

## MEETING NOTE

TO: GTAC Stakeholders

FROM: First Gas

DATE: 01 August 2018 – 1–4pm

RE: Metering Requirements Meeting – 25 July 2018 (New Plymouth)

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### Attendees:<sup>1</sup>

- Rob Jones (Todd)
- Dave Willis (Todd)
- Vaughan Robinson (Todd)
- Len Houwers (Arete / MGUG)
- Ash Clarkson (KGTP)
- John Blackstock (First Gas)
- Greg Player (Methanex)
- Ron Mathers (Methanex)
- Mel Marr (Methanex)
- John Birkett (GGNZ)
- Fuad Daher (Shell)
- Len Rodenburg (First Gas)

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This note is designed to capture the main points of discussion and any relevant action times that were agreed during the recent Metering Requirements meeting.

1. John Blackstock and Len Rodenburg worked through:

- (a) the powerpoint presentation entitled “Metering Requirements – Preliminary Technical Session”. This document is attached as Appendix 1 to this Meeting Note; and
- (b) a supplementary document (discussed further below) the content of which will be included in the revised Metering Requirements document. This document is attached as Appendix 2 to this Meeting Note.

The following notes primarily relate to these documents. Therefore, it is suggested that these documents are reviewed first.

2. Generally positive views around the European Metering Standard BS EN 1776 and the benefits it could bring compared to the existing arrangements. Some New Zealand-specific qualifications required.
3. Further discussion is required on how existing metering systems are to be treated and how any potential “grandfathering” would be given effect to.
  - The revised Metering Requirements would apply to all Receipt Points and Delivery Points for the high-pressure gas transmission system with agreed exceptions for pre-existing assets.
  - Except where recorded otherwise, pre-existing metering systems are to maintain compliance with their applicable technical standards and testing requirements. Existing Metering Owners can “opt in”.
  - There may be circumstances where negotiated terms may be necessary for particular aspects of a metering system. These will be given effect to through provisions in an ICA.

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<sup>1</sup> Invitations were also sent to representatives of TAG Oil, Beach Energy, Contact Energy and Westside Petroleum.

- Some participants thought this could be a good opportunity to require consistency across all metering systems (at least for certain components) and raised the possibility of some form of “sunset clause” for upgrade and compliance with the new Metering Requirements.
4. In relation to the treatment of existing systems, some further thought needs to be given as to the “threshold of upgrade materiality” that would trigger the need to comply with the new Metering Requirements e.g. new GC or meter vs a more minor component of the system.
  5. Some participants did want to discuss measurement for gas quality components and characteristics.
    - John and Len did advise the attendees that First Gas was interested to progress opportunities for improvement in this area, but it was outside the core scope of the new Metering Requirements.
  6. First Gas noted that they intend to move to the new Metering Requirements (that will cover our ~120 metering systems).
  7. Len Houwers raised the possibility of some form of verification / QA system to ensure delivery of a quality service to end users.
  8. The attendees discussed the supplement document (Appendix 2) that among other things notes the proposed NZ exceptions or qualifications to BS EN 1776.
    - Some good technical points were discussed here and a few good suggestions made for potential inclusion (already incorporated into the Appendix 2 version).
    - It was noted that this supplement document would form the basis of the new Metering Requirements document.
    - We agreed that we would circulate this when seeking feedback from participants.
  9. It was noted that First Gas proposes to retain the existing methodologies for metering corrections with minor refinements if required.
  10. Proposed that the minimum gap between “special metering tests” would revert from 9-months proposed in GTAC draft back to the 2 or 3-months specified in the previous codes.
  11. Next Steps
    - Throughout the presentation First Gas emphasised that they were willing to receive feedback or industry input for our consideration.
    - First Gas also confirmed that our intention would be to circulate the proposed new Metering Requirements document prior to the Supplementary Arrangement GTAC Workshop scheduled for 18-20 September.
    - It was suggested that First Gas send out a “request for feedback” email to the workshop attendees that provides some headings / direction / focus for the feedback. This email has been sent and is reproduced as Appendix 3.

**Appendix 1 – Powerpoint presentation “Metering Requirements – Preliminary Technical Session”**

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[provided as separate .pdf file]

**Appendix 2 – First Gas Metering Systems Supplement v1 30-17-18**

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[provided as separate .pdf file]

## Appendix 3 – Request for Feedback Email

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Good Afternoon,

Thank you for your attendance and participation in the metering preliminary technical workshop last Wednesday in New Plymouth. Both Len and I felt it was a constructive session that will help First Gas with progressing and finalising the proposed Metering Requirements document.

During the course of the workshop Len and I emphasised that we were interested in obtaining your feedback on what we were presenting as well as any other metering-related matter that you believe warrants First Gas' consideration. It was suggested that First Gas should circulate an email outlining a few specific areas where feedback would be appreciated, as well providing an opportunity for any more general comments. This email is designed to meet that request and provide a consistent framework for feedback.

1. To what extent do you think existing Metering Systems on the transmission system should comply with the new Metering Requirements Document (premised on BS EN 1776)?
2. Do you consider there should be a particular materiality threshold that should apply to upgrades of components of a metering system that would trigger the need to comply with the new Metering Requirements?
3. Our presentation noted that there would be certain qualifications to BS EN 1776 that would need to apply in the New Zealand context. These qualifications were contained in the **attached** document that were discussed during the course of the workshop. This document will form the basis of the new Metering Requirements document (incorporating BS EN 1776). Do you suggest any changes to these proposed qualifications or propose new qualifications for our consideration?
4. We do not propose to make any significant changes to how metering corrections are managed. Do you have any suggestions in this area for our consideration?
5. The GTAC proposed a minimum gap between metering “special testing” requests of 9-months. We propose to revert back to the 2-months timeframe for such testing as was set out in the MPOC. Are you happy with this proposal?
6. Please feel free to provide any additional comments or feedback in areas not addressed above.

As noted during the presentation, a further GTAC workshop that will include a session on metering is scheduled to occur on 18-20 September. Our intention is to circulate the proposed new Metering Requirements document prior to that session.

Please also find attached the Powerpoint presentation entitled “Metering Requirements – Preliminary Technical Session” that Len and I were speaking to on Wednesday.

It would be appreciated **if feedback could please be provided by COB Friday 10 August**.

If you do have any issues or queries then please feel free to contact either Len or myself.

Regards

**John Blackstock**

Transmission Commercial Advisor

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