

29 April 2018

Angela Ogier
First Gas Limited

Copy: Ian Wilson, GIC

By e-mail: angela.ogier@firstgas.co.nz

Copy: Ian.Wilson@gasindustry.co.nz

Dear Angela,

GTAC Next Steps

Thank you for your invitation to respond to your GTAC Next Steps memo of 19 April 2018.

Methanex is happy to participate in the proposed topic-based workshop approach and agrees that commencing with the higher priority topics makes sense. We agree that certain workshops can be initiated prior to the GIC Final Assessment, but they will all need to incorporate findings from the Final Assessment.

In addition to Interconnection Agreements and Liabilities, we consider that the three most important topics are:

- Line pack management – we believe this issue extends to include balancing and curtailment actions (including FGL obligations in this regard)
- Flexibility arrangements
- Allocation and nomination processes

Under liabilities, we believe that the Gas Quality issue needs to be addressed.

In addition to the supporting documentation listed by FGL, we believe that transmission pricing methodology is a further document that needs to be produced to determine the materially better standard for the GTAC.

Yours sincerely

Phil Watson
Methanex New Zealand Limited

Methanex New Zealand Ltd
Level 17, 125 Queen Street
PO Box 4299,
Shortland Street - 1140
Auckland, New Zealand

Tel: +64 9 356 9300

www.methanex.com