

New Gas Transmission Access Code



- We intend to develop a new code rather than starting with either the MPOC or the VTC as a base.
- The process of developing the new code will be:
 - **Open.** We will share information where practicable. There will be equal treatment for all stakeholders.
 - **Collaborative.** We will encourage and value participation.
 - **Effective.** Where possible we will use tried and tested solutions and avoid “re-inventing the wheel”.
 - **Timely.** We are aiming for a 1 October 2018 “go live”.
- IT requirements will be determined in parallel with the code.

Development of a new transmission code requires the integration of five separate elements:

1. Development of efficient access arrangements and pricing structures.
2. Selection and implementation of the operating software needed to run the pipelines under the new code.
3. Drafting the structure and wording of the new code.
4. Drafting procedural and technical documents that are consistent with the new code.
5. Developing transition mechanisms that account for existing arrangements.

These elements can all interact with each other.

First Gas and GIC will be co-leaders of the process, with complementary responsibilities for:

- a. Initial description and analysis of design options (First Gas)
- b. Identification and assessment of IT options (First Gas)
- c. Procurement and deployment of IT (First Gas)
- d. Drafting legal documents (First Gas)
- e. Training (First Gas)
- f. Testing proposals against Gas Act and GPS objectives (GIC)
- g. Ensuring that all reasonably practicable options have been considered (GIC)
- h. Drafting and recommending regulations regarding access and use, if required (GIC).

We see the process of preparing the new code going through three main phases:

1. An options analysis leading to the initial development of a preferred option or options.
2. A detailed design phase, followed by a Gas Act review by the GIC.
3. A legal drafting phase leading to the preparation of a draft code, working in parallel with a process to procure the required operating software.

Stakeholder submissions will be invited for each phase.

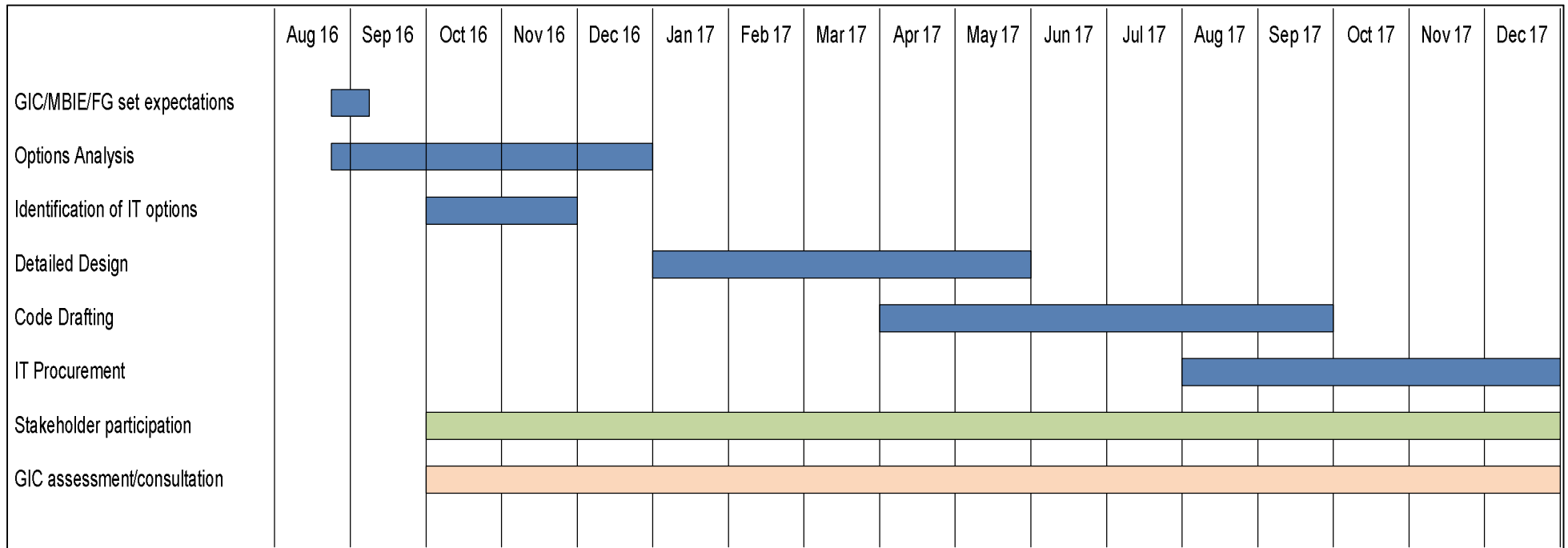
The First Step

The first step will be the completion of an analysis of the possible options.

- This will set the objectives for the new code and the means for achieving them.
- We are keen to promote a code that assists competition in both the upstream and downstream gas markets.
- We also intend to ask stakeholders which elements of a new code they consider important.

- Our current schedule envisages that the new code will be substantially complete by the end of 2017.
- The period up till 1 October 2018 is for implementation.
- Tasks over this time will include:
 - Software implementation
 - Training
 - Documentation of systems
 - Any regulatory tasks required.

Schedule for 2016/2017



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