

ALLOCATION AGENT SERVICE PROVIDER AGREEMENT

between

GAS INDUSTRY COMPANY LIMITED

and

THE MARKETPLACE COMPANY LIMITED

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THIS AGREEMENT made the _____ day of _____ 2008

BETWEEN **GAS INDUSTRY COMPANY LIMITED** a company registered under the Companies Act 1993 with its registered office at Level 9, State Insurance Tower, 1 Willis Street, Wellington (**Gas Industry Co**)

AND **THE MARKETPLACE COMPANY LIMITED** a company registered under the Companies Act 1993 with its registered office at Level 2, Deloitte House, 10 Brandon Street, Wellington (**Service Provider**)

BACKGROUND

- A.** Gas Industry Co is the industry body and wishes to appoint the Service Provider to be the Allocation Agent under the Gas (Downstream Reconciliation) Rules 2008.
- B.** The Service Provider has agreed to perform the role of the Allocation Agent in accordance with the Gas (Downstream Reconciliation) Rules 2008 and this agreement.
- C.** The parties now wish to enter into an agreement for the appointment of the Allocation Agent and the performance of those services on the terms and conditions contained in this agreement.

1. DEFINITIONS AND INTERPRETATION

1.1 Terms defined in the Rules: In this Agreement, unless the context requires otherwise, a word or expression that is defined in the Gas (Downstream Reconciliation) Rules 2008 has the same meaning as it has in those Rules.

1.2 Other definitions

In this Agreement, unless the context requires otherwise:

Acceptance Certificate means, in respect of the Allocation System, a written notice from Gas Industry Co to the Service Provider recording that Gas Industry Co is satisfied that the Acceptance Criteria for the Allocation System have been met;

Acceptance Criteria means the following criteria:

- (a) the Allocation System complies with the Specifications; and
- (b) all warranties set out in clause 18 (excluding clause 18.6) are true and correct;

Acceptance Date means the date on which:

- (a) an Acceptance Certificate is issued to the Service Provider; or
- (b) Gas Industry Co has otherwise given notice in writing to the Service Provider that the Establishment Phase has been sufficiently completed to enable the Service Provider to perform its obligations under the Rules;

Acceptance Tests means the acceptance tests recorded or specified in Schedule 5 or as otherwise agreed in writing by the parties;

Acceptance Test Plan means the plan for the Acceptance Tests for the Allocation System recorded or specified in Schedule 5, or as otherwise agreed in writing by the parties;

Agreement means this agreement and the schedules to this agreement;

Allocation System means the electronic information exchange and analysis platform described in Schedule 2:

Best Industry Practice means, in relation to any activity or service, the best practice or standard (recognised nationally or internationally) for that type of activity or service (in terms of quality, productivity, effectiveness and performance);

Change has the meaning set out in paragraph 7.1 of Schedule 7;

Change Control Process means the process set out in Schedule 7;

Change Request has the meaning set out in paragraph 7.2 of Schedule 7;

Commencement Date means the date of this Agreement;

Confidential Information means, in relation to either party, any information (in any form whether written, electronic or otherwise):

- (a) provided by any person to the Service Provider pursuant to the Rules or this Agreement which:
 - (i) is disclosed by that person on the express basis that such information is confidential; or
 - (ii) might reasonably be expected by the Service Provider to be confidential;
- (b) that is confidential to that party and relating to the Services and Deliverables;
- (c) relating to the business, operations, facilities or Intellectual Property of that party or its suppliers or customers;
- (d) in relation to the Service Provider, includes information obtained by Gas Industry Co during an audit under clause 10.3;

- (e) which might reasonably be expected by that party to be confidential in nature.

Confidential Information does not include information that is:

- (f) at the date of receipt by either party, in the public domain or that subsequently enters the public domain without any breach of this Agreement or the Rules;
- (g) at the date of receipt by either party, already known to that party;
- (h) received in good faith by either party from a third party without an obligation of confidentiality;
- (i) agreed by either party in writing to be information to which this Agreement does not apply
- (j) independently acquired or developed by either party without breaching their respective obligations under this Agreement;

Data means any information (including information in electronic form or transferred into electronic form by the Service Provider) which the Service Provider:

- (a) directly or indirectly receives from or provides to Allocation Participants or Gas Industry Co in relation to this Agreement; or
- (b) generates in the course of carrying out its functions and obligations under the Rules;

Deliverable means any deliverable to be supplied by the Service Provider to Gas Industry Co under this Agreement, including any specified in Schedule 1, 2 and 9, and including each item of Software and Documentation;

Disengagement Services means the services described in clause 14;

Documentation means any document which the Service Provider must prepare and/or deliver to Gas Industry Co in accordance with Schedule 1 (excluding any reports specified in paragraph 1.13 of Schedule 1);

Error means, in respect of the Allocation System, any failure to comply with the Acceptance Criteria;

Establishment Phase means the period from the Commencement Date up to and including the Acceptance Date.

Expiry Date means the date that is 5 years after the Go-live Date;

Fees means the fees set out in Schedule 6, which are payable by Gas Industry Co to the Service Provider;

Fee Change Event means a change to the Rules after the date of this Agreement that has a material effect on the scope of the Services and the costs of the Service Provider in providing the Services and/or of performing its obligations under this Agreement;

Financial Year means each 12 month period beginning on 1 October;

Force Majeure means, in relation to a party (the "**Affected Party**"), an event or circumstance which is beyond the reasonable control of the Affected Party, including (without limitation):

- (a) an act of God;
- (b) an act of public enemy, or declared or undeclared war or threat of war;
- (c) a terrorist act, blockade, revolution, riot, insurrection, civil commotion or public demonstration (other than one caused by the Affected Party); or
- (d) a national emergency, pandemic, epidemic and loss of supply of essential services, including electrical power and telecommunication services,

but does not include any event or circumstance which could have been avoided, prevented or circumvented by the Affected Party exercising Best Industry Practice.

Go-live date means 1 October 2008;

GST means goods and services tax payable under the Goods and Services Tax Act 1985, at the rate prevailing at the time of supply;

Impact Report has the meaning set out in paragraph 7.3 of Schedule 7;

Implementation Plan means the Implementation Plan for the Establishment Phase set out in Schedule 4;

Intellectual Property means patents, registered designs, petty patents, utility models, trade marks (including logos and trade dress), domain names, copyright, circuit layouts, rights in computer software and databases, rights in inventions, confidential information, know-how and trade secrets and all other intellectual property, in each case whether registered or unregistered (including applications for the grant of any of the foregoing) and all rights or forms of protection having equivalent or similar effect to any of the foregoing which may subsist anywhere in the world;

IP Claim has the meaning set out in clause 15.2;

Key Person means a person specified as such in Schedule 1, or any person appointed as a replacement under clause 5.4.2;

Late Interest means, in respect of any amount properly invoiced by the Service Provider and not paid when due, interest accrued on that amount at a rate of the 90 day commercial bill rate as published on the Reuters monitor service and applying at 10.30am on the relevant day, plus 3% per annum for the period from (but excluding) the due date to (and including) the date on which the amount is paid, with such interest accruing daily and compounding annually;

Law means any rules of common law, statute, regulation, by-law, ordinance or subordinate legislation in force from time to time and, in the case of the Service Provider, includes any applicable industry codes of conduct and any contract or other enforceable obligation of the Service Provider relating to the Deliverables or Services;

Licence has the meanings set out in clauses 16.1 and 16.2;

Milestone means a milestone recorded in the Implementation Plan;

Milestone Date means a date by which a Milestone must be achieved, as specified in the Implementation Plan;

OATIS means the online interactive open access transmission information system, or other replacement information system, that is used to facilitate information exchange in respect of the open access regime under the Maui Pipeline Operating Code and Vector Transmission Code;

Performance Standards means the standards of service the Service Provider must attain in providing the Services as specified in, or determined in accordance with, Schedule 3;

Personnel means:

- (b) in relation to Gas Industry Co, Gas Industry Co's personnel (including its representatives, employees and agents); and
- (c) in relation to the Service Provider, the Service Provider's and each Subcontractor's personnel (including their representatives, employees and agents) used to provide any Deliverables or Services;

Processed Data means Data which has been processed by the Service Provider by using the Software or by using any other means pursuant to this Agreement or the Rules;

Project Manager means a person appointed as project manager by Gas Industry Co or the Service Provider under clause 5.2;

Relationship Manager means a person appointed as relationship manager by Gas Industry Co or the Service Provider under clause 5.3;

Rules means the Gas (Downstream Reconciliation) Rules 2008 (as amended from time to time), and any replacement rules;

Services means the services, duties and obligations to be performed by:

- (a) the Service Provider as the Allocation Agent under the Rules; and
- (b) the Service Provider under this Agreement from time to time, as described in Schedules 1 to 7;

Site means, in relation to the Deliverables and the Services, the premises for delivery of the relevant Deliverable and/or provision of the relevant Service (as the case may be);

Software means software that is used to operate the Allocation System, whether or not it has been specifically developed for that purpose;

Source Materials means the source code for the Software, including the algorithms, and the Documentation;

Specifications mean all the specifications and requirements set out in Schedule 2 and the Functional Specifications set out in Schedule 9;

Subcontractor means any third party appointed by the Service Provider to perform any of the Services;

Term means the term of this Agreement described in clause 3;

Termination Date means the Expiry Date or such earlier date on which the Agreement is terminated; and

Warranty Period means, in relation to the Software, the 90 day period commencing on the Acceptance Date.

1.3 Interpretation

Monetary amounts: all monetary amounts are stated exclusive of GST and in New Zealand dollars;

GST: GST is payable at the same time and in the same manner as is any other amount payable under this Agreement, where that amount is subject to GST under the Goods and Services Tax Act 1985;

Expressions: expressions defined in the main body of this Agreement have the defined meaning in the whole of this Agreement including the background;

Headings: sections, clauses and other headings are for ease of reference only and will not affect the interpretation of this Agreement;

Obligation: any obligation not to do anything includes an obligation not to suffer, permit or cause that thing to be done;

Reference to party: references to any "party" are to a party to this Agreement and include that party's successors, executors, administrators and permitted assignees including any person taking by way of novation (as the case may be);

Reference to person: references to a "person" include an individual, firm, company, corporation or unincorporated body of persons, any public, territorial or regional authority, any government, and any agency of any government or of any such authority;

Singular and plural: the singular includes the plural and vice versa;

Conflict within Agreement: if there is any conflict between the documents which are part of this Agreement, the order of precedence will be as follows:

- (a) the terms of the body of this Agreement; and

- (b) the schedules to this Agreement.

References to clauses and schedules: references to clauses and schedules are to clauses in, and the schedules to, this Agreement and each schedule forms part of this Agreement, and subject to the Conflict provision above, has effect as if set out in the body of this Agreement;

Control: references to one person being "**controlled**" by another person mean that the other person (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise) has the power to:

- (a) appoint and/or remove the majority of the members of the governing body of that person;
- (b) appoint a member or members of the governing body of that person, with the power to exercise, or control the exercise of, more than 50% of the maximum number of votes that might be cast at a meeting of the governing body or the members of that person; or
- (c) control, by any other means, the affairs and policies of that person,

and, "**control**" and "**change in control**" have corresponding meanings;

References to documents: references to any document (however described) are references to that document as modified, novated, supplemented, varied or replaced from time to time;

Statutory provision: references to any statutory provision include any statutory provision which amends or replaces it and any subordinate legislation made under it;

Grammatical forms: other parts of speech and grammatical forms of a word or phrase defined in this Agreement have a meaning corresponding to the meaning of the defined word or phrase; and

Including: wherever the words "includes" or "including" (or similar words) are used, they are deemed to be followed by the words "without limitation"; and

Approvals: where there is any reference in this Agreement to something being subject to the approval or consent of a party, unless expressly stated otherwise, such approval or consent will not be unreasonably withheld or delayed.

2. APPOINTMENT

2.1 Appointment:

- 2.1.1 Gas Industry Co appoints the Service Provider as the Allocation Agent pursuant to rule 7 of the Rules, and the Service Provider accepts such appointment and agrees, from the Commencement Date, to provide the Services:

- (a) on the terms and conditions set out in this Agreement;
and
- (b) in accordance with the Rules.

2.1.2 The Service Provider agrees to be bound by the Rules in its capacity as the Allocation Agent.

2.2 Exclusive appointment: The Service Provider has been appointed as the exclusive provider of the Services and the Deliverables during the Term, provided that, for the avoidance of doubt, this clause does not limit the rights of Gas Industry Co to appoint or engage any third party to provide deliverables and/or services which are complementary to those to be provided under this Agreement.

3. TERM

3.1 Term: This Agreement will commence on the Commencement Date and, unless terminated earlier in accordance with clause 13, will expire on the Expiry Date.

3.2 Extension: Gas Industry Co may, by notice in writing delivered to the Service Provider no less than three months (or such shorter period agreed by the Service Provider) prior to the Expiry Date extend the Term, such that the Expiry Date will, subject to clause 13 or a further extension under this clause 3.2, be two years later than the previously notified Expiry Date. Gas Industry Co may, unless the Service Provider agrees otherwise, only exercise this extension option twice.

4. PERFORMANCE

4.1 Service Provider Obligations: In providing the Deliverables and/or Services and otherwise complying with its obligations under this Agreement, the Service Provider must:

- 4.1.1** comply with the Rules, including undertaking all the duties and obligations of the Allocation Agent under the Rules;
- 4.1.2** identify and provide all personnel, resources, systems and processes required to provide the Deliverables and the Services in accordance with this Agreement;
- 4.1.3** act with due care, skill and diligence and in accordance with a high level of industry knowledge and competence;
- 4.1.4** meet the applicable Performance Standards and use all reasonable endeavours to exceed the applicable Performance Standards;
- 4.1.5** report its performance against the Performance Standards as provided for in Schedule 3 and provide such assistance and information to Gas Industry Co as is reasonably necessary to enable Gas Industry Co to review and measure the Service Provider's performance;
- 4.1.6** comply with the time frames and other requirements set out in this Agreement;

- 4.1.7** provide such assistance and information to Gas Industry Co as is reasonably necessary to enable Gas Industry Co (acting reasonably) to obtain the full benefit of the Allocation System, the Deliverables and the Services, taking into account the fact that, because of Gas Industry Co's function, it will benefit from the Allocation System working well for those that use the Allocation System, even though Gas Industry Co will not itself use the Allocation System;
- 4.1.8** at all times deal, and fully co-operate, with Gas Industry Co in good faith and do such things and sign such documents as are required for the provision of the Deliverables and Services;
- 4.1.9** not damage the reputation or goodwill of Gas Industry Co;
- 4.1.10** comply with all Laws and obtain and maintain, at its cost, all licences, approvals, permits and authorisations required by Law in order for it to provide the Deliverables and the Services and otherwise perform its obligations under this Agreement; and
- 4.1.11** promptly notify Gas Industry Co of any breach of the Service Provider's obligations under the Rules or this Agreement or any matter which may impact on the Service Provider's ability to perform its obligations under this Agreement.

4.2 Gas Industry Co obligations: Gas Industry Co must:

- 4.2.1** comply with the Rules to the extent necessary to enable the Service Provider to provide the Deliverables and Services;
- 4.2.2** co-operate with the Service Provider and its Personnel in relation to the provision of the Deliverables and Services;
- 4.2.3** allow the Personnel of the Service Provider to access the Sites as reasonably required for the proper provision of the Deliverables and the Services, provided that the Service Provider must ensure that its Personnel comply with all of the Service Provider's obligations under this Agreement;
- 4.2.4** at all times deal with the Service Provider in good faith, and do such things and sign such documents as are reasonably required by the Service Provider to enable it to provide the Deliverables and Services;
- 4.2.5** promptly notify the Service Provider of any breach of Gas Industry Co's obligations under this Agreement or any matter which may impact on Gas Industry Co's or the Service Provider's ability to perform their obligations under this Agreement;
- 4.2.6** comply with the requirements of clause 16 and any Software licence terms provided that they are clearly communicated to it by the Service Provider;
- 4.2.7** provide such assistance and information to the Service Provider as is reasonably requested and is necessary to enable the

Service Provider to perform its obligations under this Agreement;

4.2.8 not damage the reputation and goodwill of the Service Provider; and

4.2.9 comply with the time frames and other requirements set out in this Agreement.

5. PERSONNEL

5.1 Personnel requirements: The Service Provider must:

5.1.1 make an adequate number of Personnel available to provide the Deliverables and Services as and when necessary;

5.1.2 ensure that all of its Personnel are properly educated, trained, skilled, experienced and fully qualified for the obligations they perform; and

5.1.3 ensure that all of its Personnel comply with:

(a) all protocols, policies, codes of conduct and/or procedures (including any changes or updates to such protocols, policies, codes of conduct and/or procedures) notified by Gas Industry Co from time to time, and which are accepted by the Service Provider (such acceptance not to be unreasonably withheld or delayed); and

(b) the Service Provider's obligations under the Rules and this Agreement.

5.2 Establishment Phase Project Managers:

5.2.1 Each party will, immediately following the Commencement Date, appoint a project manager who, in respect of obligations under this Agreement prior to the Acceptance Date, will:

(a) serve as the primary point of contact with the other party;

(b) in the case of the Service Provider, be responsible for meeting all notification, audit and reporting obligations it owes to the Gas Industry Co under the Rules; and

(c) have overall responsibility for the performance of that party's obligations under this Agreement.

5.2.2 Each party may replace its Project Manager from time to time provided it gives prior written notice of such replacement.

5.3 Relationship Managers:

5.3.1 Each party will, immediately following the Commencement Date, appoint a relationship manager who, in respect of

obligations under this Agreement subsequent to the Acceptance Date, will:

- (a) serve as the primary point of contact with the other party;
- (b) in the case of the Service Provider, be responsible for meeting all notification, audit and reporting obligations it owes to the Gas Industry Co under the Rules; and
- (c) have overall responsibility for the performance of that party's obligations under this Agreement.

5.3.2 Each party may replace its Relationship Manager from time to time provided it gives prior written notice of such replacement.

5.4 Key Person:

5.4.1 The Service Provider shall make reasonable endeavours to ensure that each Key Person is available to perform the relevant functions assigned to him or her and otherwise in accordance with this Agreement.

5.4.2 Without limiting clauses 5.2.2 and 5.3.2, as far as reasonably practicable the Service Provider may replace a Key Person only if:

- (a) the Service Provider has given Gas Industry Co reasonable written notice of the proposed replacement, such notice to include full details of the replacement for the Key Person (including an up-to-date curriculum vitae);
- (b) Gas Industry Co has approved the replacement for the Key Person (such approval will not be unreasonably withheld or delayed);
- (c) the Service Provider bears all costs relating to replacing that Key Person and upskilling the replacement Key Person; and
- (d) the Service Provider, if required by Gas Industry Co, agrees on a transition plan with Gas Industry Co for the replacement Key Person and manages the replacement in accordance with such plan.

6. RELATIONSHIP MANAGEMENT AND RESPONSIVENESS

6.1 Meetings:

6.1.1 Establishment Phase: Prior to the Acceptance Date, the Project Managers, and any relevant Key Persons, will meet weekly to:

- (a) monitor progress of the Service Provider in providing the Deliverables and the Services;

- (b) review resource needs and detail timing for upcoming tasks;
- (c) as far as they are able, settle and agree any issues arising in the course of providing the Deliverables and/or the Services, and review risks and agree risk management actions; and
- (d) monitor compliance by each party of any other of their respective obligations under this Agreement.

6.1.2 Post-establishment Phase: Subsequent to the Acceptance Date, the Relationship Managers, and any relevant Key Persons, will meet monthly to:

- (a) monitor progress of the Service Provider in providing the Deliverables and the Services;
- (b) review resource needs and detail timing for upcoming tasks;
- (c) as far as they are able, settle and agree any issues arising in the course of providing the Deliverables and/or the Services, and review risks and agree risk management actions; and
- (d) monitor compliance by each party of any other of their respective obligations under this Agreement.

6.2 Reporting: The Service Provider must provide reports at the frequency, and containing the detail, set out in Schedule 1.

6.3 Exchange of Information: The commitment to meetings under clause 6.1 notwithstanding, Project Managers and Relationship Managers will be proactive in exchanging information relevant to the timely and effective delivery of the Deliverable and Services, whenever and by whatever means is appropriate to the circumstances.

6.4 Responsiveness: The Service Provider shall respond in a prompt, informative and helpful way to any reasonable requests or enquiries made by Gas Industry Co or any Allocation Participants relevant to the delivery of the Services.

