

TEMPLATE FOR SUBMISSIONS

Question	Response
Objectives for the Gas Transmission Access Code	
Q1: Do you agree with the objectives proposed in this paper? Are there any other objectives or outcomes that we should be aiming for that are missing?	Yes, although an objective of ‘an efficiently operated transmission system’ covers a number of the objectives.
Q2: Which objectives do you see as most important?	Contact believes that the efficient use of the transmission system is the most important.
Q3: Do you agree that the objectives proposed in this paper are compatible with the regulatory objective presented in SCOP1?	Yes
Scope of the Gas Transmission Access Code	
Q4: Do you agree that the five other legal or subsidiary instruments presented above are all relevant to establishing the boundaries of the new code? Are there any other legal or subsidiary instruments that are missing?	Yes, although in respect to the Operating Policies and Standards there will need to be a high level of comfort in the way that these are set outside of the code to insure that there is sufficient consultation and transparency.
Q5: Do you agree with the way that we have described what should sit inside the code, and what should fall outside? Are these particular elements of the arrangements that we have described as sitting outside the code that you consider should be covered by the code (or vice versa)?	Yes, however depending on further clarification of the detail of the new code as to whether or not there are any additional legal or subsidiary instruments required.
Q6: Are there any other elements to the scope of the code that we should consider?	Not at this stage
Overview of options for the access regime	
Q7: Are there other code options that you believe should be considered in the process of developing a new code in addition to those described above?	No

Question	Response
Q8: Are there particular lessons from international experience that you consider First Gas should seek to learn from when designing and implementing the new access code?	No
Q9: How much focus do you think should be placed on ensuring that transmission access arrangements facilitate further development of the wholesale gas market? Are there particular features of a new access code (in addition to short term availability of capacity) that are important?	Provided the new code is developed with an ‘efficiently operating transmission system’ as core then this should include the ability to facilitate further development of the wholesale gas market.
Option 1: Menu of capacity products	
Q10: Do you have a view on whether the priority right product should be designed as an option (subject to nominations) or a fixed property right?	If the option provides better information and efficient use of capacity then this should be considered the best option against a fixed property right.
Q11: Do you consider that there would be sufficient interest in priority rights to justify the effort in administering this product?	Not currently but in any case it should be limited to the zones where capacity is restricted.
Q12: Do you have any views on the broad features of the priority right product, such as the length on the contract, the frequency of booking rounds, etc?	If there is to be priority booking rights then having shorter term rights that cover specific seasons or demand profiles would be an advantage to provide efficiency and flexibility.
Q13: Do you have any views on the frequency and timing of nomination cycles, and the role of nominations?	This will always differ between users however if the system had the ability to amend nominations on an hourly basis thereby allowing users to adjust nominations to meet demand changes/interruptions this would reduce balancing requirements and be more efficient.

Question	Response
Q14: Do you have any preferences on the allocation methodology at receipt points and delivery points (OBAs, rules based approaches, or a combination of different approaches)?	Not at this stage.
Q15: Are there any aspects of the menu of capacity products option that you see as particularly valuable, or particularly concerning?	The flexibility to match capacity with demand would be valuable.
Option 2: Daily nominated capacity	
Q16: Do you have any views on how scarcity should be signalled if a daily nominated capacity option was developed?	This should be evident by linepack/line pressure.
Q17: Are there any elements of the daily nominated capacity option that you consider should differ from capacity nominated as part of a menu of capacity products (option 1), such as the frequency and timing of nomination cycles, and the role of nominations?	No.
Q18: Are there any aspects of the daily nominated capacity option that you see as particularly valuable, or particularly concerning?	No
Option 3: Flow to demand service	
Q19: What information do you think it would be realistic for shippers to provide as forecasts for managing the transmission system under a flow to demand service option?	Forecasts tend to be less useful currently and in order for that to change one could see them evolving into nominations and there more akin to Option 2.
Q20: What information would you require from First Gas to provide you with confidence in security of supply both in the short and long term under this approach?	Real-time information on available capacity.

Question	Response
Q21: How dynamic do you think pricing should be under a flow to demand service approach?	Were capacity to become scarce it would need to be very dynamic to signal appropriate investment in capacity.
Q22: Are there any aspects of the flow to demand service option that you see as particularly valuable, or particularly concerning?	No

Link between access options and system characteristics

Q23: Do you believe that the new code access arrangements should reflect the physical constraints on the transmission system? If so, which option does this support in your view?	Yes as this is the only mechanism for signalling future investment in the gas transmission infrastructure. All options support this in various ways.
Q24: Do you have any views on how capacity on the system should be defined and priced (i.e. between points or between zones or between points and zones), and why?	Without additional detail it would seem than zonal capacity pricing is the most efficient.
Q25: Of the options described in this paper, which do you prefer and why?	Each has merit but Contact would favour option 2 or 3 depending on what Firstgas determine the additional cost of risk under Option 3 to be.

Code governance

Q26: Do you have any preference on the legal form for the new code, and who should be counterparties to the new code?	Contact believes all shippers and interconnected parties should be parties to the code.
Q27: Are there particular code change processes or features that you consider important or valuable for the new code?	Contact believes that the code change process should provide a fair process with consultation and input from the parties to the code. It should also have independent assessment that the proposed changes meeting the gas industry policies.

Balancing, linepack management and allocation

Question	Response
Q28: Do you agree with the comments on balancing and linepack management above? If not, why not?	Yes.
Q29: Are there any particular arrangements for balancing and linepack management that are not discussed in this paper that you consider critical to include in the new code?	No
Non-standard Agreements	
Q30: Do you agree with the comments on non-standard agreements above? If not, why not?	No comment at this time.
Q31: Are there any particular arrangements for non-standard agreements that are not discussed in this paper that you consider critical to include in the new code?	
Gas quality	
Q32: Do you agree with the comments on gas quality above? If not, why not?	Yes.
Q33: Are there any particular arrangements for gas quality that are not discussed in this paper that you consider critical to include in the new code?	No.
Next steps	
Q34: Do you have any comments or concerns on the process for developing the detail of the new code throughout 2017?	No

Question	Response
Q35: Are there particular issues or aspects of the new code that you would particularly like to be more closely involved in, including by participating in workstreams to prepare code exposure drafts and working papers?	