a Day and a Shipper, the quantity of a Shipper’s Gas injected into First Gas’ Pipeline at a Receipt Point, as determined in accordance with *section 5*;

*Regulatory Change* means the enactment or variation (including through a change in the previously settled interpretation) of any law, regulation or mandatory industry standard;

*Regulatory Change Request* has the meaning given to that term in *section 17.1*;

*Remote Monitoring Equipment* has the meaning set out in *paragraph 1.3* of Schedule Two;

*Scheduled Quantity* means that part of the aggregate of Shippers’ Nominated Quantities at a Receipt Point for a Day approved by the Interconnected Party (as the OBA Party) that First Gas also approved in accordance with sec*tion 4 of the Code*;

*Scheduled Maintenance* means Maintenance planned and scheduled ahead of time by the Party undertaking it;

*Shipper* has the meaning set out in the Code;

*Supplementary Agreement* has the meaning set out in the Code;

*Tax* means any present, new or changed tax, duty, impost, levy or charge (excluding income tax) directly or indirectly imposed from time to time by the Government, any other regulatory authority or other body whether before or after the Commencement Date, on or incurred by First Gas (or any of its related companies) directly in respect of the supplies under this Agreement;

*TSA or Transmission Services Agreement* has the meaning set out in the Code;

*Work Permit* means the relevant permit issued by the Interconnected Party to First Gas, under the Interconnected Party’s “Permit to Work Procedure” (as amended from time to time), allowing First Gas to carry out work on its Equipment; and

*Year* means a period of 365 (or 366 in a leap Year) consecutive Days commencing at 0000 hours on the 1st Day of October in each Year and ending at 2400 hours on the 30th Day of September in the following Year provided that the first Year shall be the broken period from 0000 hours on the Commencement Date, or Gas-on Date (if not 1 October) to 2400 hours on 30th September immediately following the Commencement Date or Gas-on Date.

## Construction

* 1. In this Agreement, unless the context otherwise requires:
     1. “inject” includes to cause or allow Gas to flow into the Transmission System at a Receipt Point, and other grammatical forms of “inject” shall be construed accordingly;
     2. “curtail” includes to reduce either partly or to zero and to shut or close dow
     3. all sections of this Agreement apply to Non-Specification Gas;
     4. headings are for ease of reference only and shall not form any part of the context or affect the interpretation of this Agreement;
     5. words importing persons shall include corporations, limited liability companies, governments or agencies of a state, partnerships and unincorporated associations;
     6. words importing the singular shall include the plural and vice versa, and words importing one gender shall include the other;
     7. a reference to any enactment, regulation, New Zealand Standard or any section of the Code, is a reference to that enactment, regulation, New Zealand Standard or section as amended or substituted from time to time;
     8. references to a document includes all amendments of, supplements to or replacements of such document;
     9. reference to sections and schedules are references to sections and schedules of this Agreement;
     10. references to a Party includes its respective successors and permitted assignees;
     11. any obligation not to do anything shall be deemed to include an obligation not to suffer, permit or cause that thing to be done;
     12. any reference to a standard cubic metre (*scm*) means a cubic metre of gas at New Zealand gas industry standard conditions of temperature and pressure, currently 15 degrees Celsius and 1.01325 bar absolute;
     13. any reference to a "quantity of Gas” is a reference to the energy equivalent of Gas (expressed in GJ) unless otherwise stated; and
     14. “including” and similar words means “including but not limited to”.

**EXECUTION:**

|  |  |
| --- | --- |
| **First Gas Limited** by: | **[ ] Limited** by: |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature of authorised signatory  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name of authorised signatory | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature of authorised signatory  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name of authorised signatory |

# schedule one: Receipt Point details

|  |  |
| --- | --- |
| **Receipt Point** | **[name] (alpha-numeric ID)** |
| **Address** |  |
| **Interconnection Fee** | $[ ] per Day |
| **Termination Fee** | $[ ] per Day |
| **Metering Location** | At the Receipt Point |
| **Metering Owner** | The Interconnected Party |
| **Maximum Design Flow Rate** | [ ] scm/hour |
| **Minimum Design Flow Rate** | [ ] scm/hour |
| **MAOP of Pipelines:** | |
| *First Gas’* | [ ] bar gauge |
| *Interconnected Party’s* | [ ] bar gauge |
| **Receipt Point Owner** |  |
| **Land Owner** |  |
| **Interconnection Point** | [The outlet flange of the isolation valve designated HV-XXXXX on [ ] Flowsheet - Piping & Instrument Diagram number [XXXXXX-AAAA-NNN-TT]] |
| **Equipment:** | |
| *First Gas’* |  |
| *Interconnected Party’s* |  |
| **Odorisation Status of First Gas’ Pipeline** | Odorised / Non-odorised |
| **Odorisation Facilities Owner (if any)** |  |
| **Odorisation Fee (if any)** | $[ ] per Day |