6.5 Performance Notices: Gas Industry Co may, if it considers that the Service Provider has failed to comply with clause 6.4, issue a notice to the Service Provider setting out the details of such non-compliance. Without limiting Gas Industry Co's right to claim that a particular incidence of non-compliance with clause 6.4 is a material breach of this Agreement for the purposes of clause 13.1 if it issues 3 such notices in any 6 month period, a material breach for the purposes of clause 13.1.3 shall be deemed to have occurred.

6.6 Waiver of notice: Following receipt of a notice under clause 6.5, the Service Provider may, within 5 Business Days, provide a written explanation for the alleged incidence of non-compliance and, if Gas Industry Co considers (acting reasonably) that a non-compliance has not occurred, or that there is a satisfactory explanation, it shall waive the

notice. For the avoidance of doubt, a notice that has been waived shall be discounted for the purposes of clause 6.5.

7. ESTABLISHMENT PHASE IMPLEMENTATION

- 7.1 Implementation:** The Service Provider will implement the Allocation System in accordance with the Implementation Plan.
- 7.2 Completion of Implementation:** The Service Provider shall use reasonable endeavours to complete each Milestone by the relevant Milestone Date and shall use its best endeavours to complete the implementation of the Allocation System by the date specified for completion in the Implementation Plan.
- 7.3 Failure to complete Milestones:** If the Service Provider fails, or is likely to fail, to complete a Milestone by the relevant Milestone Date it shall promptly inform Gas Industry Co of the delay and provide an updated estimate of timing.

8. ACCEPTANCE TESTING

- 8.1 Acceptance Tests:** Gas Industry Co or its agent will, following notification by the Service Provider that the implementation of the Allocation System is complete, conduct the Acceptance Tests in accordance with the Acceptance Test Plan. The Service Provider will provide such assistance as is reasonably required by Gas Industry Co in relation to the Acceptance Tests.
- 8.2 Successful completion:** If the Acceptance Tests demonstrate to the satisfaction of Gas Industry Co (acting reasonably) that the Acceptance Criteria have been met, Gas Industry Co will complete, sign and provide to the Service Provider an Acceptance Certificate. Gas Industry Co will not unreasonably withhold or delay the provision of this Acceptance Certificate.
- 8.3 Unsuccessful completion:** If the Acceptance Tests carried out under clause 8.1 do not demonstrate to the satisfaction of Gas Industry Co (acting reasonably) that the Acceptance Criteria have been met, Gas Industry Co will promptly notify the Service Provider of the details of such failure and the Service Provider will, as soon as is reasonably practicable, and in any event within 15 Business Days of receiving such notification from Gas Industry Co, remedy any relevant failures or deficiencies so that the Acceptance Criteria are met.
- 8.4 Repeat Acceptance Tests:** The Service Provider will immediately notify Gas Industry Co in writing when it has completed the remedial work under clause 8.3 and Gas Industry Co will, promptly after receipt of such notification, repeat the Acceptance Tests.
- 8.5 Continued Acceptance Tests:** The process set out in clauses 8.3 and 8.4 may, at the request of Gas Industry Co, be repeated, until the Acceptance Tests demonstrate to the satisfaction of Gas Industry Co (acting reasonably) that the Acceptance Criteria have been met.
- 8.6 General:** The issue by Gas Industry Co of any Acceptance Certificate will not release the Service Provider from its obligations under this Agreement, including the warranties set out in clause 18.

8.7 Delay: Any rights and remedies that Gas Industry Co may have under this Agreement or otherwise for any failure or delay by the Service Provider in performing its obligations under this clause 8 will not apply to the extent that such failure or delay is caused by:

8.7.1 an action or inaction of Gas Industry Co which breaches this Agreement;

8.7.2 the performance or not of the telecommunications networks of third party network providers; or

8.7.3 an inherent defect in any third party software of which the Service Provider could not, by using its best endeavours, be expected to be aware.

9. CHANGE

9.1 Change Control Process: If:

9.1.1 Gas Industry Co requires any new Deliverables or Services that are not within the scope of this Agreement; or

9.1.2 either party proposes any change to the Deliverables, the Services and/or the Specifications, including any changes to the nature or scope of the Deliverables, the Services or the Specifications (or to the timing of the delivery of the Deliverables or the Services) and such change cannot be accommodated by another process in this Agreement;

the parties will comply with the Change Control Process in respect of each such Change.

10. DOCUMENTATION, REPORTS AND RECORDS

10.1 Requirements for Documentation: The Service Provider will supply Gas Industry Co with the Documentation in accordance with the requirements set out in Schedule 1. The Documentation must:

10.1.1 contain sufficient information for the full and efficient operation of the relevant Deliverables and/or Services to which the Documentation relates in the manner contemplated by Gas Industry Co;

10.1.2 correctly represent the attributes of the subject matter to which it relates;

10.1.3 provide proper and adequate instructions for its intended purpose; and

10.1.4 be written or delivered in English and at a level appropriate for the intended audience.

10.2 Maintenance of records: The Service Provider will ensure that it, and where appropriate all of its Subcontractors, at all times create and maintain proper and complete records and documentation relating to all elements of the Deliverables and the Services, including those records and Documentation required by this Agreement to be created and

maintained by the Service Provider. The Service Provider must ensure that it and, where appropriate, all of its Subcontractors maintain such records and documentation to a standard and containing sufficient detail to allow an experienced information technology service provider to use the Deliverables and to perform the Services or any similar services in the event the Service Provider ceases to do so in whole or in part.

10.3 Audits: The Service Provider must allow an auditor appointed by Gas Industry Co to access the Service Provider's Personnel, premises and records to conduct audits in accordance with rules 65 and 66 of the Rules. The following provisions apply in respect of any audits of the Service Provider conducted under rules 65 and 66:

10.3.1 Gas Industry Co must provide the Service Provider with reasonable prior written notice of any proposed audit, including the proposed time for the audit, the name of the auditor and how Gas Industry Co intends to conduct the audit; and

10.3.2 Gas Industry Co must obtain the Service Provider's agreement (such agreement not to be unreasonably withheld or delayed) regarding the date for the audit and how the audit is to be conducted; and

10.3.3 Gas Industry Co must ensure the audit is conducted in a manner that does not:

(a) unreasonably disrupt the Service Provider's business or Personnel; or

(b) incur unreasonable costs for the Service Provider; and

10.3.4 Gas Industry Co must not conduct an audit in accordance with rule 65 more than once annually; and

10.3.5 The Service Provider will promptly and efficiently give the auditor such assistance as is reasonably required by the auditor for the purposes of auditing the Service Provider under rules 65 and 66 of the Rules; and

10.3.6 The Service Provider will use all reasonable endeavours to procure that each of its Subcontractors give Gas Industry Co and the auditor the same rights, and agrees to fulfil the same obligations to Gas Industry Co and the auditor as set out in this clause 10.3; and

10.3.7 In respect of an audit of the Service Provider carried out under rule 65 or 66 of the Rules, the costs of the auditor will be payable as set out in rule 75 of the Rules; and

10.3.8 In respect of all other audits, Gas Industry Co will pay the costs of conducting an audit except the Service Provider's costs of co-operating with any audit. For the avoidance of doubt, this means that the Service Provider will not charge Gas Industry Co for any costs it may incur as a result of Gas Industry Co conducting an audit (including the costs associated with the Service Provider co-operating with any such audit) except that the Service Provider may charge for such costs if they are

significant and the audit does not establish any non-compliance by the Service Provider.

11. FEES

11.1 Fees: Gas Industry Co must pay the Fees to the Service Provider for the Services and Deliverables in accordance with the payment terms set out in clause 12 and Schedule 6.

11.2 Fee changes:

11.2.1 Fee Change Event: On the occurrence of a Fee Change Event, the Fees payable to the Service Provider may be reviewed in accordance with Schedule 6.

11.2.2 Review of Fees: The Fees payable to the Service Provider may also be reviewed (irrespective of the occurrence of a Fee Change Event) in accordance with Schedule 6, provided that such reviews shall not occur more than annually.

12. INVOICING AND PAYMENT

12.1 Invoicing: The Service Provider must issue an invoice for any instalment of the Fees only upon supply of the Deliverables and/or Services to which that instalment relates.

12.2 General invoicing requirements: Each invoice submitted to Gas Industry Co under this Agreement, in order to be validly issued for the purposes of this Agreement, must:

12.2.1 be in the form of a valid tax invoice for GST purposes;

12.2.2 be delivered by the means of communication requested by Gas Industry Co from time to time;

12.2.3 describe in adequate detail the Deliverables and/or Services that are the subject of the invoice and the timing of the provision of such Deliverables and/or Services; and

12.2.4 be in the format specified by written notice given by Gas Industry Co to the Service Provider from time to time.

12.3 Additional billing information: The Service Provider will provide such information, as and when Gas Industry Co reasonably requests, relating to any amount invoiced or proposed to be invoiced by the Service Provider under this Agreement, provided that:

12.3.1 the Service Provider may withhold any such additional billing information if it reasonably believes that information is financially or commercially sensitive; and

12.3.2 Gas Industry Co must pay the Service Provider for each full hour over and above 1 hour that the Service Provider reasonably spends on collating and providing this additional billing information based on the hourly rate for an analyst specified in paragraph 6.7 of Schedule 6.

12.4 Disputed invoices: Where Gas Industry Co disputes any portion of any amount appearing as payable on an invoice issued by the Service Provider to Gas Industry Co under this Agreement:

12.4.1 Gas Industry Co will notify the Service Provider of such dispute within 7 Business Days of receiving the invoice; and

12.4.2 Gas Industry Co must pay the undisputed portion of that invoice on its due date, but will not be obliged to pay the disputed portion of that invoice until the parties' dispute has been resolved by agreement between the parties or, in the absence of such agreement, in accordance with clause 21.4.

12.5 Payment: Any valid invoice received by Gas Industry Co from the Service Provider will be payable on the 20th day of the month following the month in which the invoice is received by Gas Industry Co. Gas Industry Co will not be required to pay any invoice which is not valid for the purposes of this Agreement.

12.6 Late payment: If Gas Industry Co:

12.6.1 does not pay any properly invoiced amount when due (other than in accordance with clause 12.4.2; or

12.6.2 withholds payment of a portion of an invoice under clause 12.4.2, and the relevant dispute is resolved in favour of the Service Provider such that an amount is determined to be payable by Gas Industry Co,

Gas Industry Co must pay Late Interest in respect of the amount not paid when due.

12.7 Tax: Other than GST, the Service Provider will be responsible for all taxes, levies or duties assessed on, or in relation to, the Service Provider's supply of the Deliverables and provision of the Services.

13. TERMINATION

13.1 Termination by Gas Industry Co: In addition to any other right or remedy conferred on Gas Industry Co under this Agreement or by Law, Gas Industry Co may terminate this Agreement any time and with immediate effect by written notice to the Service Provider if:

13.1.1 the Rules are revoked, repealed or amended so that the role of the Allocation Agent is dis-established (provided that Gas Industry Co has previously consulted with the Service Provider in relation to the same); or

13.1.2 the Service Provider has failed to comply with an earlier written notice given by Gas Industry Co:

(a) specifying a material breach of the Rules or this Agreement by the Service Provider; and

(b) requiring that the Service Provider remedy that breach within 5 Business Days after receipt of that earlier notice;

- 13.1.3** the Service Provider has committed a material breach of this Agreement which is not reasonably capable of being remedied by the Service Provider within 5 Business Days;
- 13.1.4** the Service Provider:
- (a) goes into liquidation;
 - (b) has a receiver, administrator or statutory manager appointed in respect of itself or any material part of its assets;
 - (c) becomes unable to pay its debts as they fall due;
 - (d) is presumed under section 287 of the Companies Act 1993 to be unable to pay its debts;
 - (e) is removed from the New Zealand Companies Register;
 - (f) or if any event analogous in nature has occurred in respect of the Service Provider under any other law of any jurisdiction;
- 13.1.5** the Service Provider suspends, for 10 Business Days or longer, or ceases, or sells, its principal business undertaking or assets without Gas Industry Co's prior written consent (such consent not to be unreasonably withheld or delayed);
- 13.1.6** the Service Provider makes any assignment to, or enters into any arrangement for the benefit of, its creditors (other than for the purposes of a solvent restructuring);
- 13.1.7** the Service Provider ceases to be controlled by the same persons as at the date of this Agreement, without the prior written consent of Gas Industry Co (such consent not to be unreasonably withheld or delayed);
- 13.1.8** Gas Industry Co becomes entitled to terminate the Agreement under clause 15.5;
- 13.1.9** the Acceptance Criteria have not been met by the date, being 30 Business Days after the date for the completion of all Acceptance Tests specified in the Acceptance Test Plan, provided that, if any delay is caused by a breach by Gas Industry Co of this Agreement then, for the purposes of this clause, the date for the completion of all Acceptance Tests specified in the Acceptance Test Plan by which the Acceptance Criteria must be met shall be deemed to be adjusted by a period equal to the length of such delay;
- 13.1.10** any Force Majeure is of such magnitude or will be of such duration that it is, or is reasonably likely to be, impossible or impractical for the Service Provider to comply, to a material extent, with the Service Provider's obligations under this Agreement (taken as a whole) for a period of two consecutive months or longer.

- 13.2 Termination by Service Provider:** In addition to any other right or remedy conferred on Service Provider under this Agreement or by Law, the Service Provider may terminate this Agreement and/or the Licence at any time and with immediate effect by written notice to Gas Industry Co if:
- 13.2.1** Gas Industry Co has failed to make any payment to the Service Provider in accordance with this Agreement (other than pursuant to a dispute under clause 12.4.2), and has not remedied such failure within 5 Business Days of receiving written notice from the Service Provider of such failure;
- 13.2.2** Gas Industry Co materially breaches its obligations under clause 4.2.6 and does not remedy such breach within 20 Business Days of receiving written notice from the Service Provider of such failure;
- 13.2.3** Gas Industry Co:
- (a) goes into liquidation;
 - (b) has a receiver, administrator or statutory manager appointed in respect of itself or any material part of its assets;
 - (c) becomes unable to pay its debts as they fall due;
 - (d) is presumed under section 287 of the Companies Act 1993 to be unable to pay its debts;
 - (e) is removed from the New Zealand Companies Register;
- 13.2.4** Gas Industry Co suspends, for 10 Business Days or longer, or ceases, or sells, its principal business undertaking or assets without the Service Provider's prior written consent (which the Service Provider may withhold in its sole discretion); and
- 13.2.5** Gas Industry Co makes any assignment to, or enters into any arrangement for the benefit of, its creditors (other than for the purposes of a solvent restructuring).
- 13.3 Consequences of termination:** Without limiting any other rights or remedies of either party, on the termination of this Agreement:
- 13.3.1** if this Agreement is terminated by either party before the Acceptance Date under clause 13.1 or 13.2, the Service Provider shall immediately cease work and Gas Industry Co shall reimburse the Service Provider for all reasonable costs incurred up to the Termination Date or which the Service Provider will be unable to avoid incurring after the Termination Date;
- 13.3.2** if this Agreement is terminated by either party after the Acceptance Date under clause 13.1 or 13.2, then Gas Industry Co shall pay the Service Provider an amount equal to any Fees which have accrued up to the Termination Date but are unpaid

(which Fees shall be calculated on a pro-rata basis in respect of any items for which periodic Fees are payable);

- 13.3.3** if the Termination Date is after the Go-live Date, the Service Provider shall transfer the Data and Processed Data to Gas Industry Co or the incoming service provider in accordance with clause 14 in a form which is useable by Gas Industry Co;
- 13.3.4** the termination will be without prejudice to either party's rights and remedies in respect of any breach of this Agreement by the other party, where the breach occurred before the termination of this Agreement;
- 13.3.5** without limitation, the provisions of clauses 13.3, 14, 15, 16, 17, 18, 19, 22 and 23, together with those other provisions of this Agreement which are incidental to, and required in order to give effect to those clauses, will remain in full force and effect; and
- 13.3.6** where, under clause 14, the Service Provider is required to continue providing Disengagement Services after the Termination Date, the provisions of this Agreement will remain in effect insofar as required to give effect to the provision of the Disengagement Services.

14. DISENGAGEMENT SERVICES

14.1 On the expiry or termination of this agreement, the Service Provider will provide in a timely fashion, co-operation and support for orderly transitioning to an alternative Allocation System or any alternative service provider. These Disengagement Services will include, if requested by Gas Industry Co:

- 14.1.1** the continued provision of the Services, or part of the Services, being provided to Gas Industry Co prior to termination as requested by Gas Industry Co in accordance with this Agreement. Gas Industry Co must continue to pay the Fees for such Services in accordance with this Agreement (or a reasonable proportion of those Fees if only part of the Services is required); and
- 14.1.2** training for Gas Industry Co and the new Service Provider's personnel in respect of the relevant Services **provided** by the Service Provider under this Agreement.

14.2 Length of Disengagement Services

- 14.2.1** Subject to clause 14.2.2, the Service Provider will provide the Disengagement Services for up to 12 months after termination, provided that where Gas Industry Co no longer requires the Service Provider to provide the Disengagement Services, Gas Industry Co must give the Service Provider notice of the same in writing 3 months prior.
- 14.2.2** If this Agreement has been terminated pursuant to clause 13.1, the Service Provider will provide the Disengagement Services for up to 12 months after termination, and Gas Industry Co may give immediate notice to the Service Provider that it no longer

requires the Service Provider to provide the Disengagement Services.

14.3 If this Agreement has been terminated pursuant to clause 13.2, the Service Provider will only be obliged to provide the Disengagement Services if Gas Industry Co:

14.3.1 within 10 Business Days of the Termination Date, makes payment in advance to the Service Provider of:

(a) an amount equating to two months worth of Fees (a month's worth of Fees being the amount of the Fees payable monthly immediately prior to the Termination Date); and

(b) all other amounts due to the Service Provider under this Agreement as at the Termination Date; and

14.3.2 thereafter in each month (including the month in which the payment in clause 14.3.1(a) above is made), complies with its payment obligations under this Agreement in respect of the Fees payable for Disengagement Services provided that no later than one month following the date on which the Service Provider ceases to provide Disengagement Services, the Service Provider shall repay to Gas Industry Co the payment made under clause 14.3.1(a) above, less any outstanding amounts due to the Service Provider by Gas Industry Co.

14.4 Subject to clause 14.1, the Service Provider will, at no additional cost, transfer all Data and Processed Data (in a commonly accepted industry standard format (e.g. CSV) or as reasonably required by Gas Industry Co) to Gas Industry Co, or if Gas Industry Co requests, to the incoming service provider, and will provide a certificate to Gas Industry Co confirming that it has transferred all the Data and Processed Data it is required to transfer under this clause 14.4.

14.5 Notwithstanding any obligation on the Service Provider under this Agreement to transfer Data and Processed Data, the Service Provider will be entitled to retain a copy of such Data and Processed Data to comply with any obligations it has at Law.

14.6 The parties will negotiate in good faith to agree a data transfer plan which sets out the timing and other requirements for the transfer of Data and Processed Data in accordance with clause 14.4. When determining timing, the parties will take into account the volume of Data and Processed Data to be transferred.

14.7 If the parties are not able to agree a data transfer plan within 20 Business Days after the termination of this Agreement, either party may refer the matter to arbitration as set out in clause 22.2.4 of this Agreement.

14.8 The Service Provider agrees to work in good faith with any incoming service provider in relation to the transfer of Data and Processed Data under clause 14.4 in accordance with the data transfer plan.

15. INTELLECTUAL PROPERTY

15.1 Ownership of Intellectual Property: Unless otherwise agreed between the parties in writing:

15.1.1 all Intellectual Property of the Service Provider and its licensors that is not developed, commissioned or created under or in connection with this Agreement, but is used for the purposes of this Agreement together with all updates, modifications, adaptations and/or additions made to that Intellectual Property whether under this Agreement or otherwise, will be owned exclusively by the Service Provider or the relevant licensors;

15.1.2 all Intellectual Property of Gas Industry Co and its licensors that is not developed, commissioned or created under this Agreement, but is used for the purposes of this Agreement, together with all updates, modifications, adaptations and/or additions made to that Intellectual Property whether under this Agreement or otherwise, will be owned exclusively by Gas Industry Co or the relevant licensors;

15.1.3 all new Intellectual Property that is developed, commissioned or created under this Agreement, including Intellectual Property rights in the Software and Deliverables, will be owned exclusively by the Service Provider upon creation; and

15.1.4 both parties must use all best endeavours to protect the other's Intellectual Property rights and interests from infringement during and after the expiry of this Agreement.

15.2 Intellectual Property Indemnity by the Service Provider: The Service Provider indemnifies Gas Industry Co against all liabilities, damages, expenses and losses (including legal costs) arising from any claim or proceeding brought against Gas Industry Co to the extent that the claim or proceeding is based on an allegation that Gas Industry Co's possession or use of any Deliverable and/or Service supplied or licensed by the Service Provider under this Agreement infringes any third party's Intellectual Property ("IP Claim").

15.3 Conditions Applying to Intellectual Property Indemnity: The Service Provider's obligations under clause 15.2 are conditional on:

15.3.1 Gas Industry Co promptly notifying the Service Provider in writing of any IP Claim;

15.3.2 Gas Industry Co making no admission regarding the IP Claim without the Service Provider's consent;

15.3.3 the Service Provider conducting and/or settling (at its own cost) all negotiations and litigation;

15.3.4 Gas Industry Co giving the Service Provider all reasonable assistance. The Service Provider must reimburse Gas Industry Co's reasonable costs and expenses associated with providing such assistance; and

- 15.3.5** the infringement or alleged infringement not being a direct result of a breach by Gas Industry Co of its obligations under this Agreement or the Service Provider's reliance on a misrepresentation made by Gas Industry Co.
- 15.4 Rectifying an IP Claim:** If at any time an IP Claim is made, or in the Service Provider's reasonable opinion is likely to be made, then in defence or settlement of such an IP Claim, the Service Provider must (at its option):
- 15.4.1** obtain for Gas Industry Co the right to continue using the items which are subject to the IP Claim; or
- 15.4.2** at the Service Provider's expense, modify, replace or re-perform the items which are the subject of the IP Claim so they become non-infringing.
- 15.5 Termination for IP Infringement:** If the remedies in clause 15.4 are exhausted without remedying or settling (to Gas Industry Co's reasonable satisfaction) the IP Claim, Gas Industry Co may terminate this Agreement under clause 13.1.
- 15.6 Ownership of Data:** The Service Provider shall have no rights (other than those separately agreed to with individual Allocation Participants or, where applicable, Gas Industry Co) to the Data or Processed Data received, processed or published via the Allocation System, or any use of that data beyond that specified in this Agreement.
- 15.7 Intellectual Property Indemnity by Gas Industry Co:** Gas Industry Co indemnifies the Service Provider against all liabilities, damages, expenses and losses (including legal costs) in connection with the infringement or alleged infringement of any third party's Intellectual Property rights arising out of or in connection with any modifications or enhancements made to the Software and/or Documentation by Gas Industry Co. Gas Industry Co's obligations under this clause 15.7 are conditional on:
- 15.7.1** the Service Provider promptly notifying Gas Industry Co in writing of any IP Claim;
- 15.7.2** the Service Provider making no admission regarding the IP Claim without Gas Industry Co's consent;
- 15.7.3** Gas Industry Co conducting and/or settling (at its cost) all negotiations and litigation
- 15.7.4** the Service Provider giving Gas Industry Co all reasonable assistance. Gas Industry Co must reimburse the Service Provider's reasonable costs and expenses associated with providing such assistance; and
- 15.7.5** the infringement or alleged infringement not being a direct result of a breach by the Service Provider of its obligations under this Agreement or Gas Industry Co's reliance on a misrepresentation made by the Service Provider.

15.8 Third party Intellectual Property: If the Service Provider includes any third party's Intellectual Property in any Deliverable, it must:

15.8.1 obtain Gas Industry Co's prior written approval to such inclusion;

15.8.2 provide details of the name and version of the third party's Intellectual Property and the name and address of the owner of the third party's Intellectual Property; and

15.8.3 obtain all necessary written assignments, releases, waivers, permissions and licenses from the applicable third parties for use by Gas Industry Co of the third party's Intellectual Property with the Deliverable in accordance with this Agreement.

16. LICENCE

16.1 Software licence before termination: During the term of this Agreement, the Service Provider grants to Gas Industry Co a non-exclusive, non-transferable, perpetual Licence to use the Software (excluding third party software) and Documentation (excluding third party documentation) but only:

16.1.1 from the Acceptance Date;

16.1.2 subject to Gas Industry Co paying the Fees in accordance with the requirements of Schedule 6; and

16.1.3 for carrying out functions relating, directly or indirectly, to the downstream allocation and reconciliation of downstream gas quantities.

16.2 Software licence after termination: Following termination of this Agreement, the Service Provider grants to Gas Industry Co a non-exclusive, non-transferable, perpetual Licence to use, operate, copy, maintain, enhance and modify the Software (excluding third party software) and Documentation (excluding third party documentation) but only:

16.2.1 from the date this Agreement is terminated;

16.2.2 subject to Gas Industry Co paying the Fees in accordance with the requirements of Schedule 6 (provided that, for the avoidance of doubt, this clause 16.2.2 shall not be read as requiring the payment of any Fees after the Termination Date which would not otherwise have been payable, as a condition of Gas Industry Co retaining the Licence); and

16.2.3 for carrying out functions relating, directly or indirectly, to the downstream allocation and reconciliation of downstream gas quantities.

16.3 Licence restrictions: Subject to clauses 16.1 and 16.2, Gas Industry Co shall not:

16.3.1 use or develop the Software and Documentation for its own commercial use;

- 16.3.2** use the Software and Documentation to engage in competition with the Service Provider or to act in a manner that may or does cause material loss to the Service Provider or that materially adversely affects the Service Provider's business, provided that these obligations shall not restrict the use of the Software or Documentation by Gas Industry Co or any service provider of Gas Industry Co for the sole purpose of facilitating the operation of the Rules;
- 16.3.3** remove any Service Provider copyright, trademark or other proprietary notice from the Software and Documentation; and
- 16.3.4** sell, rent, transfer or otherwise dispose of the Software and Documentation.

Where Gas Industry Co reproduces, reverse engineers, decompiles or disassembles the Software and/or develops derivative works based on the Software and Documentation, then it may only do so for the sole purpose of carrying out functions relating, directly or indirectly, to the downstream allocation and reconciliation of downstream gas quantities, and subject to the other provisions in this clause 16.

- 16.4 Protection of Software:** Gas Industry Co must ensure that the Software and Documentation in its possession are protected at all times from misuse, damage, destruction or, except as required by law, any form of unauthorised disclosure, use or copying.
- 16.5 Sublicensing to incoming service provider:** Notwithstanding clause 16.4, Gas Industry Co may upon reasonable prior written notice to the Service Provider:
 - 16.5.1** engage third party contractors to use, operate, maintain, enhance and modify the Software; and/or
 - 16.5.2** sub-licence the Software and related Documentation to the incoming service provider,but only:
 - 16.5.3** following the termination of this Agreement;
 - 16.5.4** for the sole purpose of carrying out functions relating, directly or indirectly, to the downstream allocation and reconciliation of downstream gas quantities; and
 - 16.5.5** if each contractor and/or the incoming service provider first validly executes a Confidentiality Deed, as set out in Schedule 8, and returns it to the Service Provider. Gas Industry Co is responsible for ensuring that its contractors and the incoming service provider executes this Confidentiality Deed.
- 16.6 Provision of Source Materials:** The Service Provider shall provide the Source Materials to Gas Industry Co within 20 Business Days of the Acceptance Date and update this version whenever the Source Materials are modified.

16.7 Termination of the Licence:

16.7.1 The Licence may:

- (a) be terminated by Gas Industry Co upon 10 Business Days' written notice to the Service Provider; and
- (b) only be terminated by the Service Provider under clause 13.2.

16.7.2 Where either party terminates the Licence, Gas Industry Co must within 7 Business Days cease all use of the Software and Documentation and promptly return or destroy the Software or Documentation to the Service Provider.

16.8 Termination of this Agreement: For the avoidance of doubt:

16.8.1 where this Agreement expires; or

16.8.2 where Gas Industry Co terminates this Agreement under clause 13.1,

the Licence will continue.

17. CONFIDENTIALITY

17.1 Publication of agreement: Gas Industry Co shall publish this Agreement in accordance with rule 8 of the Rules.

17.2 Confidentiality: Subject to clause 17.3, both parties will maintain as confidential at all times, and will not at any time, directly or indirectly:

17.2.1 disclose or permit to be disclosed to any person;

17.2.2 use for itself; or

17.2.3 use to the detriment of the other party,

any Confidential Information except:

17.2.4 as required by the Rules or this Agreement, or in order to properly perform the Services;

17.2.5 as required by other Law;

17.2.6 with the prior written consent of the party that owns the Confidential Information; or

17.2.7 if necessary for the party to perform its obligations under this Agreement and then only after procuring a commitment from the third party to comply with the confidentiality obligations set out in this clause 17.

17.3 Disclosure to Personnel: The Service Provider may disclose confidential information to such of its Personnel who reasonably require such information in order for the Service Provider to provide the Services, but the Service Provider shall ensure those Personnel maintain

the confidentiality of the Confidential Information and will be liable for any breach of such confidentiality by those Personnel.

17.4 Use: The Service Provider will only use Confidential Information for the purpose of supplying the Deliverables and/or providing the Services.

17.5 Announcements: The Service Provider will not make any announcements or disclosures as to the subject matter of this Agreement, except in a form and manner, and at a time previously approved in writing by Gas Industry Co (such approval not to be unreasonably withheld or delayed).

18. WARRANTIES

18.1 Reciprocal warranties: Each party warrants to the other that:

18.1.1 it has obtained all authorisations and has done all things necessary in order to enter into this Agreement and to perform its obligations under this Agreement; and

18.1.2 it is not aware of anything which will, or might be reasonably expected to, prevent that party from performing, or impair that party's performance of, its obligations under this Agreement, in the manner and at the times contemplated by this Agreement.

18.2 General Service Provider warranties: The Service Provider warrants, undertakes and represents to Gas Industry Co that:

18.2.1 it has the expertise, experience, resources, capacity and ability to, and will, perform and discharge its obligations under this Agreement in a timely manner, efficiently, diligently and in accordance with Best Industry Practice;

18.2.2 the statements and representations that it made in, and in relation to, its proposal entitled "*Appointment of an Allocation Agent for the Provision of Services for the Downstream Reconciliation and Allocation of Gas, 21 May 2008*" are true and correct;

18.2.3 all information provided by the Service Provider to Gas Industry Co under or in relation to this Agreement is true, accurate and not misleading in any respects, and that, to the best of its knowledge, Gas Industry Co's use of that information will not infringe the Intellectual Property rights of any third person;

18.2.4 the Services will be performed with due care and skill, diligence, and to a level reflective of, and in accordance with, a high level of industry knowledge and competence;

18.2.5 the Service Provider has made appropriate checks regarding the honesty and reliability of any Personnel taking account, in particular, of such persons' access to Confidential Information of Gas Industry Co and access to secure parts of the Allocation System; and

18.2.6 to the best of its knowledge, Gas Industry Co's use or possession of the Deliverables and/or the Services will not infringe the Intellectual Property rights of any third party.

18.3 Allocation System Service Provider warranties: The Service Provider warrants, undertakes and represents to Gas Industry Co in respect of the Allocation System that at the time of delivery to Gas Industry Co:

18.3.1 the Allocation System complies with the relevant Specifications in all respects;

18.3.2 to the extent reasonably possible, the Allocation System is free from material defects in design, materials, workmanship, performance and installation;

18.3.3 to the extent reasonably possible, the Software does not contain any computer viruses, interruptions, logic bombs, Trojan horses or other forms of malicious code or performance impediments;

18.3.4 that the Allocation System complies with all applicable Laws affecting it or any of its functions or facilities; and

18.3.5 that Allocation System is fit for the purpose for which it is provided.

18.4 Third party warranties: The Service Provider will assign to Gas Industry Co or, if it is unable to do so, will hold for the sole benefit of Gas Industry Co, all warranties and guarantees for products provided by third parties to the Service Provider, where those products are embedded in the Service Provider's products, in relation to the Deliverables and/or the Services.

18.5 Warranty Period: Without limiting any other rights or remedies of Gas Industry Co, if the Service Provider becomes aware of any Error in the Software during the Warranty Period, the Service Provider will (at its own expense):

18.5.1 remedy the Error in the Software within the time scales required by and otherwise in accordance with the provisions of Schedule 3 of this Agreement; and

18.5.2 without limiting the effect of clause 18.5.1, if necessary, replace or repair all or any defective part of the Software which has given rise to the Error. If all or any part of the Software is replaced during the Warranty Period, the Warranty Period in relation to the replacement Software or any part of it will be deemed to be the period of 90 days from the date of delivery of such replacement Software or any part of it.

18.6 Gas Industry Co Warranties:

18.6.1 Gas Industry Co warrants, undertakes and represents to the Service Provider that, as at the Commencement Date, the information contained in the Specifications, is correct and complete, provided that this warranty ceases to apply or be of

any legal effect following the conclusion of the Warranty Period;
and

18.6.2 Gas Industry Co warrants, undertakes and represents to the Service Provider that, to the best of its knowledge at the Commencement Date, the Specifications do not infringe any third party Intellectual Property rights.

19. LIABILITY, INDEMNITY AND INSURANCE

19.1 Obligations to Gas Industry Co: The Service Provider's obligations and duties under this Agreement are obligations and duties owed solely to Gas Industry Co and are not obligations and duties for the benefit of any other person.

19.2 Breach of agreement and Rules: Where any breach of this Agreement by the Service Provider also constitutes a breach of the Rules, the Gas Industry Co's sole remedy will be as provided for in the Rules, any other gas governance rules made under the part 4A of the Gas Act 1992, and the Gas Act 1992. The Service Provider shall have no liability under this Agreement (provided, for the avoidance of doubt, that this does not prevent Gas Industry Co from exercising any right of termination it may have under this Agreement in respect of such breach).

19.3 Gas Industry Co Indemnity: The Service Provider indemnifies Gas Industry Co at all times against any losses, damages or costs (including enforcement costs, on a solicitor and own client basis) suffered or incurred by Gas Industry Co as a direct result of a breach by the Service Provider of any of its obligations or warranties under this Agreement.

19.4 Service Provider Indemnity: Gas Industry Co indemnifies the Service Provider at all times against any losses, damages or costs (including enforcement costs, on a solicitor and own client basis) suffered or incurred by the Service Provider as a direct result of a breach by Gas Industry Co of any of its obligations under clauses 4.2.6, 16 and 17.

19.5 Gas Industry Co Liability cap: Gas Industry Co's maximum aggregate liability under or in connection with this Agreement (whether in contract, tort or otherwise), except for liability arising as a result of wilful breach or fraud on the part of Gas Industry Co or from breaches of clauses 15, 16, 17 and 18, is limited to an amount equal to the Fees paid and/or payable under this Agreement for the Deliverables and/or Services at the date the relevant cause of action arose provided that this clause will not limit Gas Industry Co's obligation to pay any Fees payable for the Deliverables and/or Services which are properly due.

19.6 Service Provider Liability Cap: The Service Provider's maximum aggregate liability:

19.6.1 under or in connection with this Agreement (whether in contract, tort or otherwise) for each year of the Term of this Agreement, except for liability arising as a result of wilful breach or fraud on the part of the Service Provider or from breaches of clauses 15, 17 and 18, is limited to the Fees payable for that year of the Term of the Agreement;

19.6.2 for any breaches of the Rules is limited to \$50,000 in respect of any one event or series of closely related events arising from the same cause or circumstance or \$250,000 in respect of all events occurring in any Financial Year;

provided that where any breach of this Agreement also constitutes a breach of the Rules then the only remedy shall be that available under the Gas Governance (Compliance) Regulations 2008.

19.7 Other Service Provider Liability Limitations: The Service Provider shall not be liable for any breach of this Agreement to the extent that the breach is caused by:

19.7.1 Gas Industry Co, its own contractors or the incoming service provider using and/or modifying the Software and/or Documentation in breach of this Agreement or the licence granted under clause 16;

19.7.2 Gas Industry Co, its own contractors or the incoming service provider using the Software and/or Documentation for purposes other than those contemplated by this Agreement;

19.7.3 any action or inaction of Gas Industry Co in breach of this Agreement during the Establishment Phase; and

19.7.4 errors and/or omissions in the Specifications, provided that this clause 19.7.4 ceases to apply or be of any legal effect following 31 March 2009.

19.8 Indirect Loss: Neither party shall be liable to the other party for any indirect losses, damages or costs incurred or suffered by that other party as a result of a breach of this Agreement.

19.9 Insurance: The Service Provider will maintain:

19.9.1 professional indemnity insurance in an amount not less than \$10 million; and

19.9.2 public liability insurance in an amount of not less than \$10 million;

with reputable insurers and shall use reasonable endeavours to ensure that such terms are acceptable to Gas Industry Co. The Service Provider will provide to Gas Industry Co, whenever requested by Gas Industry Co, with the most recent certificate of currency provided to it by its insurers and warrants on providing such certificate that the details set out in it remain accurate.

20. FORCE MAJEURE

20.1 Force Majeure: Subject to clause 13, if and to the extent to which either party is unable to carry out any of its obligations under this Agreement because of any event or circumstance which is, in relation to that party, a Force Majeure (such party being referred to in this clause 18 as the **Non-Performing Party**) the Non-Performing Party will have no liability to the other party under this Agreement in respect of the non-performance by the Non-Performing Party of such obligations, provided that:

- 20.1.1 the Non-Performing Party must, as soon as reasonably practicable after becoming aware of the Force Majeure, notify the other party in writing accordingly, describing the event or circumstance of Force Majeure;
- 20.1.2 neither party will be released from any liability which existed before the commencement of the Force Majeure;
- 20.1.3 the Non-Performing Party must use best endeavours to overcome, and to mitigate the effects of, the Force Majeure and to complete the Non-Performing Party's obligations under this Agreement on time;
- 20.1.4 the Non-Performing Party will, as soon as reasonably practicable after becoming aware of the cessation of the Force Majeure, notify the other party in writing accordingly; and
- 20.1.5 this Agreement will otherwise remain in effect in all respects.

21. ASSIGNMENT

- 21.1 **Assignment to Energy Commission:** Gas Industry Co may assign all of its rights and obligations under this Agreement to any Energy Commission established under section 43ZZH of the Gas Act 1992 upon reasonable prior written notice to the Service Provider.
- 21.2 **Any other assignment:** Subject to clause 21.1, neither party will transfer or assign all or any of its rights or obligations under this Agreement to any other person without the other party's prior written approval (such consent not to be unreasonably withheld or delayed).
- 21.3 **Effect of subcontracting:** The Service Provider will use all reasonable endeavours to ensure that its Subcontractors comply with the terms of this Agreement that are applicable to the Service Provider. The entry by the Service Provider into a subcontract will not create a contractual relationship between Gas Industry Co and the relevant Subcontractor and will not relieve the Service Provider from liability for the performance of any obligations under this Agreement. The Service Provider is liable to Gas Industry Co for the acts and omissions of each of its Subcontractors as fully as if they were acts or omissions of the Service Provider.
- 21.4 **Removal of a Subcontractor:** If Gas Industry Co considers (acting reasonably) the performance of any of the Services by a Subcontractor to be unacceptable or inadequate, Gas Industry Co may, by written notice to the Service Provider, require the Service Provider to, and the Service Provider will, remove that Subcontractor from the performance of the relevant obligations within 10 Business Days of receipt of the notice.

22. DISPUTE RESOLUTION

- 22.1 **Dispute resolution process to apply:** This clause 22 will apply to any dispute between the parties relating to this Agreement, except where the party seeks urgent interlocutory relief or where the dispute relates to a breach of the Rules.

22.2 Dispute resolution process: If either party believes that there is a dispute between the parties concerning this Agreement that is not also a dispute under the Rules that party will give written notice to the other party setting out details of the dispute. If a notice of dispute is given:

22.2.1 each party will direct its Relationship Manager to use his or her reasonable endeavours to resolve the dispute within 10 Business Days of the date of the notice;

22.2.2 if the dispute is not resolved under clause 22.2.1 above, the dispute will be referred to the parties' respective Chief Executive Officers, who will use their reasonable endeavours to resolve the dispute within 10 Business Days from the date the dispute is referred to him or her; and

22.2.3 if the dispute is not resolved under clause 22.2.2 above, then either party may (by written notice to the other party) require that the dispute be referred to mediation, in which case:

(a) the parties will appoint a mediator agreed by the parties, or if there is no agreement, approved by the President of the New Zealand Law Society or his or her nominee;

(b) the mediator will determine the process and timetable for the mediation; and

(c) the cost of the mediation will be shared equally between the parties.

22.2.4 if the dispute is not referred to mediation, or is not resolved as a result of a mediation undertaken under clause 22.2.3 above, then either party may (by written notice to the other party) refer the dispute to a sole arbitrator under the Arbitration Act 1996. If the parties are unable to agree on an arbitrator within 10 Business Days of notice being given referring the dispute to arbitration, such arbitrator to be appointed by the President for the time being of the New Zealand Law Society or his or her nominee.

22.3 Service Provider to continue providing the Services: In the event of a dispute between the parties concerning this Agreement, the Service Provider will continue to supply the Services (unless Gas Industry Co requests otherwise).

23. GENERAL

23.1 Conflict: For the avoidance of doubt, in the event of any conflict between this Agreement and the Rules, the Rules will prevail.

23.2 Entire arrangement: This Agreement:

23.2.1 records the entire arrangement between the parties relating to the matters dealt with in this Agreement; and

- 23.2.2** supersedes all previous arrangements, understandings or representations whether written, oral or both, relating to these matters.
- 23.3 Amendment:** Subject to any other provision of this Agreement expressly providing for the updating or amendment of any particular plan or document, no amendment to this Agreement will be valid unless it is in writing and executed by both parties.
- 23.4 No waiver:** Any waiver by either party of any of its rights or remedies under this Agreement will be effective only if it is recorded in writing, and signed by a duly authorised representative of that party. If the waiver relates to a breach of any provision of this Agreement this will not (unless stated otherwise) operate as a waiver of any other breach of that provision.
- 23.5 Governing law and jurisdiction:** This Agreement is governed by New Zealand law. The parties submit to the non-exclusive jurisdiction of the New Zealand courts in respect of all matters relating to this Agreement.
- 23.6 Severability:** If any provision contained in this Agreement is held to be illegal, invalid or unenforceable, it will be severable, will be deemed to be deleted from the body of this Agreement and will not affect the validity or enforceability of any other provisions in this Agreement.
- 23.7 Relationship of the parties:** Nothing expressed or implied in this Agreement will constitute either party as the partner, agent, employee or officer of, or as a joint venturer with, the other party. Neither party will make any contrary representation to any other person. The relationship of the Service Provider to Gas Industry Co is that of an independent contractor.
- 23.8 Counterparts:** This Agreement may be executed in one or more counterpart, copies which, read together, will constitute one and the same instrument. Any facsimile copy of this Agreement (including any facsimile copy of any document evidencing either party's execution of this Agreement) may be relied on by the other party as though it were an original copy.
- 23.9 Remedies cumulative:** The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers or remedies provided by law.
- 23.10 Method of Delivery:** Any written notice required under this Agreement must be signed by a duly authorised senior representative of the party giving that notice and will be deemed validly given if:
- 23.10.1** delivered by hand to the intended recipient's address as set out below; or
- 23.10.2** sent by facsimile to the intended recipient's facsimile number as set out below and the sender's facsimile machine confirms transmission to the intended recipient.

23.10.3 sent by electronic mail to the intended recipient's electronic mail address as set out below, and the electronic mail system confirms the notice was delivered successfully

Notices to Gas Industry Co:

Contact Name: Bas Walker
Senior Adviser, Strategic Issues and Projects

Fax Number: 04 472-1801

Physical Address: Level 9, State Insurance Tower
1 Willis Street
Wellington

Email address: bas.walker@gasindustry.co.nz

Notices to Service Provider:

Contact Name: Shane Dinnan
General Manager, Market Operations

Fax Number: (04) 473 5247

Physical Address: The Marketplace Company Limited
Deloitte House
Level 2
10 Brandon Street
Wellington

Email address: shane.dinnan@m-co.co.nz

For the purposes of this Agreement, any notice transmitted by facsimile or electronic mail or delivered after 5.00 pm New Zealand time on a Business Day, or at any time on a non Business Day, will be deemed received at 9.00 am New Zealand time on the next Business Day (being, in each case, the time of day at the intended place of receipt of that notice).

23.11 Further Assurances: Each party will do all things and execute all documents reasonably required in order to give effect to the provisions and intent of this Agreement.

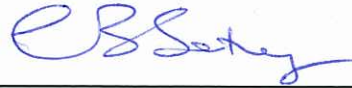
23.12 Privity: Only the parties to this Agreement may pursue remedies or redress under this Agreement in the event of the other party breaching this Agreement.

EXECUTION

SIGNED by GAS INDUSTRY COMPANY LIMITED by:

CHRISTINE SOUTHEY

Full name of director/authorised signatory



Signature of director/authorised signatory

Full name of director/authorised signatory

Signature of director/authorised signatory

SIGNED by THE MARKETPLACE COMPANY LIMITED by:

Carl Hansen

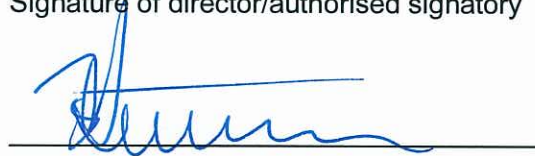
Full name of director/authorised signatory



Signature of director/authorised signatory

Shane John Dinnan

Full name of director/authorised signatory



Signature of director/authorised signatory

SCHEDULE 1

SERVICES AND DELIVERABLES

The Service Provider will provide Gas Industry Co with the following Services and Deliverables:

Establishment Services

- 1.1 Develop and implement a downstream allocation and reconciliation system (the **Allocation System**) which will enable the Allocation Agent to carry out its functions and obligations under this Agreement and under the Rules, and which shall be in accordance with:
 - (a) the Specifications set out in Schedule 2;
 - (b) the Performance Standards set out in Schedule 3.
- 1.2 Provide initial training for Allocation Participants and Gas Industry Co, which shall comprise training on how to use the Allocation System.
- 1.3 Carry out establishment activities in accordance with:
 - (a) the Implementation Plan set out in Schedule 4; and
 - (b) the Acceptance Tests set out in Schedule 5.

Core Services

- 1.4 Core services comprise all of those ongoing duties, functions and obligations necessary for or associated with the reconciliation and allocation of gas, which are required by the Rules.
- 1.5 Core services shall include:
 - (a) Operating an Allocation Agent website (r9);
 - (b) Maintaining any insurance cover that is required under this Agreement (r10);
 - (c) Performing tasks necessary to give effect to any exemptions issued by Gas Industry Co in accordance with rules 19, 20, 21 and 81;
 - (d) Accepting information provided to the Service Provider in accordance with any information exchange file formats notified under rule 25;
 - (e) Receiving consumption information provided by Retailers under rules 31 to 33;
 - (f) Receiving Gas Gate notices provided by Retailers under rule 39;
 - (g) Receiving reports provided by Retailers under rule 40;
 - (h) Receiving injection information from Transmission System Owners under rule 41;

- (i) Using estimates of consumption or injection information in accordance with rule 43;
- (j) Correcting Allocation Results in accordance with rule 44;
- (k) Applying the global methodology in accordance with rule 45 in calculating allocated quantities and the Gas Gate Residual Profile;
- (l) Calculating and notifying UFG factors in accordance with rule 46 and 79;
- (m) Giving notice of a force majeure event in accordance with rule 47;
- (n) Performing Initial, Interim and Final Allocations in accordance with rule 48 to 50;
- (o) Performing Special Allocations where necessary under rule 51;
- (p) Performing and publishing the Annual Reconciliation in accordance with rule 52;
- (q) Publishing Seasonal Adjustment Daily Shape Values and reports in accordance with rule 53;
- (r) Requesting and receiving transitional information under rule 78;
- (s) Giving notice to Gas Industry Co of UFG factor incidences under rule 79;
- (t) Determining disputes in accordance with rule 84; and
- (u) Considering, approving or declining, registering, reviewing, and removing deemed profiles in accordance with rules 54 to 64.

1.6 The Service Provider must also:

- (a) assist with the investigation and/or determination of any complaints under the Gas Governance (Compliance) Regulations 2008 concerning an alleged breach of the Rules; and
- (b) assist with any audits performed under the Rules and/or this Agreement, as reasonably required to do so by the Gas Industry Co.

1.7 The Service Provider must also operate and maintain the Allocation System in accordance with the Rules and the provisions of this Agreement.

Additional Services

1.8 In addition to base operations which are required by the Rules, the Service Provider must also provide the following additional ad hoc services:

Allocation results provided to Transmission System Owners

- (a) Provide the Allocation Results and reports for a given Gas Gate (provided to a Retailer under rules 48.2.2(a), 49.2.2(a) and 50.2.2(a) of the Rules) to the Transmission System Owner, who provided daily injection information under rule 41 in respect of that Gas Gate.

- (b) Where the Gas Gate is provided for on OATIS, the Allocation Results and reports provided under subparagraph (a) shall be directly uploaded onto OATIS and in a format that OATIS is able to receive, provided the consent of the relevant Transmission System Owner has been given and the necessary access rights to OATIS has been provided by that Transmission System Owner (For the avoidance of doubt, there is no obligation on the Service Provider to obtain the consent or access rights described in this paragraph).
- (c) The Allocation Results and reports provided under subparagraphs (a) and (b) must be in the information exchange file formats notified in writing to the Service Provider by Gas Industry Co, provided that Gas Industry Co has consulted with the Service Provider before giving such notice.

Allocation results provided to distributors

- (d) Where the Retailer concerned consents, make available to the Distributors at a Gas Gate, the Allocation Results and reports provided to a Retailer for that Gas Gate under rules 48, 49 and 50 of the Rules.
- (e) The Allocation Results and reports provided under subparagraph (d) must be in the information exchange file formats notified in writing to the Service Provider by Gas Industry Co, provided that Gas Industry Co has consulted with the Service Provider before giving such notice.
- (f) To avoid doubt, the parties agree that payment to the Service Provider for making the Allocation Results available under subparagraph (d) will be a matter for the Service Provider and the distributor concerned and outside the scope of the Fees payable under this Agreement– provided that payment shall not exceed the hourly rates for this service, as set out in paragraph 6.7 of Schedule 6.

Contract codes provided to Transmission System Owners

- (g) In respect of the reports provided to Transmission System Owners under rule 53.2.2 of the Rules and subparagraphs (a) and (b) above, specify the appropriate contract code for the quantities of gas allocated to each Retailer, provided that:

 - (i) Where a Retailer has provided the relevant contract code in the stipulated format to the Service Provider for that quantity of allocated gas, the Service Provider shall specify that code; and
 - (ii) Where a Retailer has not provided the relevant contract code to the Service Provider the Retailer's transmission services agreement code shall be specified.

(Note that all current and active contract codes for specifying in OATIS will be provided by Transmission System Owners or Gas Industry Co to the Service Provider prior to the Go-live Date and subsequently, as and when such codes are amended, created or revoked)

- (h) To avoid doubt, where a Retailer or a Transmission System Owner requires the Service Provider to carry out services in addition to those described in subparagraph (g) in respect of specifying the appropriate contract code, the parties agree that payment for such service will be a

matter for the Service Provider and the Retailer concerned and outside the scope of the Fees payable under this Agreement – provided that payment shall not exceed the hourly rates for this service, as set out in paragraph 6.7 of Schedule 6.

Gas Governance (Critical Contingency Management) Regulations 2008

- (i) Following a request by either Gas Industry Co or a Transmission System Owner following the termination of a critical contingency under the Gas Governance (Critical Contingency Management) Regulations 2008, provide to Transmission System Owners as soon as is as reasonably practicable daily allocation quantities, as determined in the relevant Allocation Results, for the period of the critical contingency concerned.

Support and maintenance services

- 1.9** The Service Provider shall undertake regular maintenance, support and improvement of the Allocation System which will include:
- (a) carrying out continuous replication of application transactions to a remote disaster recovery site;
 - (b) providing synchronised backup of the Allocation System and nightly back-ups to tape (or other appropriate device), to be stored off site;
 - (c) conducting day to day monitoring of logs and performance levels;
 - (d) conducting ongoing service improvement reviews;
 - (e) ensuring that all source code is appropriately versioned and managed in accordance with generally agreed accepted practices.
- 1.10** The Service Provider will provide a helpdesk to respond to faults and problems encountered by Allocation Participants, with the operation of the helpdesk being in accordance with the Performance Standards set out in Schedule 3.

Documentation

- 1.11** The Service Provider will prepare and provide the following documentation to Gas Industry Co no later than one month after the Go-live Date, as well as maintaining copies of:
- (a) *Allocation User and Administrator Guide Documentation* – A guide for Allocation Participants and Gas Industry Co on their effective interaction with the Allocation Agent, the Allocation System and through the Allocation Agent website, in regard to provision of required information, identifying and dealing with faults and problems, and accessing additional services provided by the Allocation Agent;
 - (b) *Updated Specifications* – A full technical specification of the Allocation System;
 - (c) *Training Materials* – materials to support the training required in accordance with paragraph 1.2 of this Schedule which are of a standard that could reasonably be expected to facilitate the required training and assist attending trainees in retaining what they have learnt;

- (d) *Service Provider Disaster Recovery Plan* – a copy of the disaster recovery plan, which (without limitation) sets out the processes in place to be followed by the Service Provider in the event of the occurrence of a disaster, both to minimise its impact and to recover any lost data and restore the Allocation System as quickly as possible.

1.12 The Service Provider will update the documentation described in paragraph 1.11 no less frequently than annually or whenever significant changes are made to the Allocation System, the operations requirements set by the Rules, and in regard to additional services.

Mandatory reporting

1.13 Reports will be provided by the Allocation Agent to Gas Industry Co in accordance with the Rules as follows:

Monthly self-review

- (a) a monthly self-review of its performance, in accordance with rules 12 and 13, containing the following information:
- compliance or otherwise with its obligations under the Rules, this Agreement, and any Performance Standards;
 - a summary of the Services provided by the Service Provider in the previous month;
 - a summary of any work planned over the next month.

Incident reports

- (b) a report in respect of any alleged breach of the Rules and, to the extent possible, within 5 Business Days of the Service Provider becoming aware of the alleged breach;
- (c) a report in respect of any breach by the Service Provider of its obligations under this Agreement within 2 Business Days of the Service Provider becoming aware of that breach;

Annual performance review report

- (d) no later than 20 Business Days after the end of each Financial Year, a detailed report of the previous 12 months containing the following information:
- an assessment, with reasons, on the extent to which the Performance Standards were met or exceeded;
 - a summary of the Allocation Agent's key activities under this Agreement;
 - a list of all allocation, compliance and audit activities that have incurred costs that are additional to the ongoing fee and the establishment fee;
 - any suggested amendments to the Performance Standards or the Rules.

Key persons

1.14 The following persons are appointed as Key Persons under this Agreement:

Gas Industry Co

Bas Walker, Senior Adviser, Strategic Issues and Projects

Service Provider

Shane Dinnan, General Manager Market Operations

David Godfrey, IT Manager

SCHEDULE 2

SPECIFICATIONS: BUSINESS REQUIREMENTS

Allocation Agent Role

- 2.1 The role of the Service Provider as Allocation Agent shall generally be as follows:
- (a) The Service Provider will have the functions, rights, powers, and obligations of the Allocation Agent set out in the Rules. Gas Industry Co and the Service Provider may agree on any other terms and conditions, not inconsistent with the functions, rights, powers, and obligations of the Allocation Agent under the Rules.
 - (b) This specification sets out the requirements for establishing the Allocation System and for ongoing operations.
 - (c) The establishment of the Allocations System and ongoing operations must be carried out in accordance with the Performance Standards set out in Schedule 3.
 - (d) The role of the Service Provider will be to supply or undertake the management of supply of the following:
 - (i) establishment of the Allocation System;
 - (ii) maintenance and support of the Allocation System during ongoing operations, including fault and problem reporting and correction;
 - (iii) ongoing operations for the reconciliation and allocation of gas, including performance monitoring and reporting; and
 - (iv) additional services as set out in this Agreement or as may be agreed with individual Allocation Participants, subject to Gas Industry Co approval, or with Gas Industry Co directly, to ensure that the Allocation System continues to support the needs of the gas industry.

Functional Requirements for the Allocation System

- 2.2 **Allocation System:** The Allocation System is an electronic information exchange and analysis platform, which will facilitate the allocation and reconciliation of downstream gas quantities in accordance with the Rules.
- 2.3 The operational requirements for the Allocation System are set out in the next section below in this Schedule.
- 2.4 The functional specification for the Allocation System is set out in Schedule 9

Operational Requirements for the Allocation System

- 2.5 **Upgrades:** There must be agreed procedures and capability in place for the implementation of upgrades to Allocation System hardware and software. All upgrades must be carefully planned, scheduled and notified to all relevant parties well in advance and implemented efficiently at times that cause minimum disruption to allocation participants and Gas Industry Co. The timetable for the

implementation of all upgrades must be approved by Gas Industry Co. The Service Provider must implement all available, proven operating system, database and system software upgrades in a timely manner.

2.6 Flexibility: The Allocation System must readily accommodate changes to functions requested as a result of changes to the Rules or to the provision of Additional Services.

2.7 Data Integrity, Security and Ownership

- (a) The Allocation System shall provide for:
 - (i) maintenance of the data environment and reversal of material errors;
 - (ii) recovery of database integrity and corruption that might occur because of the Allocation System incorrectly processing information; and
 - (iii) daily backup and storage of data and current software, in storage facilities that meet Best Industry Practice.
- (b) The Allocation System must provide logs of user interactions with the system, and include alerts of repeated unsuccessful logons.
- (c) All data collected, calculated and published, as required by the requirements in this Schedule 2, is not the property of the Service Provider. The Service Provider must store the data securely and be able to provide it to Gas Industry Co, or to other parties as specified by Gas Industry Co, on request within a reasonable timeframe.

2.8 Capacity and expansion of capacity

- (a) The Allocation System must be able to accommodate the provision of information from Allocation Participants, through the Allocation Agent website, involving up to 50 concurrent online users. The Service Provider will be responsible for ensuring that any licences required to support this level of activity are provided.
- (b) The Allocation System will have the capacity to support all of the calculation requirements for the implementation of operations within the set time frames, as set out in the Rules and in this Agreement, with this involving:
 - (i) Up to 200 Gas Gates associated with up to 250,000 ICPs; and
 - (ii) Up to 15 separate Retailers, 4 different Distributors and 4 different Transmission System Owners.
- (c) The numerical values of the parameters set out in sub-sections (a) and (b) above include reasonable provision for growth over the initial 5 year period of operations.
- (d) The Service Provider must promptly advise Gas Industry Co if increases in transactional volumes threaten the achievement of service levels. The Service Provider and Gas Industry Co must promptly review the capacity

of the Allocation System and increase its capacity, if necessary, to maintain the service levels.

- (e) Where transaction or database volumes exceed those set out in this Agreement, or changes to the Rules have increased in complexity to the extent that service levels cannot be met, then the Service Provider and Gas Industry Co will initiate agreed Change Control Procedures.
- (f) The Allocation System must have the capability to be readily expanded in capacity to accommodate growth in the quantity of consumption information provided by Allocation Participants, in excess of that set out in subsections (a) to (c) above.

2.9 Allocation System availability and performance:

- (a) The Service Provider shall use its reasonable endeavours to ensure that the Allocation System is in good working order, and at all times performs in a way that facilitates efficient and effective allocation and reconciliation.
- (b) The Allocation System, including the Allocation Agent website, must be available at all times i.e. 24 hours a day, 7 days a week. Detailed target service levels within this overall level of availability must include any obligations under the Rules, but will otherwise include those Performance Standards set out in Schedule 3 of this Agreement.
- (c) The Service Provider shall provide Gas Industry Co with written notice as soon as reasonably practicable if the Allocation System is unavailable for any reason and this is expected to prevent the Service Provider from meeting the ongoing operational requirements set out in this Schedule 2, and use its best endeavours to:
 - (i) take all practicable steps to promptly remedy the situation; and
 - (ii) update the Allocation System with any data and processed data that should have been present, had the Allocation System been working.

2.10 Data retention and Audit trails

- (a) The Allocation System is to retain allocation information and results for immediate access, indefinitely. For other recorded information, the minimum retention periods are:
 - (i) 30 days for batch files received from and delivered to Allocation Participants; and
 - (ii) 48 months for information, acknowledgements, notifications and reports.
- (b) After these retention times, the information shall be archived (onto DVD or other such media) and available for retrieval on request.
- (c) The Allocation System must have an audit trail of all data accepted, and all acknowledgements, notifications, reports and other information delivered to allocation Participants and Gas industry Co. Audit

information shall include time, party, method and any other pertinent information to allow for full tracking from source to destination.

2.11 Maintenance: The Service Provider must undertake preventative and corrective maintenance and the implementation of enhancements outside the regular service hours where possible. For urgent corrective maintenance to fix Allocation System faults that are threatening stated services levels, the Service Provider may, having notified Gas Industry Co, undertake maintenance at any time. Any such unavailability will count against service level targets.

2.12 Recoverability and business continuity

- (a) Backup copies of data and processed data must be taken at least daily and stored in a secure, flood-proof and fire-proof location. The retention and recycle policy for back-up media must be agreed with Gas Industry Co. Copies of the latest version of the software must also be kept offsite. At least weekly, a backup copy of the data and processed data and the software must be delivered and stored at an offsite location at least 100 km from the premises used to provide the regular service.
- (b) The Service Provider must develop and keep up to date a disaster recovery plan as agreed with Gas Industry Co. The disaster recovery plan must be designed to recover the Allocation System in the event that the Allocation Agent's site (that contains the Allocation System) is inoperable. Recovery of the Allocation System is required within 36 hours following a major disaster.
- (c) The Service Provider must test the disaster recovery procedure within one month after the Go-live Date and once every 6 months thereafter. The Service Provider must provide a written report to Gas Industry Co, on completion of the disaster recovery test, of the results and consequential actions. The test must include:
 - (i) restoration of the Allocation System to the offsite location;
 - (ii) restoration and roll forward to a known time; and
 - (iii) verification of Allocation System availability to an external user.

2.13 Service management

- (a) The Service Provider should employ industry service management methodologies such as ITIL (Information Technology Infrastructure Library) and include robust quality assurance processes. Any methodology should cover the service management functions being provided:
- (b) The Service Provider shall provide a Representative that is available during regular service hours (which is expected to be 8am to 5.30pm during Business Days) to report operational incidents, Allocation System faults and to receive change requests. The Service Provider must proactively assist Allocation Participants to resolve their issues. If an incident affects more than one Allocation Participant, the Service Provider must notify all Allocation Participants.
- (c) The Service Provider must provide a fault management service during regular service hours to record and rectify operational incidents and

Allocation System faults. Operational incidents are those where the Participant reports that the Allocation System is unobtainable. An Allocation System fault means a defect, error or malfunction in the Allocation System that renders all or any part of it inoperable or unusable. The Service Provider must proactively manage all aspects of the service.

- (d) The Service Provider must maintain a register of all helpdesk requests, Allocation System faults and other operational incidents reported by each user during the previous 12 month period. The register must contain the user, time and details of the incident, as well as the time and details of its resolution. The Service Provider will notify Allocation Participants when incidents are resolved or of the time when they are expected to be resolved. The Service Provider must develop an incident management process for Participants to view all incidents and to report any faults. A summary of all incidents and their resolution times must be included in the monthly report described in Schedule 1.

2.14 General support and maintenance

- (a) The Service provider will carry out regular maintenance of the Allocation System including:
 - (i) conducting ongoing service improvement reviews;
 - (ii) conducting general tuning;
 - (iii) carrying out housekeeping tasks;
 - (iv) conducting day-to-day monitoring of logs and performance levels; and
 - (v) All source code will be appropriately versioned and managed in accordance with generally accepted practices

Requirements for ongoing operations

- 2.15 The requirements for ongoing operations are set out in the Rules. The requirements set out below are restricted to items which expand upon the content of the Rules or constitute additional requirements,
- 2.16 **Allocation Agent website:** Information on the website must be accurate and up to date. Performance standards for the website are set out in Schedule 3.
- 2.17 **Information exchange file formats:** Information exchanges between Allocation Participants and the Service Provider (as the Allocation Agent) shall be in the file formats determined and notified by Gas Industry Co pursuant to rule 25 of the Rules (except where alternative formats are permitted through an exemption issued by Gas Industry Co - see rules 19-21 and 81 of the Rules). The notice issued under rule 25 is entitled "*Notice by the Industry Body (Gas Industry Co) under rule 25 of the Gas (Downstream Reconciliation) Rules 2008 specifying information exchange file formats (dated 25 August 2008)*" and has been provided to the Service Provider as a separate document.
- 2.18 **Data transfers to and from the Allocation Agent:** The data transmission and receipt arrangements must be user friendly, secure between the Allocation

Participant and the Service Provider and auditable, with receipt on a logged basis to be sure of delivery.

2.19 Method of allocation including the use of estimates and the calculation of UFG factors:

- (a) If Retailers or Transmission System Owners fail to provide information as required by the Rules, then, in accordance with rule 43 of the Rules, the Service Provider shall make estimates of the information required and will annotate the allocation results accordingly. The Service Provider shall, in consultation with Gas Industry Co, determine the process it uses for the making of estimates
- (b) If such allocation advice is provided after the specified time limit, then the Allocation Results can only be altered by carrying out a Special Allocation. In this respect:
 - (i) The Service Provider must advise Allocation Participants and Gas Industry Co on whether correction of the errors would result in a materially different Allocation Result and Gas Industry Co will decide whether or not a special allocation is appropriate in accordance with rule 44.4 of the Rules.
 - (ii) The process and parameters for deciding on materiality shall be determined by the Service Provider in consultation with Gas Industry Co. To provide a reference point for this determination, an acceptable process will be one that uses a benchmark of the change in the Allocation Result being greater than the higher of 500 GJ per Gas Gate per Retailer – subject to any other circumstances considered by the Service Provider to be relevant to the assessment of whether the correction of the error in question would result in a materially different Allocation Result Assessing this matter will require a separate draft Allocation Result to be calculated for comparison with the existing Allocation Result.
- (c) The Service Provider will carry out Special Allocations in accordance with rule 51 of the Rules whenever so requested by Gas Industry Co. Gas Industry Co will determine any specific procedures applying to Special Allocations.

2.20 Allocation Agent reports: The Service Provider shall provide or publish reports as set out below. In accordance with rule 5 of the Rules, publish means to make such information available on the Allocation Agent website. The formats of and detailed scope of these reports will be in accordance with those set out in the Functional Specification unless otherwise agreed by the Service Provider in consultation with prospective Allocation Participants and with Gas Industry Co. In respect of such reports:

- (a) The Service Provider will also provide the Allocation Results and reports for a given Gas Gate provided to a Retailer under rules 48.2.2(a), 49.2.2(a) and 50.2.2(a) of the Rules) to the Transmission System Owner who provided daily injection information under rule 41 in respect of that Gas Gate. Where the Gas Gate is provided for on OATIS, the Allocation Results and reports shall be directly uploaded onto OATIS and in a format that OATIS is able to receive, provided that the consent of the relevant Transmission System Owner has been given, and the

necessary access rights to OATIS have been provided by that Transmission System Owner. Gas Industry Co must use its best endeavours to procure for the Service Provider the consent, and necessary access rights to OATIS, from the relevant Transmission System Owner, so as to enable the Service Provider to perform the Services set out in paragraph 1.8(b) and (c) of Schedule 1.

- (b) Where the Retailer concerned consents, the Service Provider will make available to the Distributors at a Gas Gate the Allocation Results and Reports provided to a Retailer for that Gas Gate under rules 28, 29 and 50 of the Rules.
- (c) In respect of the reports provided to Transmission System Owners under rule 53.2.2 of the Rules and sub-paragraph (a) above, the Service Provider will specify the appropriate contract code for the quantities of gas allocated to each Retailer provided that:
 - (i) Where a Retailer has provided the relevant contract code in the stipulated format to the Service Provider for that quantity of allocated gas, the Service Provider shall provide that code; and
 - (ii) Where a Retailer has not provided the relevant contract code to the Service Provider, the Retailer's transmission services agreement code shall be specified.

2.21 Approval, registration and review of deemed profiles

In accordance with rule 61 of the Rules, Gas Industry Co will provide guidelines for the carrying out of reviews of Registered Deemed Profiles by the Service Provider including determining the outcome of a review. The Service Provider is not required to be bound by these guidelines - however the Service Provider is to advise of any significant departure and the reasons, to Gas Industry Co prior to an outcome being determined.

2.22 Transitional provisions concerning the provision of ICP (Installation Control Point) related information prior to the availability of the gas registry: It is intended to establish a central gas registry for ICP related information under the Gas (Switching Arrangements) Rules. It is expected that the registry will be available from 1 March 2009. If a different date is to apply, this will be notified to the Service Provider at least one month in advance of the previously set date. In the interim before the gas registry is available, transitional arrangements will apply as follows:

- (a) Allocation Participants will obtain ICP related information necessary for information submitted to the Service Provider from other sources, as set out in the Rules. It is anticipated that the preferred source of this information will be Distributors.
- (b) In accordance with rule 84 of the Rules, if there are any disputes between Allocation Participants in regard to such information, then those disputes shall be resolved by the Service Provider. Arrangements for managing, deciding and reporting on such disputes will be developed by the Service Provider and agreed with Gas Industry Co, no later than one month after the go-live date.

2.23 Transitional provisions covering the UFG factor for the first two years of operation

- (a) For the calculation and publication of Annual UFG factors for the first two years after the Go-live Date, the Service Provider will require consumption and quantity information for the years prior to the Go-live Date, i.e. information for the year ending 30 September 2007 for the UFG factor for the first transitional year, and information for the year ending 30 September 2008 for the UFG factor for the second transitional year.
- (b) Gas Industry Co will use its best endeavours to obtain the required information either from the existing industry Allocation Agent or from existing Retailers; and provide the information to the Service Provider.
- (c) In regard to the information required for the calculation of Annual UFG Factors for the Gas Year beginning 1 October 2008, as soon as reasonably practicable after appointment, the Service Provider will give notice requiring the information from Allocation Participants in accordance with rule 78.1 of the Rules. Nevertheless, Gas Industry Co will use reasonable endeavours to provide the necessary information from Allocation Participants to the Service Provider no later than Wednesday, 3 September 2008. Subject to the consent of the Allocation Participants concerned, the information provided by Gas Industry Co is to be used by the Service Provider for the purposes of the Rules. If Gas Industry Co is unable to provide such information by Monday, 7 September, the intention is for the information to be provided by Allocation Participants directly to the Service Provider.
- (d) In regard to the information required for the calculation of Annual UFG Factors for the Gas Year beginning 1 October 2009, the Service Provider will give notice requiring the information from Allocation Participants in accordance with rule 78.1 of the Rules. Nevertheless, Gas Industry Co will use reasonable endeavours to provide the necessary information from Allocation Participants to the Service Provider no later than 31 March 2009. Subject to the consent of the Allocation Participants concerned, the information provided by Gas Industry Co is to be used by the Service Provider for the purposes of the Rules. If Gas Industry Co is unable to provide such information by 31 March 2009, the intention is for the information to be provided by Allocation Participants directly to the Service Provider.
- (e) The information provided by Gas Industry Co will be in the form of Excel spreadsheets, with all of the information in spreadsheets contained within a single workbook. The information will consist of monthly consumption quantities for the Gas Year, by Retailer, by Gas Gate and by Allocation Group. Where possible the information will include a trial calculation of the Annual UFG Factor which, subject to the Service Provider's own assessment, is intended to form the basis of the Annual UFG Factor to be calculated and published under rule 79 of the Rules. It may be necessary to estimate some gas quantities. Estimates will be identified as such, and the information will include a note stating how the estimate was prepared.
- (f) In accordance with rule 80 of the Rules, the Service Provider will give notice to Gas Industry Co if the initially calculated UFG factor is less than 0.985 or more than 1.035. The process and form for giving notice will be

developed by the Service Provider and agreed with Gas Industry Co, before the Go-Live date.

- 2.24 Other transitional arrangements:** Rule 81 of the Rules provides for Gas Industry Co to grant a transitional exemption from any rule to any Allocation Participant. Transitional exemption applications may especially be sought in respect of the information exchange file formats determined by Gas Industry Co, for the exchange of information between the Service Provider and Allocation Participants, but may be sought for other reasons as well. Gas Industry Co may consult the Service Provider on transitional exemption applications to determine the most cost-effective way of dealing with the exemption. Gas Industry Co will use its best endeavours to notify any prospective transitional exemptions to the Service Provider that it is aware of no later than 1 September 2008, while noting that there is no legal impediment to Allocation Participants applying for a transitional exemption at any time.
- 2.25 Implementation of standard and urgent exemptions:** Rules 19 and 20 provide for Gas Industry Co to grant an exemption from any rule to any Allocation Participant. Once granted, exemptions must be published in accordance with rule 22 of the Rules. Gas Industry Co will consult the Service provider on exemption applications so that the time and cost of implementation can be taken into account in considering the application and in setting associated terms and conditions.

SCHEDULE 3

PERFORMANCE STANDARDS

3.1 The Service Provider shall meet, and use reasonable endeavours to exceed where possible, the Performance Standards set out in this Schedule. The Service Provider will implement appropriate measurement, monitoring and management tools and procedures designed to enable it to:

- (a) detect and prevent any potential failure to meet the Performance Standards; and
- (b) detect, minimise and promptly rectify any failure to meet the Performance Standards.

3.2 The Performance Standards set out in this Schedule are those referred to in rule 11 of the Rules and shall apply as follows:

- (a) The Performance Standards in paragraph 3.3 shall apply to the period from the Commencement Date up until the Go-live Date;
- (b) The performance standards in paragraphs 3.4 to 3.7 shall apply to the Financial Year beginning on the Go-live Date and, unless otherwise agreed, shall also apply to subsequent Financial Years.

3.3 Performance in the period up until the Go-live Date

- (a) Establishment and other activities required in the period up until the Go-live Date shall be carried out in accordance with the following performance standards:

Activity	Performance Standard
Completion of establishment milestones as set out in Schedule 4	All milestones achieved on time and in accordance with the specifications for the activities concerned
Carrying out of operational tasks required before the Go-live Date, as set out in Schedule 2	All completed as required and on time
Establishment of processes required to facilitate interaction between the Service Provider and Gas Industry Co, with Gas Industry Co agreement where so specified, as set out in Schedule 2	All completed prior to the Go-live Date

3.4 Helpdesk performance: The helpdesk will respond to faults and queries during normal business hours (8.30am to 5.30pm Monday to Friday) according to the following performance standards:

Level	Definition	Point of contact	Response Time *
Critical	Allocation operations are unable to be carried out and there is no workaround	M-co helpdesk	Within one hour of the fault being evident or advised by an Allocation Participant.
Medium	Allocation operations are impacted, but there is a short term workaround	M-co helpdesk	Within four hours of the fault being evident or advised by an Allocation Participant
Low	Allocation operations are not impacted including: Cosmetic and formatting changes to the Allocation System General queries about allocation features or operations	M-co helpdesk	Response is provided within 1 Business Day of the request or query, which either deals with the issue or gives a timeline for dealing with it which is then adhered to.

* Response time is defined as the time from receiving the request or becoming aware of the fault, to the implementation of a solution for the issue raised or delivery of an answer to the query.

3.5 Allocation System performance:

Attribute	Performance Standard
Allocation System availability to receive information and make available reports	Allocation System available to Allocation Participants 99.5% of the time on a "24 hours per day/7 days per week" basis.
Allocation System reliability	Unplanned downtime less than 0.2% of time.
Allocation System integrity	Every accepted transfer of information recorded in the expected manner.
Allocation System capacity	The capacity parameters set out in Schedule 2 are achieved

3.6 Ongoing operations performance

Function or activity	Performance Standard
Adherence to the timelines for Allocation Agent actions as set out in the Rules.	100% adherence to those timelines.
Information published on website is up to date	Information updated within one Business Day of becoming available for updating
Calculation of allocations made.	All allocations made are correctly calculated, i.e. in accordance with the Rules, and accurate.
Provision of allocation reports to Allocation Participants	All reports contain the required information and are securely directed to the right participant.
Publication of reports	All reports required to be published are published and are publicly available.

3.7 Management Reporting Performance

Report	Performance Standard
Incident reports	Report provided within the timeframes specified in paragraph 1.13(b) and (c) of Schedule 1.
Monthly reports	Reports provided within 5 Business Days of the end of each month
Annual reports	Reports provided within 20 Business Days of the end of each Financial Year

SCHEDULE 4**IMPLEMENTATION PLAN**

The implementation of the Establishment Phase shall occur in accordance with the milestones and delivery dates set out in the table below:

Milestone	Date to be Achieved
Complete initial detailed analysis and design of the Allocation System software, including definition of requirements and design documentation	8 August 2008
Commence Allocation System Acceptance Tests	15 September 2008
Complete the construction and installation of the production and disaster recovery hardware	26 September 2008
Complete data migration required for the commencement of operations	30 September 2008
Complete all Acceptance Tests of the Core System (Stage I Acceptance Tests) including the signing of an interim Acceptance Certificate by Gas Industry Co to enable the Allocation System to go live	30 September 2008
Complete Allocation Participant training on the use of the Allocation System including any associated documentation	30 September 2008
Allocation System goes live	1 October 2008
Complete a market trial of the Allocation system	31 October 2008
Complete disaster recovery tests	31 October 2008
Complete all remaining Acceptance Tests (Stage II Acceptance Tests) including the signing of the Final Acceptance Certificate by Gas Industry Co	31 October 2008

In this Schedule and in Schedule 5, Core System means those components of the Allocation System, including the related Documentation, which are required to ensure that the Service Provider and Allocation Participants are able to comply with their obligations under the Gas (Downstream Reconciliation) Rules 2008 up until the 1st Business Day of December 2008.

SCHEDULE 5

ACCEPTANCE TESTS

- 5.1** The Acceptance Tests for the Allocation system will be based on the end-to-end testing of the Allocation system that the Service Provider will undertake as part of its systems tests. The Acceptance Tests for the Allocation system will be undertaken in accordance with the Acceptance Test Plan and will consist of Gas Industry Co representatives witnessing a complete set of end-to-end system tests performed by the Service Provider.
- 5.2** The Acceptance Test Plan will provide for the Acceptance Tests to be based on a pass/fail evaluation by the Gas Industry Co representatives witnessing the Acceptance Tests, based on the description provided for each functional and non-functional requirement. The Service Provider will provide such assistance as is reasonably required by Gas Industry Co in relation to the Acceptance Tests.
- 5.3** The Service Provider shall prepare the Acceptance Test Plan and associated test scripts and test data.
- 5.4** The Service Provider shall provide the Acceptance Test Plan and associated test scripts prepared under paragraph 5.3 to Gas Industry Co for review and sign-off no later than 5 Business Days prior to the date by which Gas Industry Co must sign off the Acceptance Test Plan and associated test scripts in order for the Service Provider to use these to undertake its system tests (For the avoidance of doubt, the Service Provider may provide the Acceptance Test Plan and associated test scripts to Gas Industry Co at separate times for review and sign-off).
- 5.5** The Acceptance Tests shall be undertaken in two stages as follows:
- (a)** All Acceptance Tests of the Core System (Stage I Acceptance Tests) shall be completed prior to 1 October 2008 in accordance with the Implementation Plan in Schedule 4 to this Agreement;
 - (b)** All remaining Acceptance Tests (Stage II Acceptance Tests) shall be completed prior to 31 October 2008 in accordance with the Implementation Plan in Schedule 4 to this Agreement.

SCHEDULE 6

FEES

6.1 The Fees consist of:

- (a) the establishment fee for developing the Allocation System, as set out in paragraph 6.2 of this Schedule;
- (b) the monthly fee for providing the core services, as set out in paragraph 6.3 of this Schedule; and
- (c) a supplementary fee for providing certain ad hoc services, as set out in paragraph 6.4 of this Schedule;

or alternatively, where this Agreement is terminated under clause 13 of this Agreement or expires:

- (d) the disengagement fee, as set out in paragraph 6.6 of this Schedule.

6.2 Establishment Fee

- (a) The total establishment fee is \$695,000.00 (exclusive of GST). This fee will be payable in three instalments upon the completion of agreed payment milestones. These instalments and payment milestones are set out in the table below.

Payment Milestones	Payment (%)
Signing of the Agreement	\$208,500.00 (30%)
Acceptance of core part of the Allocation System	\$417,000.00 (60%)
Acceptance of ancillary parts of the Allocation System	\$69,500.00 (10%)
Total:	\$695,000.00 (100%)

- (b) The parties acknowledge that the actual cost to the Service Provider for developing the Allocation System may be greater or less than the establishment fee, but that the establishment fee will only be amended in accordance with the provisions of this Schedule or otherwise by agreement of the parties.
- (c) To avoid doubt, where this Agreement is terminated under clause 13, the establishment fee remains payable by Gas Industry Co (as part of the disengagement fee) to the Service Provider in respect of the specified instalments for milestones that have been completed, and on a pro rata basis for milestones which are partially completed.

6.3 Monthly Fee (for core services)

- (a) The monthly fee, as at the Commencement Date, is \$56,666.66 per month (exclusive of GST). This fee shall be payable monthly in arrears.

- (b) The monthly fee shall apply to the core services described in paragraphs 1.5(a) to (t) of Schedule 1. To avoid doubt, the core services to which the monthly fee applies excludes those services described in paragraph 1.5(u) of Schedule 1.
- (c) The monthly fee will also apply to those additional services described in paragraphs 1.8(a) to (c), 1.8(g) and 1.8(i) of Schedule 1.
- (d) The monthly fee has been agreed to reflect the parties' estimate of the average expected cost per month to the Service Provider of providing the core services defined in paragraphs 6.3(b) and (c) above (other than those services covered by the disengagement fees). The parties acknowledge that the actual cost to the Service Provider may be greater or less than the monthly fee, but the monthly fee will only be amended in accordance with the provisions of this Schedule or otherwise by agreement of the parties.

6.4 Supplementary Fee (for certain ad hoc services):

- (a) If:
 - (i) tasks performed by the Service Provider in order to give effect to an exemption (as set out in subparagraph 1.5(c) of Schedule 1); or
 - (ii) the assistance provided by the Service Provider in respect of audits of Allocation Participants (other than the Service Provider) (as set out in subparagraph 1.6(b) of Schedule 1); or
 - (iii) the assistance provided by the Service Provider in respect of investigations and/or determinations of any alleged breaches under the Gas Governance (Compliance) Regulations 2008 (as set out in subparagraph 1.6(a) of Schedule 1 but excluding assistance provided in respect of alleged breaches concerning the Service Provider itself),

involve(s) the Service Provider performing more than 5 hours work to complete, then a supplementary fee is payable by Gas Industry Co to the Service Provider based on the hourly rates specified in paragraph 6.7 for each full hour reasonably spent providing such tasks or assistance over and above 5 hours or alternatively any other amount previously agreed in writing between the parties for such tasks or assistance.

- (b) If tasks performed by the Service Provider in respect of providing data to Gas Industry Co or other parties specified by Gas Industry Co (as set out in clause 2.7(c) of Schedule 2) involves the Service Provider performing more than 5 hours work to complete in any one month, then a supplementary fee is payable by Gas Industry Co to the Service Provider based on the hourly rates specified in paragraph 6.7 for each full hour reasonably spent performing this function over and above that 5 hours in that month.
- (c) Where the Service Provider gives notice to Retailers and Transmission System Owners under rule 78.1 of the Rules for consumption information and total energy quantities injected for Gas Gates during the Gas Year commencing on October 2006, and the migration of this data to the Allocation System involves the Service Provider performing more than 40

hours work, then a supplementary fee is payable by Gas Industry Co to the Service Provider based on the hourly rates specified in paragraph 6.7 for each full hour reasonably spent performing this function over and above that 40 hours.

6.5 Services not included in the Fees

The Fees shall not apply to the core services defined in paragraphs 1.5(u) and to the additional services defined in paragraphs 1.8(d) to (f) and 1.8(h) of Schedule 1. The fees for these core services and the additional services shall be paid directly by the Allocation Participant for whom those services are provided. The fees that will apply:

- (a) will be based on the hourly rates specified in clause 6.7 for the Service Provider's own costs; and
- (b) may include any external costs incurred by the Service Provider in providing these services.

6.6 Disengagement fee

- (a) The disengagement fee is payable for any disengagement services provided by the Service Provider under clause 14 of the Agreement.
- (b) The disengagement fee is the sum of:
 - (i) in respect of the core services being provided by the Service Provider at the Termination Date, the monthly fee as at the Termination Date (or a pro-rata proportion of the monthly fee if only part of the Services are required); and
 - (ii) subject to paragraph 6.2(b) of this Schedule, the establishment fee as at the Termination Date; and
 - (iii) in respect of any additional services being provided by the Service Provider at the Termination Date, the cost of those services provided that month either based on the hourly rates set out in clause 6.7 and any reasonable expenses of the Service Provider.
- (c) The disengagement fee is payable monthly in arrears.

6.7 Hourly rates

The hourly rates are as follows:

Resource	Hourly rate (excl GST)
General Manager	\$280
Senior Manager	\$235
Project Manager	\$235
Finance Manager	\$235

Consultant	\$235
Senior IT Developer / Senior Analyst	\$190
IT Developer	\$175
Analyst	\$175
Administrative Support	\$130

6.8 Review of monthly fee

(a) **Basis of variation to fees:** The basis of any Fee change will be to ensure that the Service Provider continues to receive a Fee that represents the cost (including a reasonable margin) to the Service Provider of providing the Services, taking into account any change to the Services and/or change to the Service Provider's costs (whether caused by a Fee Change Event or otherwise).

(b) **Commencement of fee variation process:**

(i) **Fee Change Event:** In accordance with clause 11.2.1 of this Agreement, if either party considers at any time that:

(A) a Fee Change Event has occurred; and

(B) the effect of such Fee Change Event (including together with any other Fee Change Events that have occurred since the date of this Agreement or since the last agreed fee change (as the case may be)) is sufficiently significant that it warrants a variation to the Fees,

that party may give a Fee change request to the other party, provided that a Fee change request may not be given later than 12 months after the occurrence of the Fee Change Event to which that Fee change request relates.

(ii) **Review:** In accordance with clause 11.2.2 of this Agreement, if either party considers that the Fees (including, where necessary, the hourly rates specified in paragraph 6.7) need to be reviewed to reflect the cost (including a reasonable margin) of providing the Services, that party may give a Fee change request to the other party, provided that:

(A) the Fee change request must be made in writing and received by the other party at least 4 months prior to each anniversary of the Go-live Date (so as to enable Gas Industry Co to fulfil its obligations to estimate and publish the ongoing allocation costs in accordance with rule 16 of the Rules);

(B) a Fee change request under this subparagraph (ii) may not occur more than annually:

- (C)** a Fee change request may not be made in respect of the establishment fee portion of the Fees.
- (c) Fee change request:** A Fee change request must contain the following information:
- (i)** the event(s) claimed to be a Fee Change Event or that has/have given rise to the request to review the Fees;
 - (ii)** the change(s) to the relevant Services and/or the cost (including a reasonable margin) to the Service Provider in providing the Services;
 - (iii)** the variation(s) of the fees proposed by the party that has given the Fee change request, together with reasonable information supporting the request;
 - (iv)** the date(s) for which the party considers that the variation(s) to the Fees should take effect.
- (d) Initial response to Fee change request:** Within 20 Business Days of receiving a Fee change request, the party who receives the Fee change request (the **Recipient**) will respond to the party who proposes the Fee change request with a written notice advising whether it agrees to the variation to the fees proposed in the Fee change request. If the Recipient accepts in that notice the proposed fee variation set out in the Fee change request, then that fee variation will become an agreed Fee change from the date set out in Fee change request.
- (e) Process where no initial agreement:** Where the Recipient does not agree to the proposed fee variation set out in the fee change request (or where the Recipient does not give a notice under subparagraph (c)) the following process will apply:
- (i)** in the first instance the parties shall meet to discuss the matter in good faith to see whether they can reach agreement about whether a Fee change event has occurred (where applicable), whether there should be a variation to the Fees (and the amount of such variation), and the date on which such variation should become effective. If the parties reach agreement, the agreed variation (if any) shall be an agreed fee change;
 - (ii)** if the parties cannot reach agreement within 10 Business Days after the date the written notice set out in paragraph 6.8(d) above was received, the party that gave the Fee change request may require the matter to be referred to dispute resolution under clause 22 of this Agreement (but subject to subparagraph (iii) below);
 - (iii)** if the matter is referred to dispute resolution under subparagraph (ii) above the scope of the dispute resolution will solely be to resolve:
 - whether a Fee change event (or events) has occurred;
 - the amount (if any) by which the Fees should be varied on the basis set out in subparagraph (a) above; and

- the date on which any variation to the Fees should take effect (which, to avoid doubt, may be any date after the date when the Fee change request was given),

provided that, if the parties have reached agreement on any of the matters in subparagraphs (i) to (iii), the role of dispute resolution will be limited to those matters in subparagraphs (i) to (iii) that have not been agreed;

- (iv) if dispute resolution determines, or the parties agree, that there should be a variation to the Fees, such variation will be an agreed fee change.

(f) Giving effect to agreed fee changes:

- (i) In respect of a Fee change request made under subparagraph (a)(i) above as a result of a Fee Change Event, the Fees will be adjusted from time to time as and when required to give effect to the agreed Fee change;
- (ii) In respect of a Fee change request made under subparagraph (a)(ii) above as a result of a review, the Fees will be adjusted as from the start of the Gas Year from which the change applies, to give effect to the agreed fee change.

SCHEDULE 7

CHANGE CONTROL PROCESS

7.1 Change Control Process: The parties will follow the change control process described in this Schedule to initiate and consider:

- (a) any change to the Deliverables, the Services and/or the Specifications, including any changes to the nature or scope of the Deliverables, the Services or the Specifications (or to the timing of the delivery of the Deliverables or the Services) and such change cannot be accommodated by another process in this Agreement; and
- (b) new Deliverables or Services that are not within the scope of this Agreement,

other than a change resulting from a Fee Change Event (each being referred to in this Schedule as a "**Change**").

7.2 Change Request: If either party wants to initiate a Change that party will describe the details of the Change in a written request to the other party (**Change Request**).

7.3 Impact Report: No later than 15 Business Days after a Change Request has been made, the Service Provider will prepare an impact report (**Impact Report**) detailing an explanation of the Change, including how the Change is to be implemented and, to the extent relevant, detailing:

- (a) the feasibility of the Change;
- (b) the effect of the Change on the ability of the Service Provider to meet its obligations under this Agreement;
- (c) any cost implication for either party in relation to the Change;
- (d) any consequential material impacts of the Change;
- (e) where appropriate, suggested acceptance testing procedures and acceptance criteria for the proposed Change; and
- (f) such other information which is likely to be material to Gas Industry Co.

The cost of preparing an Impact Report will be met by the Service Provider, provided that where the preparation of the report takes the Service Provider more than 5 hours of work to complete, Gas Industry Co will pay the Service Provider at the hourly rates specified in paragraph 6.7 of Schedule 6 for each full hour reasonably spent over and above 5 hours.

7.4 Notify: Gas Industry Co will, within a reasonable period of time after receiving the relevant Impact Report, notify the Service Provider of whether it:

- (a) accepts the Change Request from the Service Provider, or wishes to proceed with a Change following receipt of an Impact Report;
- (b) wishes to renegotiate any aspect of the Change Request, in which case the parties will negotiate in good faith to try and reach agreement on the terms for implementing the Change Request;

- (c) withdraws the Change Request if initiated by Gas Industry Co; or
- (d) does not accept the Change Request.

7.5 Agreeing a Change Request: If the terms for implementing a Change Request have been:

- (a) accepted under paragraph 7.4(a) of this Schedule;
- (b) agreed under paragraph 7.4(b) of this Schedule; or
- (c) determined under paragraph 7.6 of this Schedule,

Gas Industry Co or the Service Provider (as applicable) will send the other party a variation agreement reflecting those terms. The Service Provider will not undertake any Change until both parties have signed this variation agreement.

7.6 Dispute Resolution: If the parties cannot agree on a Change Request within 10 Business Days of Gas Industry Co giving notice under paragraph 7.4 of this Schedule then the matter will be resolved under clause 22 of this Agreement. In determining this matter, the mediator or arbitrator will:

- (a) take into account the matters referred to in paragraph 7.3 of this Schedule;
- (b) ensure that the terms for implementing the Change Request reflect a fair and reasonable allocation of risk; and
- (c) ensure that any changes to the Fees are reasonable, competitive and include a reasonable margin.

7.7 Pricing Principles: The following pricing principles will apply in respect of any Change:

- (a) the Service Provider will only charge Gas Industry Co for a Change to the extent the Change is not already covered by the Fees;
- (b) if there is a cost impact associated with implementing the Change then the parties will use genuine efforts to agree a reasonable price for the Change (taking into account the nature and extent of the Change);
- (c) where the pricing for any change constitutes a change to the establishment price, then the additional price shall be included in the instalment which is payable immediately after the Change is completed;
- (d) where the pricing for any change constitutes a change to the monthly fee, then the provisions of Schedule 6 will apply; and
- (e) the pricing for any Change will be the reasonable cost (including a reasonable margin) to the Service Provider of providing the Change.

7.8 Not unreasonably refuse Change: Subject to paragraph 7.9 of this Schedule, the Service Provider must not:

- (a) unreasonably refuse (directly or indirectly) any Change Request submitted by Gas Industry Co;

- (b) demand unreasonable charges for the Change;
- (c) impose unreasonable conditions for undertaking the Change; or
- (d) refuse to include the Change Request the subject matter of the Change is reasonably related to or connected with the Services as they are at the relevant time.

7.9 Reasonable Grounds for Refusing a Change: The Service Provider, acting reasonably, may refuse a Change submitted by Gas Industry Co where the Service Provider can demonstrate to Gas Industry Co that:

- (a) it is likely to lead to a breach of the Rules;
- (b) the Service Provider does not have the qualified resources needed to undertake the work required to implement the Change;
- (c) the Service Provider cannot meet the timeframe for implementing the Change because of resourcing or other constraints;
- (d) the Change is not technically feasible; and
- (e) the Change will substantially alter the Service Provider risk profile, for example, by exposing it to greater liability.

7.10 No Obligation: Gas Industry Co will not be bound to accept or pay for any unauthorised variations or changes to this Agreement or the scope of the Services carried out by the Service Provider.

7.11 Truncated Process: Where:

- (a) the Change requested is relatively minor (in terms of cost and impact) and is fairly routine; and
- (b) the parties agree (such agreement not to be unreasonably withheld or delayed), a truncated Change Control Process (acceptable to Gas Industry Co and the Service Provider) may be adopted to deal with that Change Request.

SCHEDULE 8
CONFIDENTIALITY DEED

Date:

Parties

(1) **The Marketplace Company Limited** (*M-co*)

(2) [] (*the Recipient*)

BACKGROUND

[Select the relevant paragraph and delete the other]

[Gas Industry Co, a company registered under the Companies Act 1993, wishes to appoint the Recipient as Allocation Agent under the Gas (Downstream Reconciliation) Rules 2008. In order to perform the services required by the Allocation Agent, the Recipient requires access to certain information, including software, licensed by M-co to Gas Industry Co, which is confidential and/or proprietary to M-co. This Deed records the terms on which the Recipient will access and use that confidential information.]

[Gas Industry Co, a company registered under the Companies Act 1993, wishes to engage the Recipient to work with the Allocation System, an electronic information exchange and analysis platform required under the Gas (Downstream Reconciliation) Rules 2008. In order to perform the services required by Gas Industry Co, the Recipient requires access to certain information, including software, licensed by M-co to Gas Industry Co, which is confidential and/or proprietary to M-co. This Deed records the terms on which the Recipient will access and use that confidential information.]

TERMS

1 Defined terms

In this Deed:

Confidential Information means:

- (a) any part of any software licensed to Gas Industry Co by M-co pursuant to the "Allocation Agent Service Provider Agreement", and any other software owned by M-co, including all source code, object code, mark-up, graphics and associated documentation (*the Software*); and
- (b) all alterations, additions or enhancements to the Software, whether made before or after the date of this Deed;
- (c) any technical information concerning the Software, including its design, specifications, functionality and operation; and

- (d) any information generated (directly or indirectly) by the Recipient or any other person using any information coming within the ambit of paragraph (a), (b) or (c), to the extent that it is so generated,

but does not include information which, when disclosed to or by the Recipient, is generally available to and known by the public other than as a result of any breach of any obligation of confidentiality, or which the Recipient can show it has legitimately acquired or developed independently of any information coming within the ambit of this definition;

Intellectual Property includes all rights to and interest in:

- (a) any copyright, trade secret, patent, design, trade mark or trade name (including all associated goodwill and registration rights); and
- (b) any other proprietary rights and forms of intellectual property (whether protectable by registration or not) in respect of any know-how, technology, concept, idea, data, component, tool, library, methodology, routine, program or other software, specification, formula, drawing, document, design, system, process, logo, mark, style or other similar thing.

Permitted Purpose means providing services to Gas Industry Co in order to perform the downstream allocation and reconciliation of downstream gas quantities;

Person includes a corporation sole and also a body of persons, whether corporate or unincorporated;

2 **Confidentiality**

The Recipient will keep the Confidential Information strictly confidential and will not disclose it to any Person other than Gas Industry Co, except to the extent expressly permitted under the terms of this Deed.

3 **Use of Confidential Information**

The Recipient may use the Confidential Information for the Permitted Purpose but not for any other purpose. In particular, but without limitation, the Recipient will not (except to the extent necessary for the Permitted Purpose):

- (a) use or develop any Confidential Information for its own commercial use;
- (b) use any Confidential Information to engage in competition with M-co or to act in a manner that may or does cause material loss to M-co or that materially adversely affects M-co's business, provided that this paragraph 3(b) shall not restrict the use of Confidential Information by the Recipient for the sole purpose of performing services for Gas Industry Co in relation to the Allocation System; or
- (c) remove any M-co copyright, trademark or other proprietary notice from any Confidential Information;
- (d) reproduce, reverse engineer, decompile, or disassemble the Confidential Information;
- (e) sell, rent, sublicense, transfer or otherwise dispose of the Confidential Information;
- (f) develop any derivative works based on the Confidential Information;

4 Disclosure to Representatives

- 4.1 The Recipient may disclose all or any part of the Confidential Information to an officer or employee of the Recipient approved by M-co (a *Representative*) if:
- (a) the Representative needs to know the content of that Confidential Information for the Permitted Purpose; and
 - (b) the Recipient has informed the Representative of the confidential nature of the Confidential Information; and
 - (c) the Recipient has obtained that Representative's written undertaking to be bound by this Deed and has provided an original of that written undertaking to M-co.
- 4.2 The Recipient agrees to be responsible under this Deed for all the acts and omissions of that Representative as if they were the acts and omissions of the Recipient.

5 Disclosure pursuant to a lawful requirement

If the Recipient becomes legally compelled to disclose any of the Confidential Information the Recipient will immediately give written notice to M-co of the requirements placed on the Recipient and use best endeavours to provide M-co with a reasonable opportunity to seek a protective order or other remedy or waive compliance with the terms of this Deed. In any event, the Recipient agrees to disclose only that part of the Confidential Information which the Recipient is legally required to disclose, and to use reasonable efforts to obtain an assurance that the information disclosed will be treated confidentially.

6 Security

The Recipient will take all reasonable steps to protect the Confidential Information from unauthorised access and use, and will comply with any reasonable requirement of M-co relating to the access, storage and use of the Confidential Information.

7 Return of Confidential Information

If the Recipient ceases to provide services to the Recipient for the Permitted Purpose, the Recipient will promptly:

- (a) return, or procure the return of, all copies of Confidential Information to Gas Industry Coif directed by Gas Industry Co; and/or
- (b) in any other case, destroy or erase, or procure the destruction or erasure of, all copies (whether on paper or in any electronic information storage and retrieval system or in any other storage medium) of the Confidential Information and any analyses, compilations, studies, notes, memoranda or other documents which contain or reflect any Confidential Information,

and certify to M-co that this clause 7 has been complied with.

8 Intellectual Property

8.1 The Recipient agrees that:

- (a) the Confidential Information and all Intellectual Property rights in it are owned by M-co (or, where applicable, M-co's licensors);
- (b) ownership of any alterations, additions or enhancements made to the Confidential Information (including all associated Intellectual Property rights)

by the Recipient or anyone for whom the Recipient is responsible will vest absolutely and exclusively in M-co (or, where applicable, M-co's licensors) immediately on their creation, at no cost to M-co; and

- (c) it will not at any time after the date of this Deed in any way question or dispute M-co's ownership of these rights.
- (d) it will do any thing reasonably required by M-co (including executing and delivering any document) in order for M-co to obtain or retain the ownership of the Confidential Information and the Intellectual Property in accordance with this clause 8.

8.2 The Recipient indemnifies M-co against all liabilities, damages, expenses and losses (including legal costs) in connection with the infringement or alleged infringement of any third party's Intellectual Property rights arising out of or in connection with any modifications or enhancements made to the Confidential Information by the Recipient (*IP Claim*). The Recipient's obligations under this clause 8.2 are conditional on:

- (a) M-co promptly notifying the Recipient in writing of the IP Claim;
- (b) M-co making no admission regarding the IP Claim without the Recipient's consent;
- (c) the Recipient conducting and/or settling (at its own cost) all negotiations and litigation; and
- (d) M-co giving the Recipient all reasonable assistance at the Recipient's cost.

9 **Non solicitation**

While the Recipient is providing any services to the Recipient, and for a period of 12 months after ceasing to do so, the Recipient will not, and will ensure that its related companies do not, solicit, entice away or attempt to entice away any employee or contractor of M-co either on the Recipient's behalf or on behalf of any other person without first obtaining M-co's prior written consent.

10 **General provisions**

- 10.1 The agreements, obligations, warranties and undertakings on the Recipient's part set out in this Deed will continue in full force until all the Confidential Information has entered the public domain other than directly or indirectly through a default of the Recipient under this Deed.
- 10.2 The Recipient acknowledges that damages alone would be an inadequate remedy for the breach of the Recipient's obligations under this Deed and that the appropriate remedies for such a breach or threatened breach shall include, at M-co's election, orders for specific performance and injunctive relief.
- 10.3 No failure, delay or indulgence by M-co in exercising any power or right under this Deed shall operate as a waiver of that power or right. Nor shall a single or partial exercise of any such power or right preclude further exercises of that power or right or the exercise of any other power or right under this Deed.
- 10.4 If any part of this Deed is held by any court or administrative body of competent jurisdiction to be illegal, void or unenforceable, such determination shall not impair the enforceability of the remaining parts of this Deed which shall remain in full force.

- 10.5 The Recipient also acknowledges that the undertakings and agreements on the Recipient's part set out in this Deed are in addition to, and do not detract from, the duties of confidentiality which are imposed on the Recipient by law and in equity.
- 10.6 This Deed will be governed by and construed in accordance with New Zealand law, and each party irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of New Zealand for the purpose of hearing and determining any disputes or proceedings arising out of or in connection with this Deed.

SIGNED as a DEED

SCHEDULE 9

SPECIFICATIONS: FUNCTIONAL SPECIFICATION

20 August 2008

Gas Industry Company Limited
Allocation Agent
Functional Specification

Version 1.0

20th August 2008

20 August 2008

Revision History

Version	Release Date	Author	Description
0.1	15th July 2008	Maria Sydor, Craftware Computing Limited	Initial Draft
0.2	21st July 2008	Maria Sydor	<p>Corrections made to:</p> <ul style="list-style-type: none"> • interpretation of rule 39 (GAS020), • remove references to invoicing, • include Gas Registry interface for Gas Gate reference data, • add that parent distributor is responsible for providing injection volumes for attached embedded networks, • the calculation of AUFG to include embedded network consumption, • the outputs to TSOs to include embedded network consumption within the parent gas gate's allocation quantities, • TSO interfaces to include translation tables for gas gates and allocation participants, • Estimation algorithm included. <p>Comments from M-co.</p>
0.3	31 st July 2008	Maria Sydor	<p>Comments from users:</p> <ul style="list-style-type: none"> • Removal of embedded network processing • Removal of allocation group in retailer trader information and update of retailer permissions • Removal of agents. Sender in header optional and not validated by system. • GAU090 seasonality factor added to daily average calculation • GAR040, 50 and 30 removed allocation group and profile. Added contract ID to GAR010 • GAR080 time lag included for annual consumption • GAR100 changed • Removed allocation group from aggregation level in GAR110 • Rationalisation of decimal format for outputs to numeric 10.3 – consistent with OATIS • Removal of invoicing • Additional clarification/formatting/standardisation of terminology • Removal of consumption period in headers in all examples

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			<ul style="list-style-type: none"> • Addition of exception processes at various stages when submissions are missing for allocation groups 3 to 6. • Clarification added to the Contract Matching algorithm making it clear that the system will not pick up Contract IDs from other retailers.
0.4	7 th August	Phillip Beardmore	<ul style="list-style-type: none"> • Incorporation of further comments from M-co and industry stakeholders • Inclusion of exception process for contract ID matching algorithm • Inclusion of period during a month when OATIS is not to be updated • Clarification that retailers submit their historic estimate reports via GAS040, GAS050 and GAS060 • GAU020 clarified to state that seasonality factor is to be applied to all allocation groups • Clarification of when distributors receive information approved for release by retailers • Editorial review.
0.5	8 th August	Phillip Beardmore	<ul style="list-style-type: none"> • Clarification that retailers submit consumption information at <i>either</i> the gas gate level or the <i>notional delivery point</i> level • Clarification that TSOs receive initial, interim and final allocation information • Updating rule references • Editorial review.
0.6	18 th August	Maria Sydor and Phillip Beardmore	<ul style="list-style-type: none"> • Allowance made for direct consumers where consumption information may or may not be submitted and for unmetered gas gates where injection information will not be provided • Provision made to prevent information being published on the public website of information relating to gas gates that have been given an exemption by Gas Industry Co • Include an additional attribute of metering type against a gas gate - to be able to accommodate unmetered gas gates • Corrections to GAR110 relating to the treatment of estimates in relation to the quantity of historical estimates.
0.7	19 th August	Phillip Beardmore	<ul style="list-style-type: none"> • Reinsertion of 'Allocation Group' field in the GAR010, GAR020, GAR030 reports.
1.0	20 th August	Phillip Beardmore	<ul style="list-style-type: none"> • Contractual baseline.

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Glossary

The terms used in this document have the same definitions as the matching terms in the Gas (Downstream Reconciliation) Rules 2008.

Specific OATIS terminology is explained within the specific processes GAS030 and GAR130.

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1. Executive summary

This functional specification details the requirements of the system to be developed and operated by the service provider – the allocation agent – for the downstream reconciliation and allocation of gas.

This document has been developed using the following sources:

- Gas (Downstream Reconciliation) Rules 2008,
- Draft Gas Governance (Compliance) Regulations 2008,
- RFP – Appointment of an allocation agent for the provision of services for downstream reconciliation and allocation of gas,
- Draft allocation agent service provider agreement schedules version 4,
- Information exchange file formats notice issued 31st July 2008,
- File formats working party, industry experts, Gas Industry Company Limited project team and Phillip Beardmore of Strata Energy.

If there is any conflict between this document and the Gas (Downstream Reconciliation) Rules 2008, or any notice or decision made under those Rules, the Gas (Downstream Reconciliation) Rules 2008 (or the notice or decision) shall take precedence and prevail.

2. Background

The purpose of the downstream reconciliation and allocation system is to take submission information supplied by the allocation participants and use it to determine unaccounted for gas (UFG), then allocate that to the allocation participants and provide reports to all interested parties.

The system must enable the allocation agent to perform the responsibilities defined in the Gas (Downstream Reconciliation) Rules 2008 (the Rules), which include:

- calculating the annual UFG factor for the next gas year;
- checking that the required submission information is complete and accurate;
- estimating for missing submissions;

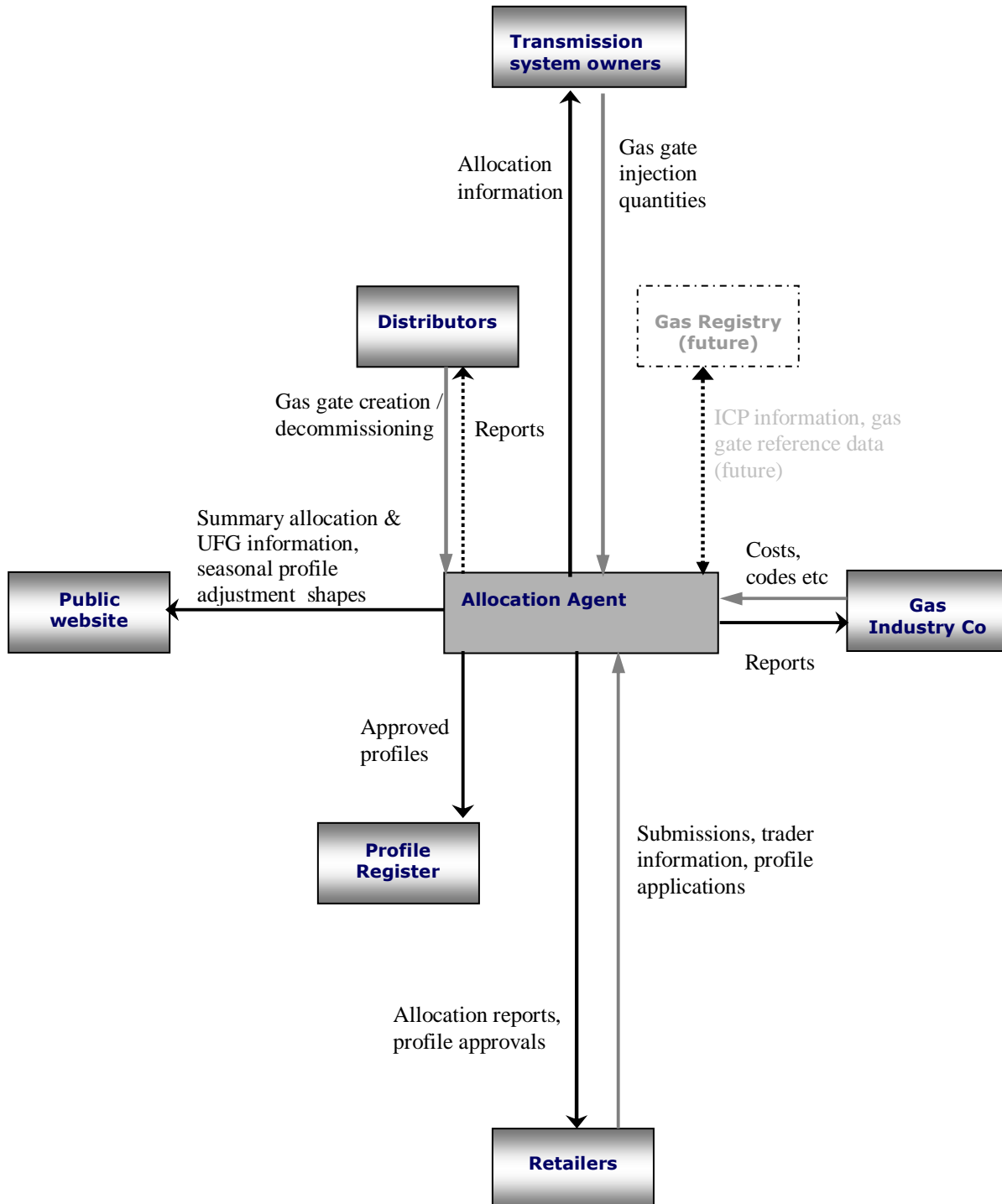
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- determining the UFG at each gas gate and allocating this to retailers by:
 - applying the annual UFG factor,
 - calculating and applying the monthly UFG factor,
 - determining the gas gate residual profile, and
 - profiling monthly submissions into daily quantities using the gas gate residual profile and applying the monthly UFG factor to them;
- producing allocation and compliance reports to allocation participants and the industry body – Gas Industry Company Limited; and
- approving profiles and maintaining a register of approved profiles.

All invoicing functions required to be performed by the allocation agent are deemed to be external to the system described in this document.

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3. The allocation agent's system overview



4. Participants of the system

4.1 Allocation participants

The Gas (Downstream Reconciliation) Rules 2008 (Rules) define allocation participants as retailers, distributors, meter owners or transmission system owners. This specification only deals with retailers, distributors and transmission system owners; meter owners do not have any obligations to provide or receive information in respect of the allocation process.

Retailers are required to provide submission information to the allocation agent and receive allocation information and other reports from the system.

Transmission system owners (TSOs) own the transmission system supplying gas to consumer installations via gas gates. TSOs provide injection volume information to the allocation agent and receive allocation information from the allocation agent.

Any new TSO will be expected to provide information in the formats currently defined for OATIS.

Distributors provide information pertaining to the creation and decommissioning of gas gates.

Distributors are also able to receive allocation information relating to their own distribution systems but only for those retailers who have consented to the allocation agent releasing their information to specific distributors.

4.2 Industry body

The industry body is the Gas Industry Company Limited (Gas Industry Co), which approves new allocation participants and codes for use in the allocation system. The allocation agent is required to provide Gas Industry Co with compliance reports.

4.3 Gas Registry

It is intended that the allocation system will eventually interface with the Gas Registry so as to provide gas gate reference information. Some of the interfacing details are included in this document but not all.

With respect to Installation Control Point (ICP) information, during the transition period it will be provided to the allocation

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agent by distributors when requested. Under rule 84 of the Rules, the allocation agent is responsible for resolving any disputes relating to who is the responsible retailer for an ICP until the Gas Registry goes live.

5. Submission information

Submission information is provided in 3 separate formats. The specific format is dependant on the allocation group.

5.1 Allocation Groups

There are 6 allocation groups, which are defined in the Rules as follows:

Allocation Group	Definition	Submissions aggregated
1	Assigned to ICPs that have a TOU meter with telemetry and where actual gas quantities are recorded daily.	Per ICP per day
2	Assigned to ICPs that have a TOU meter without telemetry and where actual gas quantities are recorded daily.	Per ICP per day
3	Assigned to ICPs where the daily gas quantities are determined by application of an approved static deemed profile (by the retailer) to monthly gas quantities taken from register readings that are required under rule 29 to be recorded monthly.	Per ICP per day
4	Assigned to ICPs where the daily gas quantities are determined by application of the gas gate residual profile (by the allocation system) to monthly gas quantities taken from register readings that are required under rule 29 to be recorded monthly.	Monthly
5	Assigned to ICPs where the daily gas quantities are determined by application of an approved dynamic deemed profile (by the retailer) to monthly gas quantities taken from register readings that are not	Daily

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Allocation Group	Definition	Submissions aggregated
	required under rule 29 to be recorded monthly.	
6	Assigned to ICPs and where the daily gas quantities are determined by application of the gas gate residual profile (by the allocation system) to monthly gas quantities taken from register readings that are not required under rule 29 to be recorded monthly.	Monthly

5.2 Profile code

A profile code of 4 characters is provided in submissions to indicate which approved profile was used to profile the consumption information or that there was no profile (XTOU), or that the system is required to profile using the gas gate residual profile.

Profiling is a process whereby a single quantity for a period such as a month is divided into days in a manner that maintains a pre-defined pattern (profile) of quantities over time. The pattern is defined either as a static deemed profile, a dynamic deemed profile or calculated from the gas gate residual profile. The allocation agent is required to calculate the gas gate residual profile and apply it to submissions of allocation groups 4 and 6 only.

Retailers themselves will provide already 'profiled' submissions for allocation groups 3 and 5. For allocation groups 1 and 2 there are no profiles and these submissions will have the profile code of "XTOU".

5.3 Profile type

There are four types of profiles:

- static deemed profiles,
- dynamic deemed profiles,
- gas gate residual profiles, and
- none i.e. time of use meters.

The profile type can be determined from the first character of the profile code:

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- S – means it is a static deemed profile,
- D – means it is a dynamic deemed profile,
- G – i.e. “GGRP” means a gas gate residual profile (which will not actually appear in the file), and
- X – i.e. “XTOU” means no profile. A time of use meter was used.

Note that static deemed profiles and dynamic deemed profiles must be approved and registered by the allocation agent in accordance with the Rules before they can be applied in the allocation process.

5.4 Gas Gates

This is a code (8 characters) that identifies:

- a point of connection between the transmission system and a distribution system (gas gate connected network); or
- a point of connection (including a point of connection between the transmission system and a distribution system that represents a group of gas gates (*notional delivery point*)); or
- a point of connection between two distribution systems (including a point of connection between a distribution system and an embedded network distribution system (*EN gas gate*)); or
- a point of connection between the transmission system and a consumer installation (direct consumer gas gate).

Notional Delivery Point

Under the Rules, groups of gas gates (*notional delivery point*) can be determined by Gas Industry Co to be treated as a single gas gate for the purpose of the allocation process. Submissions by retailers at these gas gates may be aggregated and submitted at the *notional delivery point* – or at the individual gas gates that make up the *notional delivery point*. The allocation agent’s system will aggregate any submissions provided at the individual gas gates of *notional delivery points*. Allocation results will only be provided at the *notional delivery point*.

With respect to injection volumes, TSOs will provide quantities at the individual gas gates and/or at the *notional delivery point* and the system will aggregate to the *notional delivery point* level.

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Interconnection points

Submissions for consumer installations in **embedded networks** will be made at the EN gas gate that represents the connection between a parent distribution system and an embedded network (EN gas gate). However, an EN gas gate is to be included within a *notional delivery point*. Even though the parent distribution system gas gate and the embedded network gas gate may have different network codes, this *notional delivery point* will be assigned to only one network code – the parent distribution system network code.

For **other interconnection points**, the two distribution systems will be merged under a single *notional delivery point*. In consultation with Gas Industry Co this *notional delivery point* will be assigned to only one network code even though the individual gas gates may have different network codes.

N.B. There is no embedded generation involved in the allocation process.

Direct consumer gas gates

Direct consumer gas gates have only one consumer and one retailer at the gas gate. Injection volumes are provided by the responsible TSO, however there may or may not be consumption information submitted by the retailer at this gas gate. If a retailer does not submit consumption information, the allocation process uses the total injection quantity as the retailer's consumption information submission. Whether or not consumption information is to be provided by the retailer is notified to the allocation agent in the trader notification together with the appropriate allocation group (to be used for reporting purposes).

Gas gate metering

Gas gates can be metered or unmetered. Where a gas gate is unmetered, no injection quantities will be submitted to the allocation agent by TSOs¹. Only consumption information submissions will be submitted, by retailers. The allocation process uses the total consumption quantity (i.e. the sum of all retailers' consumption information submissions) as the injection quantity for allocation purposes.

¹ Note that this approach is subject to an exemption being consulted on, considered in light of any submissions and issued by Gas Industry Co in accordance with the Rules. Should such an exemption not be issued, an amendment to this process in this functional specification will be required.

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5.5 Network code

This is the code (4 characters) of the distributor for the distribution system connecting consumer installations with the gas gate. There is only one network code for each gas gate.

Where there is a connection between a distribution system and an embedded network (EN), there will be a metered interconnection point. The volume (injection) for this 'EN gas gate' will be provided by the TSO of the parent distribution system and included in the injection quantities for the parent distribution system gas gate.

For direct consumer gas gates the network code is the TSO code.

5.6 Contract identifier

The contract identifier (contract ID) is assigned by TSOs to their gas transmission contracts with retailers. Although currently a length of 4 characters is used for contract IDs, the contract ID in the allocation system will have a maximum length of 8 characters for allow for future expansion.

The interface (via OATIS) requires that the allocation information provided by the allocation system includes a contract ID. The allocation system will assign a contract ID from the contract information provided to the allocation agent as part of the trader information provision (in GAS020).

