

Action Points from 2018 GTAC Meetings

Actions from 21 June GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Review of Final Assessment paper – attendees wanted GIC to consider:</p> <ol style="list-style-type: none"> 1. The extent to which GIC can provide “emerging views” during the next phase of GTAC development. 2. The inclusion of an additional row in the “heat map” to address Downstream Reconciliation. 	<i>GIC</i>	<p>Response provided to stakeholders at subsequent industry workshop.</p> <p>The “heat map” was not used again.</p>	Various
<p>Workshop outline and timing - The discussion raised the following matters for First Gas to consider:</p> <ol style="list-style-type: none"> 1. Whether it is appropriate for interconnection agreements (ICAs) to be addressed earlier in the process given the amount of work involved and the potential for the design to influence other workstreams. 2. Whether the pricing discussion should be deferred until later in the work programme. 3. Whether First Gas’s legal advisors could progress the liability issues as a priority. 4. The order of the workstreams. 	<i>First Gas</i>	First Gas provided an outline and timing of the workshops in its Memorandum titled “GTAC Workshop Plan” which has been updated as discussions have progressed	Various
<p>Workstream 1 – transmission fees:</p> <ol style="list-style-type: none"> 1. First Gas to consider release of information on its pricing methodology approach. 	<i>First Gas</i>	First Gas released a memorandum dated 31 July 2018 titled “Block 2 Support – 5 Pricing Methodology”	31 July 2018
<p>Workstream 2 – linepack and intraday flex:</p> <ol style="list-style-type: none"> 1. First Gas to consider release of information on balancing standard operating procedures, tolerances and metering requirements (linked to workstream 5 (interconnection)). 	<i>First Gas</i>	First Gas released a draft SOP dated 3 September 2018 titled “GTAC Pipeline Balancing and Line Pack Management”, and a draft memorandum titled “Supplementary Documents Workshop – Metering Requirements” as well as a draft Metering Requirements document	3 September 2018

Actions from 21 June GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Workstream 3 – nominations and governance:</p> <ol style="list-style-type: none"> 1. First Gas to consider release of information on the scope of the PR auction terms and provision of guidance on the use of its veto power. 	<p><i>First Gas</i></p>	<p>First Gas released a memorandum on 11 September 2018 titled "Block 5 Support Materials – 5 PR Auction Terms and Conditions Scoping" to address the scope of the PR Auction Terms.</p> <p>First Gas released a memorandum on 15 August 2018 titled "Block 3 Support Materials – 4 Change Request Veto" to summarise First Gas's approach to use of its veto.</p>	<p>11 September 2018</p> <p>15 August 2018</p>
<p>Workstream 5 - interconnection:</p> <ol style="list-style-type: none"> 1. First Gas to consider the release of information on its interconnection policy. 	<p><i>First Gas</i></p>	<p>First Gas released a draft Interconnection Policy on 31 July 2018</p>	<p>31 July 2018</p>
<p>Other matters:</p> <ol style="list-style-type: none"> 1. First Gas to consider what oversight there will be of the other matters that are not included within the GTAC – final wash-up agreement, PR auction terms, replacement of the D+1 agreement (including possible referral to the Downstream Allocation Working Group (DAWG)). 	<p><i>First Gas</i></p>	<p>PR Auction Terms subject to GIC approval under s 3.18 of the 11 September 2018 draft GTAC</p> <p>New Schedule 8 "Wash-ups" addresses concerns around the final wash-up agreement.</p>	<p>11 September 2018</p>
<p>Timetable and process/next steps:</p> <ol style="list-style-type: none"> 1. First Gas was asked to consider whether liability, operational matters, interconnection and linepack management could be prioritised and whether nominations and governance should be split. 2. There was an action for First Gas to amend its proposed work programme and circulate it during the week following the workshop. First Gas would liaise with the IF with a view to issuing a revised work programme on 29 June 2018. 	<p><i>First Gas</i></p>	<p>First Gas has provided an outline and timing of the workshops in its Memorandum titled "GTAC Workshop Plan" which has been updated as discussions have progressed</p>	<p>Various</p>

Actions from 10 July GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Process Matters:</p> <ol style="list-style-type: none"> 1. Independent Facilitator (IF) to discuss an appropriate process for development of the agenda for each workshop with Gas Industry Co and First Gas. 	<p><i>IF</i></p>	<p>Where possible, agendas circulated one week prior to the workshop.</p>	<p>Various</p>
<p>Core terms of Interconnection:</p> <ol style="list-style-type: none"> 1. First Gas to report back to stakeholders as to whether it would progress a workstream in relation to the AEMO protocol. 2. First Gas to consider and report back to the group on who gets the results of meter tests and whether it will permit end-user "read only" access to the GTAC IT system. 3. First Gas to discuss Shell's concerns about displaced gas nominations with Shell and report back to the group if any action is required. 	<p><i>First Gas</i></p>	<p>First Gas released a memorandum on 24 July 2018 titled "Block 1 Outputs – 2 AEMO Guidelines for Gas Quality Excursions"</p> <p>First Gas memorandum released on 24 July regarding metering test results.</p> <p>First Gas has met with Shell and OMV to discuss displaced gas nominations and it has discussed alternatives to this functionality.</p>	<p>24 July 2018</p>
<p>Integration of ICAs into the code:</p> <ol style="list-style-type: none"> 1. First Gas's legal advisors were asked to put together a draft of option two (specification of common terms in an appendix to the GTAC) in the most comprehensible manner possible. 	<p><i>First Gas</i></p>	<p>First Gas released a memorandum on 24 July 2018 titled "Block 1 Outputs – 1 GTAC ICAs".</p> <p>The outcome is reflected in drafting of the 11 September 2018 draft GTAC</p>	<p>Various</p>
<p>Allocation methods:</p> <ol style="list-style-type: none"> 1. First Gas was asked to consider an appropriate qualification on the level of optionality in relation to allocation methods at receipt points and dedicated delivery points to address the concerns around the potential impact of allocation methods on other pipeline users. 	<p><i>First Gas</i></p>	<p>First Gas released a memorandum on 24 July 2018 titled "Block 1 Outputs – 4 Allocation Methods" that responds to this.</p>	<p>24 July 2018</p>

Actions from 11 July GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Process matters:</p> <ol style="list-style-type: none"> 1. GIC to publish workshop presentations should be published as soon as possible (preferably the day after the workshop). 2. Where relevant, First Gas would mark-up changes to the drafting of the GTAC with a view to circulating the revised drafting a couple of weeks ahead of the relevant workshop. 	<p><i>GIC</i></p> <p><i>First Gas</i></p>	<p>Workshop presentations published as soon as possible.</p> <p>Where relevant First Gas provided drafting as part of the supporting information for the workshop.</p>	<p>Various</p>
<p>Target Taranaki Pressure:</p> <ol style="list-style-type: none"> 1. First Gas would set out drafting principles for the group to consider. 2. The TTP provision needs to have regard to the impact of high system pressure on producers and the impact of low system pressure on downstream parties. 3. TTP should be a clearly defined range and First Gas should have a clear obligation to bring pressure back within the range. 4. First Gas should remove references to aggregate excess running mismatch (ERM). 5. First Gas should consider whether excess running mismatch tolerance is an equivalent concept to the daily operational imbalance limit (DOIL) in the MPOC. 6. First Gas should consider whether there is a better way to link line pack limits to TTP. 7. First Gas should clarify that the 12 month lag for changes relating to TTP related to the pressure range, not the drafting of the TTP provision. 	<p><i>First Gas</i></p>	<p>First Gas released a memorandum on 24 July 2018 titled "Block 1 Outputs – 5 Target Taranaki Pressure" that responds to these matters.</p>	<p>24 July 2018</p>
<p>Balancing:</p> <ol style="list-style-type: none"> 1. First Gas to consider the relationship between Line Pack Notices and TTP. 2. First Gas to consider whether Line Pack Notices should be issued a period of time before a Line Pack threshold is likely to be breached, and confirm whether: 	<p><i>First Gas</i></p>	<p>First Gas released a memorandum on 24 July 2018 titled "Balancing Tolerances" that responds to these matters. A worked example was also made available to stakeholders.</p>	<p>24 July 2018</p>

Actions from 11 July GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>(a) multipliers on ERM fees apply at the point of the threshold being breached or the issue of the Line Pack Notice.</p> <p>(b) the multipliers on ERM fees will apply for the whole day once the TTP limit has been breached during the day.</p> <p>3. First Gas to consider whether GTAC section 8.5(b)(i) to (iv) should be subject to the ability to provide Running Mismatch Tolerance (i.e. the reverse of the current drafting).</p> <p>4. First Gas to confirm whether tolerances should have priority over park and loan.</p> <p>5. First Gas to consider whether different tolerances should apply when the Mokau compressor is/is not running.</p> <p>6. First Gas to provide further detail regarding the allocation of tolerances at Receipt Points and Delivery Points (in particular, whether a 50:50 split is appropriate).</p> <p>7. First Gas to consider whether there should be a product for start-up/shut-down to the extent that it is not covered by AHPs.</p> <p>8. First Gas to consider whether a greater industry wide tolerance can be allowed for in the balancing SOP having regard to system impact of doing so.</p> <p>9. First Gas to review whether the approach to allocating:</p> <p>(a) tolerances to shippers/OBA parties based on the DNC nomination/metered quantity for the previous day is the preferred approach having regard to the need for certainty and minimising the ability to game the system</p> <p>(b) balancing gas and cash-out costs based on the metered quantity for the previous day is the preferred approach</p>			

Actions from 11 July GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>10. First Gas to review the proposed 400GJ minimum tolerance for each party to understand where it comes from, whether that tolerance is appropriate, and the impact on existing and new shippers.</p> <p>11. First Gas to consider and revert to the group on the application of s8.6 of the GTAC – whether First Gas buys or sells balancing gas before or after the Line Pack Notice.</p> <p>12. The need for a worked example to demonstrate the proposed tolerance arrangements.</p>			
<p>Peaking:</p> <ol style="list-style-type: none"> 1. First Gas to provide clarity on the users who will be subject to the peaking framework, including how each of the four criteria are applied and First Gas's ability to "look through" to peaking parties who are not directly connected to the transmission network. 2. Consider a mechanism to address Vector's concerns about two shippers delivering to a Dedicated Delivery Point. 3. First Gas to consider whether the peaking framework is affected by non-standard arrangements. 4. First Gas to consider stakeholder concerns about the lack of certainty regarding the peaking fee and the potential for it to be out of proportion to the system impact (noting the comments from some parties that this concern is linked to the discussion around overrun and underrun fees at the next workshop). 5. First Gas to reflect on approval of the previous day's agreed hourly profiles (AHPs), the conditionality of that approval and timing. 6. First Gas to confirm the position where an AHP is not approved and how the AHP ranks when compared to DNC. The group discussed the possibility for prorating nominations in a region. 7. First Gas to consider whether unplanned outages should be excluded from the AHP framework and subject to a separate framework having regard to 	<p><i>First Gas</i></p>	<p>First Gas released a memorandum on 24 July 2018 titled "Block 1 Outputs – 7 Peaking Regime" that responds to these matters.</p>	<p>24 July 2018</p>

Actions from 11 July GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>the need for First Gas to have information regarding outages (such as obligations to provide expected hourly profiles and communicate closely on outages).</p> <p>8. First Gas to consider the trigger for a peaking charge of a flow at a delivery point or receipt point that is 1.25 x maximum hourly flow.</p>			

Actions from 12 July GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Process matters</p> <p>1. Trustpower to write a letter to other shippers raising its concerns regarding possible Commerce Act risks and proposing that shippers procure legal advice.</p>	<i>Trustpower</i>	Shippers have progressed this matter outside the workshop process.	N/A
<p>Nominations:</p> <p>1. Industry would progress a separate workstream to develop a better mechanism for mass market nominations which could be implemented at a later date through the change request process.</p> <p>2. First Gas should revisit the drafting of Interconnected Parties' approval of nominations at points with an OBA ("approve, curtail or reject").</p> <p>3. Shippers to provide First Gas with suggestions on the number and timing of the nomination cycles.</p> <p>4. First Gas to consider those suggestions having regard to the operational implications of an increased number of nomination cycles and revert to the group with a proposal.</p> <p>5. First Gas should consider the functionality of the IT system in relation to receipt point nominations (in particular "auto-confirmation").</p>	<p><i>Industry</i></p> <p><i>First Gas</i></p> <p><i>Shippers</i></p> <p><i>First Gas</i></p> <p><i>Industry</i></p>	<p>Auto-nominations regime for allocation group 4 and 6 customers included in GTAC s 4.</p> <p>Interconnected Parties' approval of nomination provided for in GTAC s 5.4.</p> <p>GTAC s 4.11 provides for not less than 7 nominations cycles. Timing of nominations cycles proposed in 8 August 2018 workshop presentation.</p> <p>GTAC s 4.12 provides for IP confirmation of the nominations and requires First Gas to provide access to OATIS for that purpose.</p> <p>IT system functionality and demand forecasting are matters to be considered if the GTAC is approved</p>	Various

Actions from 12 July GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
6. The gas industry should, where relevant, consider the electricity industry's experiences in terms of improvements to its demand forecasting as a separate regime.			
<p>Priority rights:</p> <ol style="list-style-type: none"> 1. First Gas would add drafting to provide that a shipper would use reasonable endeavours to trade PRs if that shipper lost the customer to which the PRs related. 2. First Gas to consider whether the scope of new SAs should be limited to the price of the transmission service. If SAs are not limited to price, then First Gas will provide a proposal on how supplementary capacity ranks in comparison to other capacity. 3. First Gas was asked to consider the term of PRs. 4. A minor change should be made to the drafting to remove the reference to "warrant" in relation to the requirement that a shipper give its best estimate of capacity and replace with "ensure to the extent reasonably practicable" or equivalent wording. The change would better reflect the relationship between shippers and end-users. 	<i>First Gas</i>	<p>GTAC s 3.23 requires a shipper to use reasonable endeavours to promptly trade those PRs where it has no legitimate interest in continuing to hold those PRs.</p> <p>GTAC s 7.4(g) provides that a Supplementary Agreement may set the priority of supplementary capacity to other capacity.</p> <p>GTAC s 3.19 provides that the PR Term to be notified no later than 20 business days before the scheduled PR auction.</p> <p>GTAC s 10.4 revised to remove the reference to "warrants".</p>	Various
<p>Wash-ups:</p> <ol style="list-style-type: none"> 1. Vector would have a go at re-writing Schedule 3 of the MBB Pilot Agreement and liaise with First Gas with a view to having that schedule incorporated as a schedule to the GTAC. That would address any concerns that shippers may have regarding the absence of a wash-up agreement. 	<i>Vector</i>	New Schedule 8 included in the draft GTAC	19 September 2018
<p>Other arrangements:</p> <ol style="list-style-type: none"> 1. The parties agreed that transition from the current codes to the GTAC is a technical matter that First Gas should consider and present a proposal to the group. 	<i>First Gas</i>	New Schedule 7 included in the draft GTAC to address transition. Discussed at workshop on 18 September.	18 September 2018

Actions from 12 July GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>2. First Gas is to consider and report back to the group on the extent to which the D+1 pilot agreement is already incorporated into the GTAC.</p> <p>3. The relative merit of D+1 compared to a central forecasting mechanism or prorating DNC as a basis for transmission charges should be considered by the Downstream Allocation Working Group (DAWG).</p> <p>Points raised to consider:</p> <p>1. Whether parties' positions are carried over from the MPOC/VTC to the GTAC or whether a reset occurs on 30 September.</p> <p>2. There needs to be clarity regarding the treatment of cash-outs under the MPOC when transition to the GTAC occurs.</p> <p>3. Transition may need to be addressed as a separate schedule to the GTAC.</p> <p>4. Other issues in relation to transition were likely to be identified as the process develops.</p> <p>5. Whether an enhanced forecasting mechanism or prorating DNC may be a better way to determine transmission charges than the existing D+1 arrangement.</p>	<p><i>First Gas</i></p> <p><i>DAWG</i></p> <p><i>[First Gas]</i></p>	<p>Position of MBB D+1 Pilot Agreement discussed at workshop on 18 September 2018</p> <p>DAWG review of D+1 arrangements a separate matter.</p> <p>Carry over of stakeholder positions (including cash-outs) addressed in Schedule 7 (Transition) and discussed at workshop on 18 September.</p>	

Actions from 7 August GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Process Matters:</p> <p>1. In relation to the minutes, there was general agreement that it would be useful for the "position reached" and the "points raised" to be recorded during the workshop.</p> <p>2. The minutes should include a statement of their purpose so that stakeholders are clear what the minutes are intended to achieve.</p>	<p><i>GIC /IF</i></p>	<p>Approach to minutes reflects this.</p>	<p>Various.</p>

Actions from 7 August GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>9. First Gas should check the wording for exceptions to monitoring frequencies provided for in section 6.10 of the RP ICA (comparing section 6.10 of the RP ICA with MPOC section 17.15).</p> <p>10. First Gas should check for coverage of gas chromatographs in the definition of metering (in the context of the requirement in section 4.2 of Schedule 5 that gas quantities shall not be determined by "other indirect means").</p> <p>11. First Gas should consider the exclusion of ramp up/down from the requirements in relation to "Excessive Flow" and "Low Flow" in sections 3.5 and 3.6 of Schedule 5.</p> <p>12. First Gas should check that the GTAC provides for automatic confirmation of the allocation method selected by the interconnected party.</p> <p>13. First Gas should confirm the pressure obligations/publication regime to check that parties are receiving at least the same information as that provided for under the MPOC and the VTC.</p> <p>14. First Gas should revisit the requirement to flow at a "constant rate" (section 3.3 of Schedule 5) in light of IP concerns that they would have difficulty flowing at a constant rate when correcting balancing positions.</p> <p>15. First Gas to check that the right for the end-user to determine the rules to be applied by the Allocation Agent in section 5.4 of Schedule 6 works for allocation between end-users not covered by the Downstream Reconciliation Rules (e.g. Stratford 3, Ngatimaru Road).</p> <p>16. First Gas to consider whether the ability to request additional ID cycles should extend to all IPs (not just OBA parties).</p> <p>17. First Gas to provide an example of RP curtailments under the GTAC (as part of SOPs) and the consequences of not complying with a curtailment direction.</p> <p>18. First Gas to consider the process for consulting with parties on First Gas's right to disclose confidential information under section 19.5(d) and (e).</p>			

Actions from 7 August GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>19. First gas to check whether the OBA tolerance provisions are reflected in the common and essential terms (having regard to recent changes to tolerances in the GTAC).</p> <p>20. First Gas to consider whether suspension should be a common and essential term.</p> <p>21. First Gas to determine the extent of force majeure disclosure (whether the actual FM report is disclosed or whether disclosure is limited to a certain amount of detail regarding the event).</p>			

Actions from 8 August GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Core terms of interconnection:</p> <p>1. Records of meter tests should be a common and essential term - 7 years suggested.</p> <p>2. First Gas to check section 9.9 of the RP ICA against the Gas Governance (Critical Contingency Management) Regulations (having regard to the fact that the critical contingency operator (CCO) can't instruct a receipt point IP).</p> <p>3. First Gas to check the consistency of shut-down under the GTAC with the CCO flow profiles (i.e. the profiles should generally apply to provide certainty).</p> <p>4. First Gas to check the preference and priority between shippers and IPs (i.e. what stops First Gas from discriminating in favour of shippers over IPs?).</p>	<i>First Gas</i>	Responses provided in First Gas's memorandum titled "ICA Common and Essential Terms" released on 21 August 2018.	21 August 2018
<p>OFOs/Curtailment:</p> <p>1. First Gas to consider requiring receipt point nominations from shippers/IPs that do not want to have OBAs.</p>	<i>First Gas</i>	Responses provided in First Gas's memorandum titled "Curtailments and OFOs" released on 21 August 2018.	21 August 2018

Actions from 8 August GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<ol style="list-style-type: none"> 2. First Gas to confirm whether the new IT system will have functionality for producers to auto-accept/auto-reject nominations by contract and nominations cycle. 3. First Gas to consider adding pro forma D+1 data to the information that must be provided under the GTAC. 4. First Gas to consider reducing the timeframes for responding to extra intra-day cycles to 30 minutes (to open) and 30 minutes (to respond). First Gas to confirm whether that fits with its IT system capability. 5. First Gas to consider extending the ability to call extra intra-day cycles to all IPs (not just those with an OBA). 6. First Gas to consider the link between flow to nominations and receipt point nominations made by shippers. 7. First Gas to look at options for communicating OFOs (in its curtailment SOPs). 			
<p>Commerce Act:</p> <ol style="list-style-type: none"> 1. Stakeholders asked Gas Industry Co to circulate the Commerce Commission's published information relating to trade associations. 2. Stakeholders interested in receiving advice on Commerce Act risks should consider the best time to seek such advice 	<p><i>GIC</i></p> <p><i>Stakeholders</i></p>	<p>Information circulated by News Bulletin.</p>	<p>14 August 2018</p>
<p>Liabilities Framework:</p> <ol style="list-style-type: none"> 1. First Gas to provide detailed drafting of the liability arrangements for discussion at the workshop on 22 and 23 August. 2. First Gas to consider adding First Gas to the definition of an RPO (alongside shippers and IPs) 3. Gas Industry Co to provide further detail regarding its concerns with the "vagueness" of the RPO standard as expressed in the FAP. 	<p><i>First Gas</i></p> <p><i>GIC</i></p>	<p>Workshop held on 22-23 August 2018 to discuss drafting comments.</p> <p>First Gas added to the definition of RPO.</p> <p>GIC provided detail on FAP "vagueness" concern at 22-23 August 2018 workshop.</p>	<p>Drafting released on 15 August and workshop on 22-23 August</p>

Actions from 8 August GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Associated documents:</p> <ol style="list-style-type: none"> 1. First Gas to consider the inclusion of “developable capacity” in the GTAC as per the MPOC (third party development of the transmission system when First Gas does not want to undertake the development). 2. First Gas to consider the inclusion of a requirement in the GTAC that First Gas always maintain an interconnection policy. 	<p><i>First Gas</i></p>	<p>Responses provided in First Gas’s memorandum titled “ICA Common and Essential Terms” released on 21 August 2018.</p>	<p>21 August 2018</p>

Actions from 9 August GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Rebate mechanisms:</p> <ol style="list-style-type: none"> 1. First Gas is to look at whether IPs at RPs should be treated differently to other parties to the GTAC in terms of rebates. In particular, it was suggested that a separate rebate mechanism should be created for IPs at RPs in relation to incentive charges. 	<p><i>First Gas</i></p>	<p>Response provided in First Gas’s memorandum titled “Block 1 Outputs – 4 Rebates” released on 21 August 2018</p>	<p>21 August 2018</p>
<p>Transmission incentive fees:</p> <ol style="list-style-type: none"> 1. The aggregate level of incentive fees would be reduced by reducing “F” from 2 to 1.5. The incentive fees would be made symmetrical by changing the underrun fee to F-2 (the formula in section 11.4(b) of the GTAC). 2. At a congested delivery point First Gas would notify at every nomination cycle if congestion is likely to occur. 3. The increased incentive fees that apply to a congested delivery point will apply when First Gas gives notice of congestion. 4. First Gas to reconsider the amount of notice for the “Extra ID Cycle”. In particular, whether 30 minutes or one hour was an appropriate notice period having regard to the interests of producers (who want a shorter notice period) and shippers (who want a longer notice period). First Gas will seek feedback and present a proposal at a subsequent workshop. First Gas was asked to consider whether the notice period should be in a 	<p><i>First Gas</i></p>	<p>Responses provided in First Gas’s memorandum titled “Transmission Incentive Fees” dated 21 August 2018.</p>	<p>21 August 2018</p>

<p>SOP (i.e. outside the GTAC) to enable the amount of notice to be easily adjusted.</p> <p>5. First Gas to revisit the definition of "congestion". In particular, whether an unusual event, such as a momentary constraint could be captured within the existing definition.</p>		<p>Response provided in First Gas's memorandum titled "OFOs and Curtailment" dated 21 August 2018.</p>	
<p>Review of peaking regime:</p> <ol style="list-style-type: none"> 1. In terms of the characteristics of flows to be included in the peaking regime, First Gas was asked to provide clarity on the third characteristic ("Users that have the capacity to take the more than 50% of the capacity of the network at their location"). In particular, First Gas should clarify what it meant by "at their location" and consider a link to system impact rather than 50% of the capacity of the network. 2. In relation to charges under the peaking regime, First Gas was asked to consider: <ol style="list-style-type: none"> (a) Replicating the daily overrun and underrun incentive arrangements on an hourly basis (to be illustrated by a worked example) (b) Applying a three hour moving average deviation that exceeds a specified level to recognise that sustained peaking is more likely to have an impact on the pipeline. (c) Whether the peaking regime (and therefore the charges) should be subject to a minimum flow. (d) Whether the charges under the scheme represent DNC purchased, and whether adding it to DNC for a day is appropriate. 3. An additional point was raised for First Gas to check whether there is a mechanism to undertake regional curtailments (i.e. whether First Gas could scale back a particular profile or profiles pro rata). This related to the situation in section 10.3(b) of the 8 December 2017 GTAC where congestion is in effect due to the current offtake of gas. 	<p><i>First Gas</i></p>	<p>Responses provided in First Gas's memorandum titled "Peaking" dated 21 August 2018.</p>	<p>21 August 2018</p>

Actions from 22 August GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
9. In relation to First Gas's proposal that the need to establish a breach of the RPO standard is avoided in relation to failure of comply with an Operational Flow Order (OFO) and overflow provisions, shippers and IPs are to consider that proposal and let First Gas know whether the approach is acceptable.	<i>Shippers & IPs</i>		

Actions from 23 August GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Term and termination:</p> <p>1. First Gas should consider whether the ability to extend the term of the GTAC should require a minimum term to avoid a situation like the VTC (extension for successive one-year terms).</p>	<i>First Gas</i>	Response provided in First Gas's memorandum titled "Term and termination" dated 27 August 2018	27 August 2018
<p>Change Requests:</p> <p>2. First Gas should review the timing/process of its right to veto change requests. In particular, whether the process needs to restart after an amendment to the change request under section 17.9 of the GTAC.</p>	<i>First Gas</i>	Response provided in First Gas's memorandum titled "Change Requests" dated 27 August 2018	27 August 2018
<p>Confidentiality:</p> <p>3. In the definition of "Confidential Information" in GTAC section 20.3, First Gas is to remove the reference to "acting reasonably".</p> <p>4. First Gas should make the confidentiality obligation in the GTAC mutual.</p> <p>5. First Gas to amend section 20.4 of the GTAC to require that confidential information is not disclosed.</p> <p>6. Issues relating to the transparency of outage information that may impact the wholesale market for gas is an issue that requires broader consideration than the GTAC process. This matter should be progressed by a separate workstream led by Gas Industry Co. The test for disclosure</p>	<p><i>First Gas</i></p> <p><i>GIC</i></p>	Responses provided in First Gas memorandum titled "Confidentiality" dated 27 August 2018.	27 August 2018

Actions from 23 August GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>of outage information under the GTAC should be whether it affects the efficient operation of pipeline services.</p> <p>7. Stakeholders are to provide First Gas with their views on the definition of an "outage" in relation to the obligation on IPs to notify outages under section 3.5 of the GTAC (i.e. the threshold for notification). Stakeholders are to revert on whether First Gas can publish the fact of an unscheduled outage at the 4-6 September workshop.</p>	<i>Stakeholders</i>		
<p>Supplementary agreements governance:</p> <p>8. First Gas is to publish current supplementary agreements on OATIS to the extent that it is able to publish those agreements.</p>	<i>First Gas</i>	Publication of Supplementary Agreements on OATIS is a matter to be addressed if the GTAC is approved.	

Actions from 4 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Process matters:</p> <p>1. Gas Industry Co to extend the timeframe for stakeholders to provide comments on the minutes of the 22-23 August workshop.</p>	<i>GIC</i>	News Bulletin issued to extend consultation period.	7 September 2018
<p>Definitions:</p> <p>1. First Gas to amend the definition of an Agreed Hourly Profile (AHP) to include reference to a "Receipt Point" (the reference to transmission capacity does not work in the context of a RP).</p> <p>2. First Gas to amend the definition of a "Bi-directional Point" to address the situation where a point may be either an RP or DP at particular times.</p> <p>3. First Gas would not incorporate references to standard operating procedures into the GTAC, but the GTAC would include references to Interconnection Policy and Supplementary Agreement Policy.</p>	<i>First Gas</i>	<p>Changes that First Gas has accepted have been included in the 11 September 2018 GTAC.</p> <p>Reference to a "Receipt Point" included in the definition of an AHP.</p> <p>Reference to "at particular points in time" included in the definition of a "Bi-directional Point"</p> <p>References to the Supplementary Agreement Policy and Interconnection</p>	11 September 2018

Actions from 4 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<ol style="list-style-type: none"> 4. First Gas to amend the definition of "Physical MHQ" so that the definition contemplates multiple shippers at a DP (the definition of an Hourly Delivery Quantity applies to just one shipper). 5. First Gas to amend the definition of "Daily Underrun Charge" to make Interruptible Agreements subject to those charges and ensure that there is no gap for a credit receivable. 6. First Gas to revisit the definition of "Running Mismatch Tolerance" to apportion Line Pack Tolerance (LPT) received between shippers and OBA parties and change the period for determination of the arithmetic average from 10 to 14 days. 7. First Gas to consider whether an "Emergency" or "Force Majeure" under a TSA or ICA is treated as an emergency for other RPs and DPs. 8. First Gas to consider the extent to which a peaking party can be subject to an Hourly Overrun Charge. 		<p>Policy have been included in ss. 7.2 and 7.12 respectively</p> <p>Changes have been made to s. 11.8 to address the definition of Physical MHQ</p> <p>Definition of "Daily Underrun Charge" amended to include reference to a possible credit. Reference to an "Interruptible Agreement" included in the definition of a "Daily Underrun Charge"</p> <p>Reference to 400GJ of tolerance for Shippers and OBA Parties in the definition of "Running Mismatch Tolerance".</p> <p>Arithmetic average over the preceding 14 days referenced.</p> <p>Inclusion of a new paragraph (e) "an emergency under, or for the purposes of, any interconnection agreement" in the definition of an "Emergency". Equivalent drafting included in the definition of a "Force Majeure".</p> <p>A Shipper can be exposed to an Hourly Overrun Charge under a Supplementary Agreement or an Interruptible Agreement. It can also be subject to a Peaking Charge if it exceeds an Hourly Limit (GTAC s 11.5)</p>	
<p>Transmission products and zones:</p> <ol style="list-style-type: none"> 1. First Gas to change the notice period for a scheduled PR auction from 10 Business Days to 20 Business day with provision for a shorter notice period if required in the circumstances. 	<p><i>First Gas</i></p>	<p>Changes that First Gas has accepted have been included in the 11 September GTAC.</p> <p>Notice period for a PR auction in GTAC s 3.19 increased to 20 Business days.</p>	<p>11 September 2018</p>

Actions from 4 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<ol style="list-style-type: none"> 2. First Gas to remove the reference to approval of an AHP being subject to a shipper's request for DNC in the same nominations cycle. 3. First Gas to amend s 3.28(e) so that the dominant criteria for determining a peaking party is the impact on the system with First Gas having regard to the specific criteria listed in (a) to (d). 4. First Gas to add a reference to maintaining Target Taranaki Pressure (TTP) to s 3.31(e) to address concerns around the interrelationship between Acceptable Line Pack and TTP. 5. First Gas to give notice to a peaking party when it ceases to be a peaking party for the purpose of the GTAC. 		<p>GTAC s 3.31 amended so that approval of an AHP is not subject to a Shipper's request for DNC in the same nominations cycle.</p> <p>GTAC s 3.28 amended to provide that the dominant criteria for a Peaking Party is the ability to materially impact the availability of the transmission system.</p> <p>Reference to TTP added to GTAC s 3.31(e).</p> <p>GTAC s 3.29 contains a requirement that First Gas notify a Peaking Party if it ceases to be a Peaking Party.</p>	
<p>Nominations:</p> <ol style="list-style-type: none"> 1. First Gas to amend the deemed flow provisions (s 4.16) to make a RP subject to section 4.16(a). 2. The wording in GTAC s 4.16 (deemed flow) will be amended so that it is permissive to address concerns that Interconnected Party (IP) approval will be overlooked. 3. First Gas to amend GTAC s 4.19 to provide it with the ability to call an Extra ID cycle with a request from a shipper or an IP. 4. First Gas to amend the provisions regarding auto nominations for allocation group 4 and 6 customers to provide the ability for a shipper to opt out of the auto nominations scheme. 5. First Gas to consider stakeholder concerns regarding publication of the report on the circumstances which led to the request for an Extra ID Cycle and the explanation of the need for an Extra ID cycle (GTAC ss 4.19 and 4.21). 	<p><i>First Gas</i></p>	<p>Changes that First Gas has accepted have been included in the 11 September GTAC.</p> <p>Changes have been made to clarify that a Receipt Point without an OBA is subject to GTAC s 4.16(a).</p> <p>GTAC s 4.16 has been amended so that a decreased NQ requested in an Intra-Day Cycle "may" be approved.</p> <p>GTAC s 4.19 amended to provide for an Interconnected Party to request that First Gas provide an Extra ID Cycle.</p> <p>GTAC s 4.23(i) provides that a shipper may notify First Gas that it does not wish First Gas to provide automated nominations.</p>	<p>11 September 2018</p>