# schedule two: technical requirements

* 1. The design, construction, commissioning, operation and maintenance of a Receipt Point (including each Party’s Equipment) shall conform with good gas industry engineering practice and shall comply with the requirements of recognised and applicable standards as well as all current and relevant legislation (including applicable regulations and rules under any enactment), including but not limited to:
     1. AS 2885.1: 2007 Pipelines - Gas and Liquid Petroleum, Part 1: Design and Construction;
     2. Gas Act 1992 and associated regulations;
     3. Health and Safety at Work Act 2015;
     4. Health and Safety in Employment (Pipelines) Regulations;
     5. Resource Management Act 1991;
     6. Electrical (Safety) Regulations;
     7. AS/NZS 3000 – Wiring Rules;
     8. AS/NZS 60079.14 - Explosive Atmospheres: Electrical Installations, Design Selection and Erection; and
     9. mandatory Codes of Practice and Standards associated with any of the above.
  2. A Receipt Point must incorporate:
     1. appropriate security fencing to reasonably prevent unauthorised access;
     2. adequate means of access and egress for vehicles and personnel;
     3. adequate space to accommodate and permit the safe operation and maintenance of all Equipment and structures;
     4. Metering;
     5. clear signs indicating restricted access and Hazardous areas, supplemented by secure barriers where required;
     6. only electrical equipment that complies with the NZ Electricity Act and Regulations;
     7. an above-ground isolation valve (specified by First Gas) to allow First Gas to securely and safely isolate its Pipeline from the Interconnected Party’s Pipeline;
     8. suitable bonding of above-ground piping and associated metallic structures to ensure the electrical continuity of such piping and structures, and a suitable earth bed to which such piping and structures are connected;
     9. means to electrically isolate First Gas’ Pipeline from a Receipt Point, as well as a suitable surge diverter installed across each such isolating device;
     10. equipment to reasonably prevent any solid or liquid contaminants from reaching First Gas’ Pipeline;
     11. a flow-restriction device (sonic nozzle or a restriction orifice plate) to prevent over-speeding of any meter and/or ensure that the relevant Maximum Design Flow Rate is not exceeded;
     12. a check (non-return) valve to prevent reverse flow through a Receipt Point.
  3. A Receipt Point shall incorporate equipment to enable First Gas to remotely monitor that Receipt Point, Metering and Odorisation Facilities (if any), retrieve data and other information and (if required) control any First Gas’ Equipment. Such remote monitoring equipment may include:
     1. a remote terminal unit for First Gas’ SCADA (“Supervisory, Control and Data Acquisition”) system, radio or other communications equipment, and related ancillary equipment; or
     2. such other suitable equipment as First Gas may reasonably require,

(the *Remote Monitoring Equipment*).

* 1. There must be a secure, weather-proof, vermin-proof and adequately ventilated shelter or building, located in a non-Hazardous area, to house such of its Equipment as First Gas reasonably considers requires such protection.
  2. Where the risk assessment referred to in *section 2.4(b)* indicates that means to prevent over-pressurisation of First Gas’ Pipeline are required then, unless First Gas agrees otherwise, such means shall comprise “working” and “standby” pressure control streams, both of which streams shall include:
     1. primary means of pressure control; and
     2. separate and independent means of over-pressure protection, which shall operate in the event that the primary means of pressure control fails.
  3. Pursuant to *paragraph 1.5*:
     1. the primary means of pressure control in both the working stream and the standby stream shall comprise an active regulator or pressure control valve ; and
     2. the means of over-pressure protection shall comprise:
        1. a monitor regulator in both the working stream and the standby stream; and
        2. a small-capacity (“token”) pressure relief valve sized for leakage past the active and monitor regulators and/or control valves when the same are in the closed (“no flow”) position; or
        3. a slam-shut valve; or
        4. all of (i), (ii) and (iii).
  4. Where required by First Gas to operate its Remote Monitoring Equipment, any other Equipment and Odorisation Facilities (if any), an external supply of electricity (*Mains Supply*) shall be provided. An uninterruptible power supply (*UPS*) shall also be installed, incorporating batteries with sufficient storage capacity to supply the normal electricity requirements of such First Gas’ equipment for not less than four hours if the Mains Supply fails.
  5. First Gas may require means to remotely control the flow of Gas at a Receipt Point.

# SCHEDULE three: amending agreement

**PARTIES:**

**First Gas Limited** (*First Gas*)

**[ ] Limited** (*the Interconnected Party*)

**BACKGROUND:**

1. First Gas and the Interconnected Party are party to an Interconnection Agreement for Receipt Points dated [ ] as amended by an Amending Agreement dated [ ] (the *ICA*).
2. The Parties wish to amend the ICA as set out in this Amending Agreement.

**THE PARTIES AGREE** as follows:

## Unless the context otherwise requires, *sections 20.1* (Definitions) and *20.2* (Interpretation) of the ICA apply in respect of this Amending Agreement.

## With effect from the date this Amending Agreement is signed by both Parties, the Additional Receipt Point referred to in the schedule to this Amending Agreement shall be incorporated into the ICA and such schedule will be added to Schedule One of the ICA.

## Except as set out in this Amending Agreement, the ICA remains in full force and effect.

## 

**EXECUTION**:

|  |  |
| --- | --- |
| **First Gas Limited** by:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature of authorised signatory  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name of authorised signatory | **[ ] Limited** by:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature of authorised signatory  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name of authorised signatory |

**Schedule to Amending Agreement**

|  |  |
| --- | --- |
| **Receipt Point** |  |
| **Address** |  |
| **Metering Location** |  |
| **Metering Owner** |  |
| **Maximum Design Flow Rate** | **scmh @ [ ] bar g** |
| **Minimum Design Flow Rate** | **scmh @ [ ] bar g** |
| **MAOP of Pipelines:** |  |
| *First Gas’* | **[ ] bar g** |
| *Interconnected Party’s* | **[ ] bar g** |
| **Receipt Point Owner** |  |
| **Land Owner** |  |
| **Interconnection Point** |  |
| **Equipment:** |  |
| *First Gas’* |  |
| *Interconnected Party’s* |  |
| **Odorisation Status of First Gas’ Pipeline** | **Odorised / Unodorised** |
| **Odorisation Facilities Owner (if any)** |  |
|  |  |

**Provisional Interconnection and Termination Fees**

|  |  |  |  |
| --- | --- | --- | --- |
| **Year Ending 30 September:** | **Interconnection Fee (dollars/Day)** | **Odorisation Fee (dollars/Day)** | **Termination Fee (dollars)** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |