GTAC Preliminary Assessment

Firstgas

Initial reaction
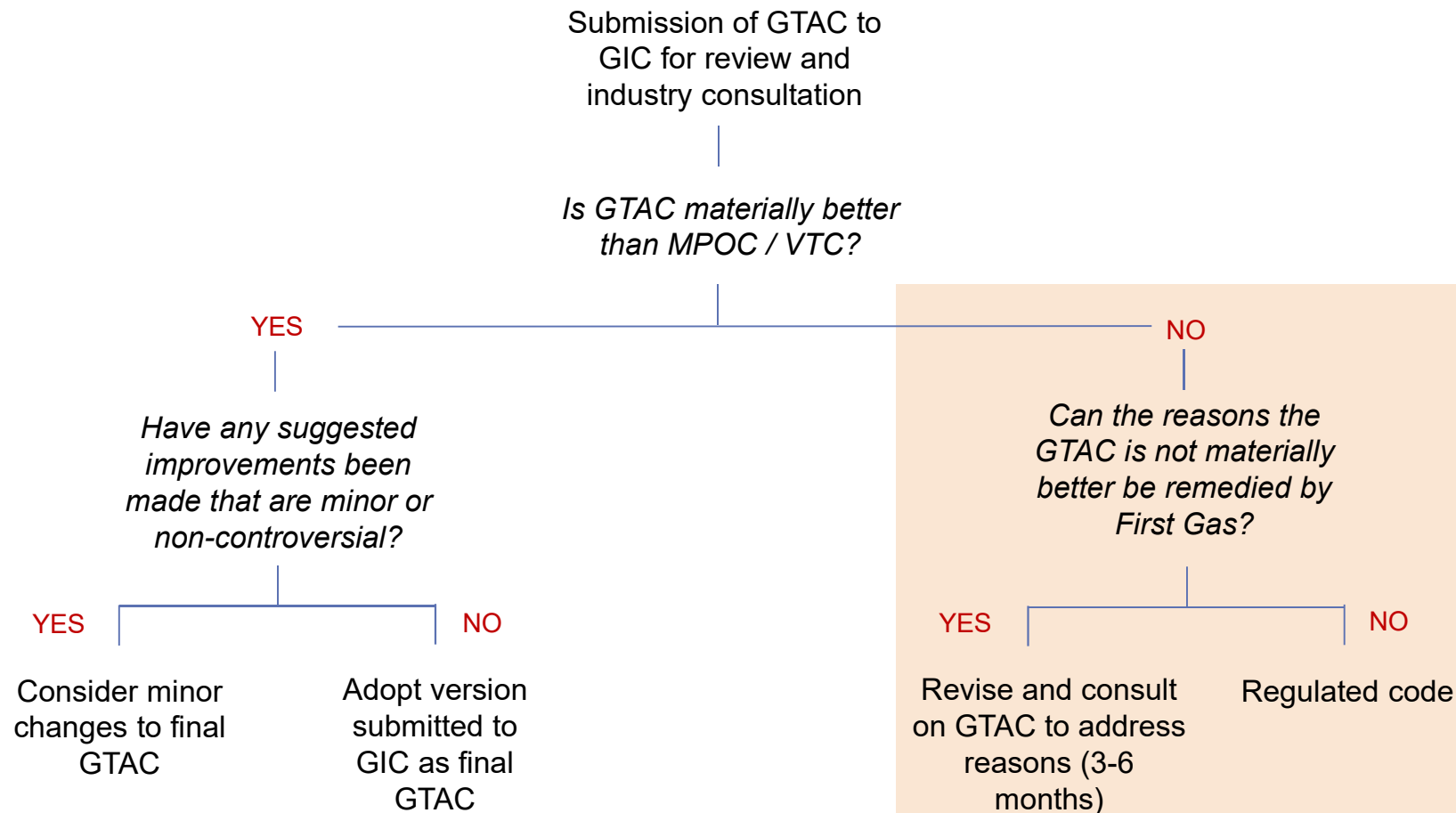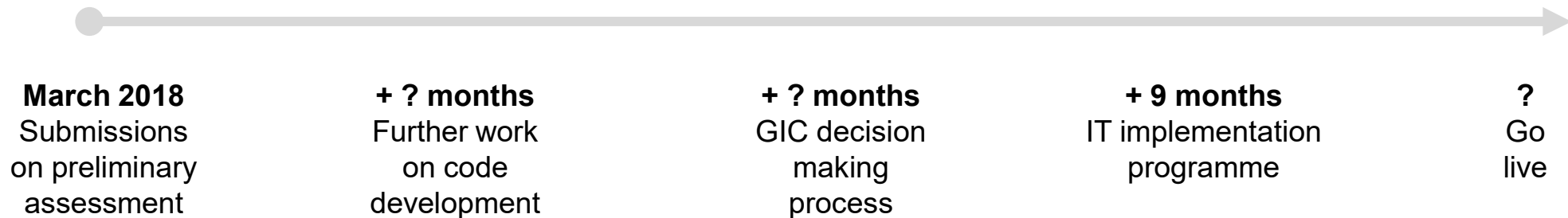
Firstgas

- Disappointed with overall conclusion

- Pleased with number of areas assessed as better or neutral

- Keen to explore whether preliminary assessment helps to funnel remaining issues

- We propose to focus our submission on identifying:
  - Areas that we agree require further design and engagement (e.g. interconnection terms)
  - Areas that will require clarification (e.g. regulatory treatment of park and loan revenue)
  - Areas we don't think should change

Planning a pathway forward (1)

Firstgas

Submission of GTAC to GIC for review and industry consultation

Is GTAC materially better than MPOC / VTC?

YES — NO

Have any suggested improvements been made that are minor or non-controversial?

YES — NO

Consider minor changes to final GTAC

Adopt version submitted to GIC as final GTAC

Can the reasons the GTAC is not materially better be remedied by First Gas?

YES — NO

Revise and consult on GTAC to address reasons (3-6 months)

Regulated code

Planning a pathway forward (2)

Firstgas

- We have not reached any firm decisions on how to move forward

- Keen to understand stakeholder views on:
  - How far away from the materially better standard do you think we are?
  - How long do you think it will take to re-engage and achieve materially better?
  - Do you have any preferences on how the process should be run from here on in?

- Any future work should:
  - Appropriately manage resource requirements
  - Maintain momentum

Implications for timeline

- Time to completion will depend on:

  - Number of issues that need to be resolved

  - Level of engagement and iteration required

  - Approach to gaining GIC decision

  - IT implementation

March 2018	**+ ? months**	**+ ? months**	**+ 9 months**	**?**
Submissions on preliminary assessment	Further work on code development	GIC decision making process	IT implementation programme	Go live

Implications for IT development

PRE > PFA > PCI > ST > FAT > SAT > CS > PC

- Proven methodology
- 8 phase 'waterfall' approach, consisting of the following phases
  - PRE – Pre-Study
  - PFA – Product Fit Analysis
  - PCI – Product Configuration
  - ST – System Test
  - FAT – Factory Acceptance Test (not applicable in this project)
  - SAT – Site Acceptance Test
  - CS – Commissioning & Support
  - PC – Project Close

- Product Fit Analysis (PFA) on track for completion (March)

- Remaining steps on hold pending resolution of outstanding issues and GIC assessment

- Opportunity for more iteration between final code design and IT