Actions from 4 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>6. Gas Industry Co to discuss with First Gas the information held by the Allocation Agent in relation to customers in allocation groups 4 and 6 and the extent to which that information can be used for the purpose of s 4.24.</p>	<p><i>GIC/First Gas</i></p>	<p>The reference to First Gas publishing the report on the circumstances leading to a request for an Extra ID Cycle has been removed from GTAC s 4.21.</p> <p>First Gas and the GIC have discussed the potential information that could be used for the purposes of s. 4.24 and have agreed to pursue the proposal following approval of the GTAC to streamline the process where possible.</p>	
<p>Energy Allocations:</p> <ol style="list-style-type: none"> 1. First Gas is to amend s 6.14 of the GTAC to provide that a shipper has to cease to be a party to an allocation agreement when it does not have a gas contract and a new shipper is permitted to become a party to the allocation agreement if the new shipper has a contract to supply gas. 2. First Gas to consider the possibility that shippers may constrain interconnected parties by not entering into a GTA. 	<p><i>First Gas</i></p>	<p>Changes that First Gas has accepted have been included in the 11 September GTAC. New paragraphs (b) and (c) added to GTAC s 6.14.</p> <p>First Gas has considered the possibility that shippers may constrain an IP by not entering into an GTA. This is considered unlikely as the shipper will be unable to take title to the gas in the transmission system without the GTA and therefore they are not incentivised to block a GTA.</p>	<p>11 September 2018</p>

Actions from 5 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Additional Agreements:</p> <ol style="list-style-type: none"> 1. First Gas to include a requirement that it publishes ICAs as soon as practicable. 	<p><i>First Gas</i></p>	<p>GTAC s 7.15 amended to require First Gas to publish ICAs promptly after the date of the first gas flow.</p> <p>First Gas has considered the content of the Supplementary Agreement Policy and</p>	<p>11 September 2018</p>

Actions from 5 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
2. First Gas to consider whether its Supplementary Agreement Policy should provide guidance as to whether capacity under a Supplementary Agreement will have priority over other capacity.		agrees that giving clarification on this point will be useful for stakeholders.	
<p>Curtailement:</p> <p>1. The indemnity in s 9.12 in relation to compliance with an operational flow order (OFO) should be linked back to s 9.5 (i.e. the indemnity applies when a shipper is able to take action to respond to an OFO).</p>	<i>First Gas</i>	Change included in the 11 September GTAC	11 September 2018
<p>Congestion Management:</p> <p>1. In s 10.7 (the requirement that a shipper notify First Gas of the expected maximum daily/hourly offtake of a new End-user) First Gas should remove the references to 10% of the daily offtake/hourly offtake.</p>	<i>First Gas</i>	Change included in the 11 September GTAC.	11 September 2018
<p>Fees and Charges:</p> <p>1. First Gas to change the Daily Nominated Capacity (DNC) fee that applies to peaking charges for Receipt Points (RP) to replace the reference to that fee being determined by the arithmetic average of all DNC across the Transmission System with a reference to the Receipt Zone.</p>	<i>First Gas</i>	First Gas has considered this charge and has standardised this fee with the overflow fee to be the lowest DNC fee on the network, which is recorded in s. 11.5.	11 September 2018
<p>Gas Quality:</p> <p>1. In relation to retailers' obligations under the Gas (Safety and Measurement) Regulations 2010, GIC is to consider the feasibility of disclosure improvements as part of its information disclosure workstream.</p>	<i>GIC</i>	Not action yet. This workstream is outside the scope of the GTAC.	Not completed
<p>Odourisation:</p> <p>1. First Gas to consider whether shippers should have a right to request a demonstration of compliance equivalent to their rights in relation to gas quality.</p>	<i>First Gas</i>	Change included in the 11 September GTAC. New section 13.4 added.	11 September 2018

Actions from 5 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Force Majeure:</p> <ol style="list-style-type: none"> 2. First Gas to confirm whether a force majeure (FM) notice will be subject to the general notice requirements in s 20 and confirm when a FM notice is served. 	<i>First Gas</i>	Change included in the 11 September GTAC. FM notice carved out of GTAC s 20.2(a) (when a notice is deemed to be served)	11 September 2018
<p>Code Changes:</p> <ol style="list-style-type: none"> 1. First Gas to include guidance on OATIS regarding the change process including publication of a flow chart showing the relevant timeframes. 2. First Gas to amend the drafting of ss 17.5 and 17.6 to fix the Further Information Provision Date. 	<i>First Gas</i>	No action yet for OATIS guidance. Change to "Further Information Provision Date" included in 11 September 2018 GTAC.	11 September 2018
<p>Schedule 2: Information to be published:</p> <ol style="list-style-type: none"> 1. First Gas to amend the timing for provision of Hourly Delivery Reports to align with current practice where the reports are provided shortly after the relevant hour. 2. First Gas to check that the timings in Schedule 2 are consistent with the relevant provisions that have been referenced. 	<i>First Gas</i>	Changes included in 11 September 2018 GTAC.	11 September 2018
<p>Schedule 4: Requirements of Allocation Agreements:</p> <ol style="list-style-type: none"> 1. First Gas to amend s 2.1 of Schedule 4 to require that an Allocation Agreement provides for the Allocation Agent to correct the output when there are changes to the inputs. 2. First Gas to amend s 3.1 of Schedule 4 to increase the notice period for a change to an allocation rule from 5 Business Days to 10 Business Days. 3. First Gas to make the appointment of the Allocation Agent to be subject to the Interconnected Party's approval (rather than the End-user) and approved by First Gas. 	<i>First Gas</i>	Changes included in 11 September 2018 GTAC. Paragraph (g) added to section 2.1 of Schedule 4 to require correction of output when there are changes to the inputs. Paragraph 3.1 (a) (iv) has been amended to change the notification period to 10 Business Days. Paragraph (b) of section 2.1 of Schedule 4 changed to require approval of the Interconnected Party.	11 September 2018
Receipt Point ICA:	<i>First Gas</i>	Changes included in 11 September 2018 Receipt Point ICA	11 September 2018

Actions from 5 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<ol style="list-style-type: none"> 1. First Gas to remove the requirement that outage information is published on OATIS. Publication of outage information has been referred to GIC as a separate workstream. 2. First Gas to revise the drafting of s 4.12 of the RP ICA to avoid the suggestion that the Meter Owner is able to downgrade the level of data provided as a result of the upgrade or replacement of metering. 3. First Gas to amend the GTAC to require shippers not to unreasonably withhold consent to a Gas Transfer Agreement (GTA). 4. First Gas to modify the wording of s 6.4 of the RP ICA to provide that First Gas may determine that the IP is not required to halt further injection of gas until the Non-Specification Gas incident has been investigated. 5. First Gas to add the definition of "Additional Receipt Point" and "Amending Agreement" to the list of common and essential terms. 6. First Gas to remove the requirement that a shut-down profile is identical to any profile given to the Critical Contingency Operator (CCO). 7. First Gas to reconsider publication of the report on a FM event having regard to the differing views on stakeholders as to whether notification of FM events should be treated differently to publication of outage information. 		<p>Receipt Point ICA s 3.5 does not include a requirement that outage information is published.</p> <p>Changes made to Receipt Point ICA s 4.12 to remove the reference to the Meter Owner being unable to provide any of the data.</p> <p>Wording has been added to GTAC s 6.2 to provide that "Shippers shall not unreasonably delay entering into, or unreasonably withhold its approval of, a GTA."</p> <p>Receipt Point ICA s 6.4 has been amended to allow First Gas to agree that injection does not need to be immediately halted.</p> <p>Receipt Point ICA s1.2 provides for a definition of an "Additional Receipt Point" and an "Amending Agreement"</p> <p>Receipt Point ICA s.9.7 has been amended to remove references to the CCO profile.</p> <p>RP ICA s 15.6 provides that First Gas will publish a report of a FM event on OATIS or a summary of the report. That drafting is included in the GTAC.</p>	

Actions from 6 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Receipt Point ICA (continued):</p> <ol style="list-style-type: none"> 1. First Gas is to seek feedback from its operations staff on the publication of a force majeure (FM) event notice. 	<i>First Gas</i>	Changes include in 11 September 2018 Receipt Point ICA. RP ICA s 15.6 provides that First Gas will publish a report of a FM event on OATIS or a summary of the report. That drafting is included in the GTAC.	11 September 2018
<p>Delivery Point ICA:</p> <ol style="list-style-type: none"> 1. The requirement that outage notifications are published on OATIS is to be removed from the provisions requiring Interconnected Parties (IPs) to notify First Gas of scheduled and unscheduled outages. 2. First Gas to amend s 4.8 of the Delivery Point ICA (DP ICA) to make that provision subject to ss 4.9 to 4.11 and to add a reference to the Code as one of the purposes for which the data is provided. 3. First Gas to check the whether the definition of "Physical MHQ" is consistent with the Receipt Point ICA. 	<i>First Gas</i>	<p>Changes include in 11 September 2018 Delivery Point ICA.</p> <p>Delivery Point ICA s 3.7 does not include a requirement that outage information is published.</p> <p>The reference to s 4.12 in Delivery Point ICA s 4.8 has been changed to 4.11.</p> <p>Definitions of Physical MHQ are aligned.</p>	11 September 2018

Actions from 18 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Metering Requirements:</p> <ol style="list-style-type: none"> 1. First Gas to provide further information for finalising the metering requirements document following the feedback received from stakeholders. 2. First Gas to check that the requirements in relation to bi-directional receipt points and delivery points mesh. 3. First Gas to reconsider elements of the metering requirements that go beyond European Standard BS EN 1776:2015. First Gas is to consider whether the additional requirements are too onerous for small stations 	<i>First Gas</i>	<p>First Gas has incorporated feedback from stakeholders and the revised version of the metering requirements document was published on 21 September</p> <p>First Gas has reviewed the requirements in relation to bi-directional points and has ensured that these mesh</p>	21 September 2018

Actions from 18 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>and the possibility of introducing appropriate thresholds. In particular, First Gas is to liaise with TAG regarding its requirements.</p> <p>4. Stakeholders to consider whether they support Greymouth's view that First Gas should measure and publish the gas specification at the downstream gas gates. Comments should identify any additional value from publication of that information.</p> <p>5. First Gas to reconsider the requirement that all gas should pass through a filter/separator that removes 99.9% of contaminants greater than 3 microns.</p>	<p><i>Stakeholders</i></p>	<p>First Gas has revised the requirements for small stations in consultation with TAG to classify only those receipt points with a maximum design flow rate greater than 5,000 m³/h as class A</p> <p>First Gas has amended the requirement for filtration to be 'unless otherwise agreed with First Gas' to account for facilities that address this issue by different means</p>	<p>21 September 2018</p>
<p>Balancing SOP:</p> <p>1. First Gas to consider whether the processes in the Balancing SOP can be expressed in flow charts like the current SOP under the MPOC.</p> <p>2. First Gas to consider whether it can provide more precise wording in the Balancing SOP, having regard to First Gas's need for discretion but also the need to ensure that the procedures are clear for operational staff.</p>	<p><i>First Gas</i></p>	<p>First Gas has considered the use of flow charts and may incorporate these into future versions of the SOP.</p> <p>First Gas has reviewed the wording to address "RM estimates" and ensure that the components of the SOP reflect the powers under the GTAC more accurately. This is reflected in the version of the SOP issued on 21 September.</p>	<p>21 September 2018</p> <p>21 September 2018</p>

Actions from 18 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Curtailment SOP:</p> <ol style="list-style-type: none"> 1. First Gas to ensure that the curtailment SOP is clear that any shut-down profile that First Gas grants does not apply if a critical contingency event is declared under the CCM Regulations. 2. First Gas to consider whether it can provide more precise wording in the Curtailment SoP in relation to the options that First Gas can take to make operational curtailments. 3. First Gas to consider the point in time at which Running Mismatch is measured. 4. First Gas to consider the situation where it issues an operational flow order (OFO) to a party without an operational balancing agreement (OBA) and the flow on effect to a shipper. 	<p><i>First Gas</i></p>	<p>First Gas has revised the Curtailment SOP to clarify that a shut-down profile does not apply in the event of a critical contingency. The revision was issued on 21 September.</p> <p>First Gas has revised to give more precision to the wording in the Curtailment SOP to clarify operational curtailments. The revision was issued on 21 September.</p> <p>First Gas has revised the Curtailment SOP to clarify where estimates of current RM and forecast RM are used in the SOP to clarify this point. The revision was issued on 21 September.</p> <p>First Gas has considered the effect of issuing an OFO to a point without an OBA and the effect on the shipper and revised the Curtailment SOP to clarify on this point. The revision was issued on 21 September.</p>	<p>21 September 2018</p>
<p>Transitional Arrangements:</p> <ol style="list-style-type: none"> 1. First Gas to consider whether it is appropriate for the indemnity that shippers provide to First Gas under the MBB D+1 agreement to continue under the GTAC framework. 	<p><i>First Gas</i></p>	<p>First Gas has considered the indemnity given in Schedule 8 and has moderated this indemnity. A revised version of this schedule was issued on 19 September.</p>	<p>19 September 2018</p>
<p>Next Steps:</p> <ol style="list-style-type: none"> 1. First Gas to provide stakeholders with a timeframe for comments on the SOPs. 	<p><i>First Gas</i></p>	<p>First Gas will consider inputs to the SOPs until 1 December 2018.</p>	<p>16 October 2018</p>

Actions from 19 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>PR Auction Terms Scoping:</p> <ol style="list-style-type: none"> 1. First Gas to consider the addition of a flag in the IT system to identify if there is unforeseen congestion on a day and PRs have not been issued. 2. In relation to publication of information First Gas should consider: <ol style="list-style-type: none"> (a) Publication of pipeline capacities and historical flows. (b) Publication of planned pipeline outages. (c) Whether any information that needs to be published can be available on the same platform. 3. In relation to prudentials, First Gas should consider: <ol style="list-style-type: none"> (a) Whether the allowable bids should be constrained by the level of prudential cover. (b) The relationship of prudential cover under the PR auctions to prudential cover under the GTAC. (c) The timing of notification in relation to prudentials. 4. In relation to the timing of PR auctions, First Gas should consider: <ol style="list-style-type: none"> (a) What time of day the auctions should be held. (b) How long a bid should remain open for. (c) The time in the month that auctions should be held. 5. First Gas should consider the circumstances in which the auction notice period should be shortened. 6. First Gas should consider the point at which PR auctions cannot be cancelled and provide detail on the cancellation of PRs. 7. First Gas should consider the maximum term of the PR auctions and how this mitigates competition risks. In particular, whether a maximum term of one month is desirable to mitigate competition risks. 	<p><i>First Gas</i></p>	<p>PR auction terms are outside the scope of the GTAC, but are subject to Gas Industry Co's approval.</p> <p>First Gas has noted the points raised for incorporation into the PR Auction Terms and Conditions and will ensure these matters are covered in the development of this document in 2018.</p>	<p>Not applicable</p>

Actions from 19 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<ul style="list-style-type: none"> 8. First Gas to consider clarity regarding market oversight to address concerns around manipulation, transparency and enforcement. 9. First Gas to provide more detail on how the reserve price is set. 10. First Gas to consider whether a minimum number of shippers should be required at a delivery point in order to run a PR auction. 11. First Gas to consider how it determines the quantity of PRs available and how many PRs participants can bid for. 			
<p>EMS Tradepoint Arrangements:</p> <ul style="list-style-type: none"> 1. First Gas to consider how the market is provided for under the GTAC. 2. EMS Tradepoint to consider how nominations and scaling will work under a gas transfer agreement (GTA) 3. First Gas to consider whether the wording of the GTA creates issues for trading. 	<p><i>First Gas</i> <i>EmsTradepoint</i></p>	<p>First Gas does not consider that specific changes to the GTAC are necessary for the market.</p> <p>First Gas and emsTradepoint are working together to define how market information will be incorporated into TACOS.</p> <p>First Gas has considered the wording of GTAs and does not consider there to be an issue with respect to trades.</p>	<p>Not applicable</p> <p>16 October 2018</p>

Actions from 25 September GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Outcomes:</p> <ol style="list-style-type: none"> 1. First Gas to issue a memorandum to stakeholders noting the times of the proposed intra-day nomination cycles to provide a record of the outcome of the discussions at earlier workshops. 2. First Gas to add additional wording to s 3.26 of the GTAC to provide clarity that if a shipper does not cancel priority rights (PRs) those priority rights will continue. 3. In relation s 4.15 of the GTAC, First Gas is to amend that provision to refer to the relevant provision of the ICA to address concerns that the current drafting does not work for curtailment at receipt points. 4. First Gas to add additional wording into s 8.15 of the GTAC to provide comfort that First Gas will make the current estimated and forecast running mismatch of shippers and OBA parties available and the default rule for publication. The estimated position will only be made available to the individual shipper or OBA party and gas control. 5. First Gas to amend s 20.4 so that the "sole use" of the confidential information is in connection with the operation or use of the transmission system. 	<p><i>First Gas</i></p>	<p>First Gas has recorded the outcomes of the consultation in the memo entitled "Nomination Cycle Timing Memo" issued on 17 October</p> <p>First Gas has amended s. 3.26 of the GTAC to provide for PRs to continue if they are not cancelled by the shipper</p> <p>First Gas has reviewed the wording of s. 4.15 and the Receipt Point ICA curtailment provisions and is satisfied that there are no workability issues.</p> <p>First Gas has amended s. 8.15 of the GTAC to provide clarity that estimates of the current and forecast RM positions of shippers will be made available to them on an hourly basis. First Gas will implement controls in TACOS to restrict viewing of individual shipper RM positions on a day to operational staff.</p> <p>First Gas has amended s 20.4 to ensure that the sole use of confidential information is in connection with the operational or use of the transmission system.</p>	<p>17 October 2018</p> <p>16 October 2018</p>

Actions from 16 October GTAC Workshop

Matter	Responsibility	Action Taken	Date completed
<p>Process matters:</p> <ol style="list-style-type: none"> Gas Industry Co to circulate a News Bulletin with a timeframe for publication of a table recording the actions from the workshops <p>Peaking pricing:</p> <ol style="list-style-type: none"> First Gas is to liaise with Contact, Genesis and Nova regarding the application of peaking charges to rapidly changing plant consumption. In particular, First Gas noted the concern that parties flowing to nominations could still be subject to a peaking charge due to the effect of the 3-hourly averaging formula. <p>Curtailment and balancing: socialisation of curtailment</p> <ol style="list-style-type: none"> First Gas to remove the reference to "or not" from section 8.6 of the GTAC (the requirement that First Gas have regard to whether it should sell balancing gas in relation to breach of an Acceptable Line Pack Limit) <p>Wash-ups</p> <ol style="list-style-type: none"> First Gas is to make further changes to the wording of s 6.11 of the GTAC to add references to the "initial allocation" and "special allocation" and to remove "in accordance with the DRR" from the new 6.11(b). <p>Receipt Point ICA:</p> <ol style="list-style-type: none"> First Gas to discuss aspects of the technical requirements for Receipt Points in Schedule 5 of the GTAC and Schedule 2 of the Receipt Point ICA with OMV and Shell.remove the reference to "or not" from section 8.6 of the GTAC (thea News Bulletin with a timeframe for 	<p><i>First Gas</i></p>	<p>News Bulletin circulated on 18 October 2018.</p> <p>In progress</p>	<p>18 October 2018</p> <p>In progress.</p>