6. The allocation process

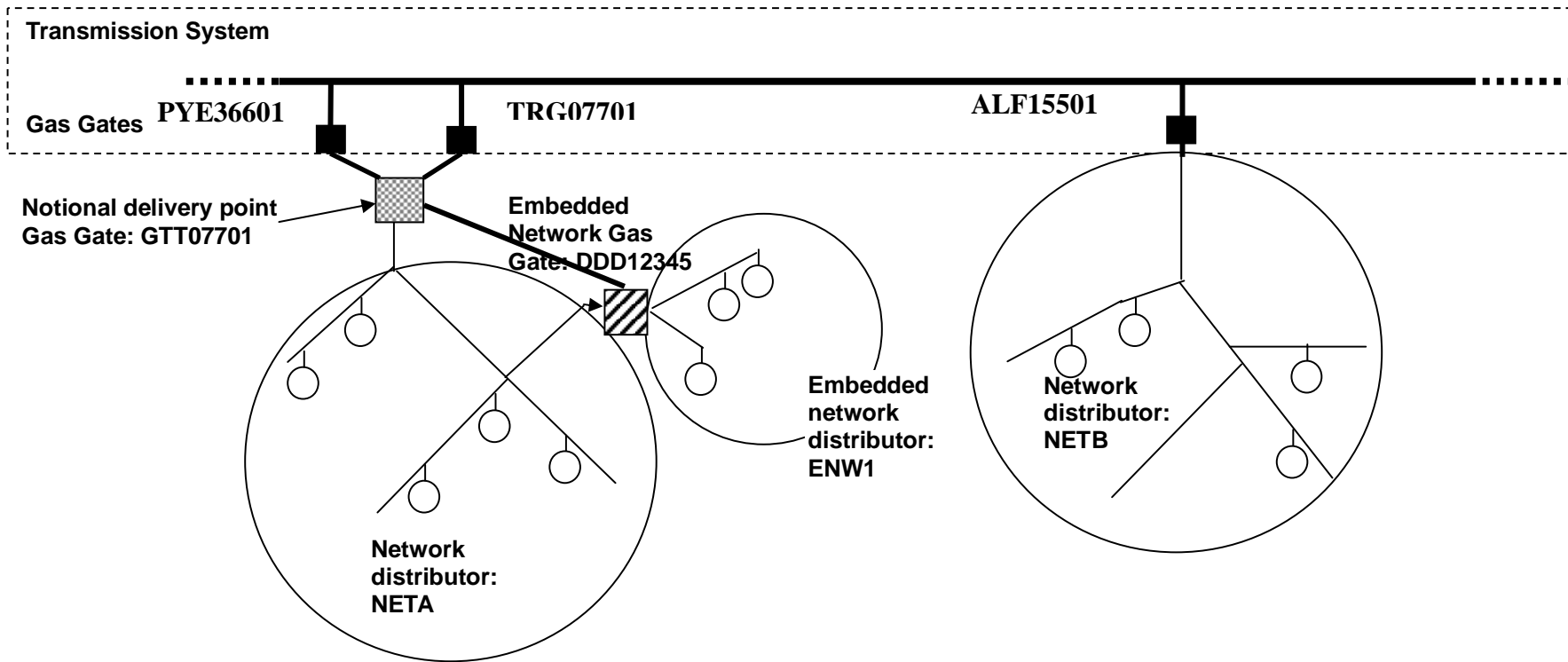
The allocation process involves:

1. The calculation of an annual UFG factor for every gas gate. This is applied to all consumption information of allocation groups 1 and 2 during the applicable gas year.
2. The calculation of a monthly UFG factor for every gas gate. This is applied to all consumption information of the remaining allocation groups 3, 4, 5 and 6.

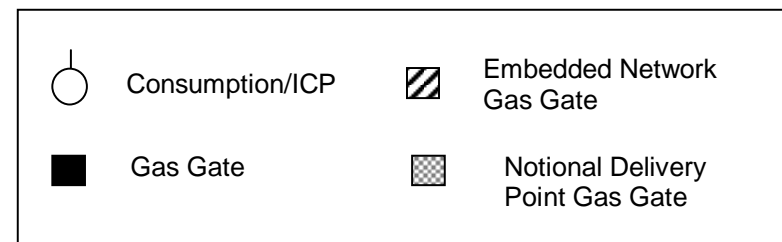
The gas gates referred to above are the *notional delivery point* gas gates and the single gas gates that are not amalgamated into *notional delivery points*.

All reporting of allocated quantities is provided at the gas gate where allocation takes place.

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Gas Network
(Downstream)



7. Data transfer requirements

7.1 Calendar view of monthly allocation process

The following table outlines the prescribed timelines which must be managed and adhered to by allocation participants and the allocation agent.

Business Day of Processing Month	Description	Notes
-1	Retailers notify allocation agent of any changes to retailer trading information – commencement and cessation of trade at a gas gate. (rule 39) Allocation agent should forward the above notification to the relevant TSO.	GAS020
1	By 0800: Each retailer provides Gas Industry Co a report on proportion of historic estimates (rule 40.1) for previous month's allocations. By 1200: Allocation agent publishes seasonal adjustment daily shape values (rule 53.1) on the website.	Each retailer now provides this historic estimate information to the allocation agent within their submissions (GAS040, GAS050, GAS060). Then allocation agent provides report GAR110 to Gas Industry Co. GAR060
4	By 0800: Retailers provide initial allocation information to allocation agent (rule 31) By 0800: TSOs provide daily injection quantities for previous month (rule 41) (Note that exemptions may be granted initially so that this timeframe is 1200 hours on the 4 th business day of the month.)	GAS040, GAS050 and GAS060 GAS030
5	By 0800: Allocation agent performs initial allocation, publishes applicable monthly UFG factors and provides reports (rules 48.2, 53.2 and 46.4.1) By 1200: Allocation agent provides to retailers and Gas Industry Co a report on accuracy of consumption	GAU010 to GAU080, GAR010 to GAR040 and GAR070. GAR050

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Business Day of Processing Month	Description	Notes
	<p>information between initial and final allocation (rule 53.3)</p> <p>From 1200: Allocation agent not to input any information into OATIS until 0800 on the later of the 11th business day and the 15th calendar day of the processing month</p>	GAR130
6	By 1730: Allocation agent can correct initial allocation up to this time (rule 44.3)	Allocation agent can rerun initial allocation up to this time
9	By 0800: Retailers provide interim allocation information to allocation agent (rule 32)	GAS040, GAS050 and GAS060
10	By 1200: Retailers provide allocation agent with the Meter Reading Frequency report (rule 40.2 but report being provided monthly rather than annually)	GAS080
11	By 0800: Allocation agent performs interim allocation, publishes applicable monthly UFG factors and provides reports (rules 49.2, 53.2 and 46.4.1)	GAU010 to GAU080, GAR010 to GAR040 and GAR070.
11	By 0800: Retailers provide "as-billed" information by gas gate (rule 52.2.1).	GAS070
12	By 1730: Allocation agent can correct interim allocation (rule 44.3).	Allocation agent can rerun interim allocation up to this time
14	<p>By 0800: Retailers provide final allocation information to allocation agent (rule 33).</p> <p>By 0800: Allocation agent publishes comparison of retailer "billing" information and consumption information (rule 52.2.3).</p>	GAS040, GAS050 and GAS060 GAR080
16	By 0800: Allocation agent performs final allocation, publishes the applicable monthly UFG factors and provides reports to retailers (rules 50.2, 53.2 and 46.4.1).	GAU010 to GAU080, GAR010 to GAR040 and GAR070.
17	By 1730: Allocation agent can correct final allocations (rule 44.3).	Allocation agent can rerun final allocation up to this

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Business Day of Processing Month	Description	Notes
		time
Last	Allocation agent provides Gas Industry Co with a Meter Reading Frequency report. Allocation agent prepares self review (rules 12 and 13).	GAR100

7.2 File naming convention

In submitting information to the allocation agent in accordance with the proposed file formats, the following file naming convention is to be used, unless otherwise specified by Gas Industry Co:

sender + utility type + recipient + file type + month (or last month) to which report/consumption applies + report run date + uniqueID# (e.g. hhmss run time, or ICP, but limited to Char(60))

with an extension of .TXT and with the components concatenated using the underscore character, to assist readability:

e.g. SENA_G_ALLA_GAS040_200810_20081105_123456.TXT

[Char4_Char1_Char4_Char6_yyyymm_yyyymmdd_uniqueID.TXT]

The 'file type' portion of the file name (e.g. GAS040) is defined as part of the file header definition in the proposed file formats.

The first record of a file contains header information followed by zero or more detail lines, as detailed in the attached file formats.

7.3 File headers

There is a standard file header defined in the file formats document for both inputs and outputs, except for interfaces to and from OATIS: i.e. GAS030 and GAR130.

Description	Type	M/O	Calculations
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	Process map name of report e.g. "GAR110".
Sender	Char (4)	M/O	"ALLA" if being sent by allocation agent otherwise optional. Not validated by system.

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Description	Type	M/O	Calculations
Allocation Participant	Char (4)	M	Participant code of retailer to whom the information relates. If more than one allocation participants' data exists in the file (<u>in outputs only</u>) then use a general code of "APAR".
Recipient	Char (4)	M	"ALLA" if being sent to allocation agent or the code of the allocation participant to whom the information is being sent e.g. retailer, distributor or TSO or "GICX" if to Gas Industry Co or "GASW" if published on the website.
Report Run Date	DD/MM/YYYY	M	Date the report is created.
Report Run Time	HH:MM:SS	M	Time the report is created.
Number of Records	Num (6)	M	Total number of detail records in report.

7.4 System interfaces

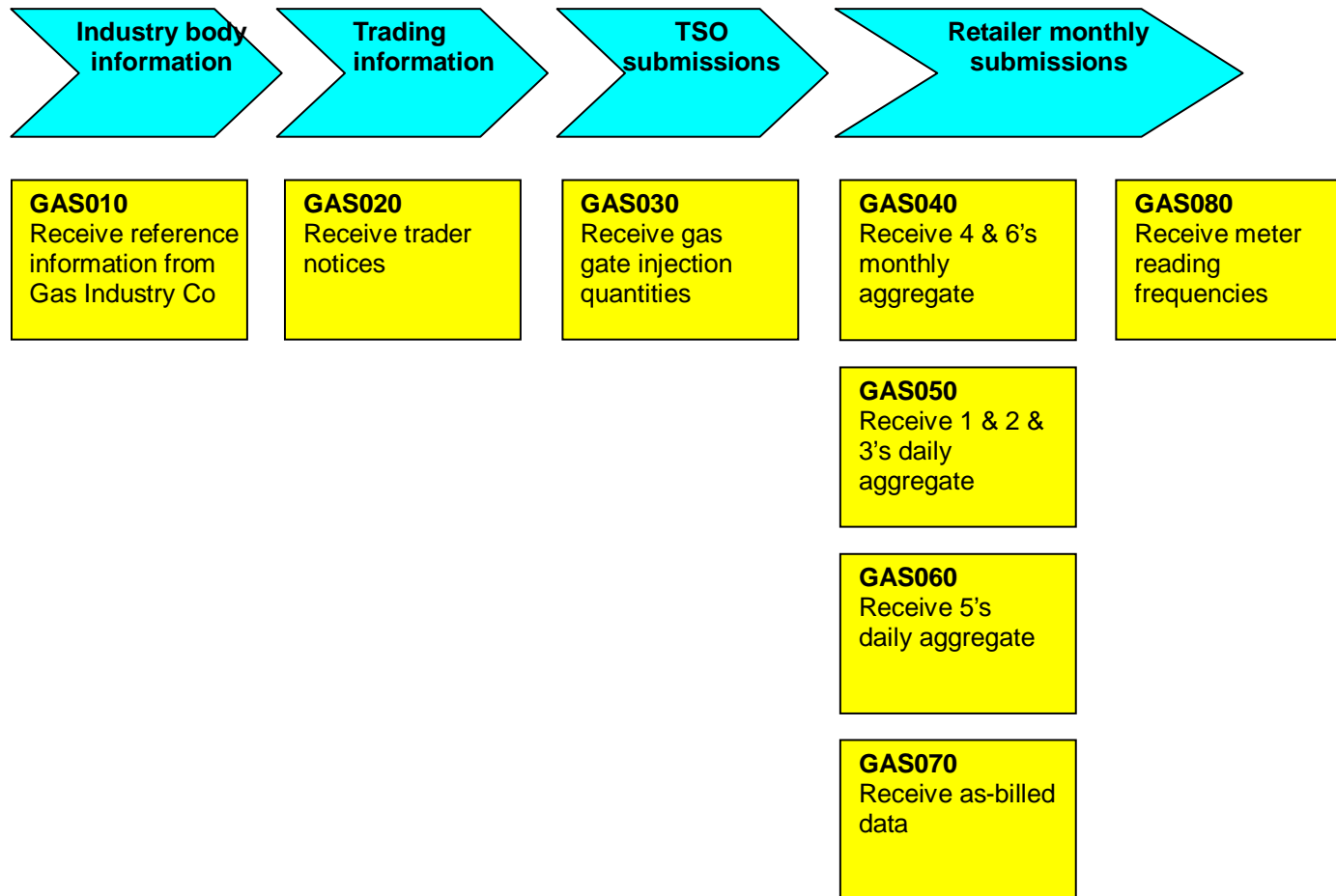
The allocation agent is required to provide the following types of interfaces:

1. A secure browser-based interface that allows participants to upload submission information into the allocation system and to download reports (i.e. online interface);
2. A secure file transfer facility that will allow participants to automate their data submission and report downloading processes (future requirement);
3. A secure interface with the Gas Registry (future requirement);
4. Public website that will allow for the publication of information to the general public.

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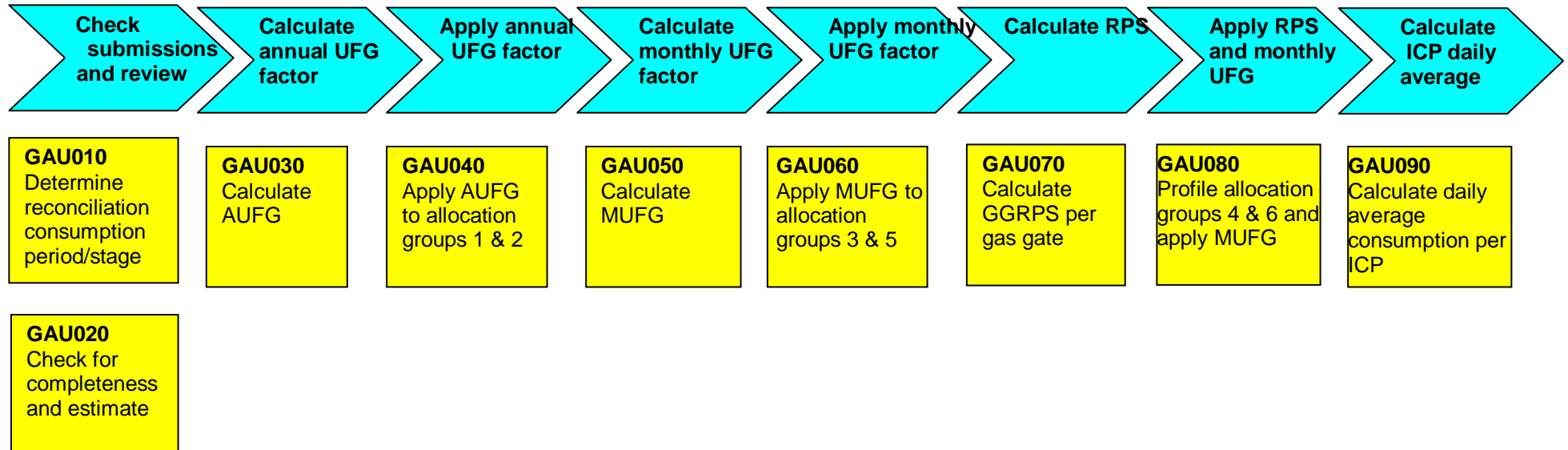
8. Reconciliation process maps

Process map – Accept and validate submissions



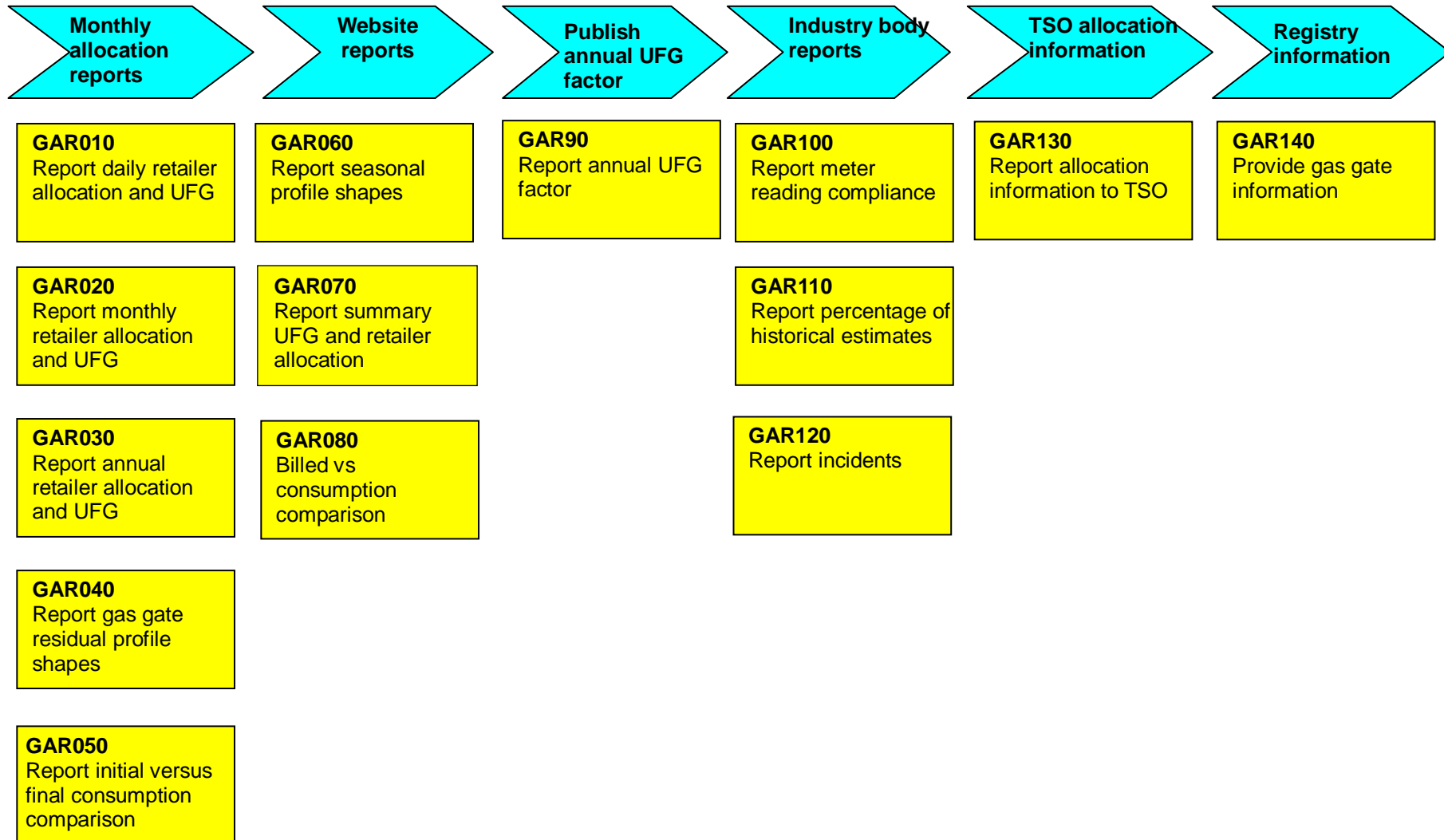
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Process map – Allocate UFG



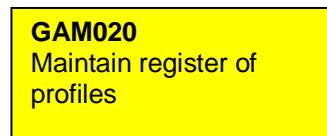
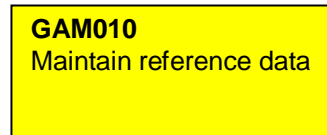
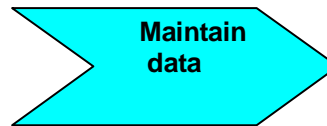
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Process map – Generate reports



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Process map - Maintain data



9. Sub-processes

Sub-process:	GAS010 Receive reference information from Gas Industry Co
Process:	Accept and validate submissions
Source:	Gas Industry Co
Rule references:	37, 79.3
Dependencies:	GAM010
<hr style="width: 80%; margin: auto;"/>	
Description:	
Gas Industry Co approves codes for use in the allocation process, which are then provided to the allocation agent.	
Business requirements:	
<ol style="list-style-type: none"> 1. The allocation agent must accept and store the following valid codes approved by Gas Industry Co: <ul style="list-style-type: none"> • allocation participants (with roles of retailer, distributor and TSO), • file formats, • non-business days, • gas years with their start date and end date, • valid gas gate codes together with their gas gate type, network code, TSO code, parent gas gate of embedded networks, metering type (unmetered or metered) and whether publication on the public website has been exempted. • the grouping of gas gates into valid <i>notional delivery points</i>, • the 4 month and 12 month meter reading frequency percentage thresholds, • the cap and floor values for the annual UFG factors of each gas gate to be applied during the transitional period. 2. The allocation agent must use the latest approved codes and formats for the relevant time periods. 	
Data inputs:	
<p>One or more of the following codes with a description and effective start and end dates:</p> <ul style="list-style-type: none"> • retailers – 4 characters • distributors – 4 characters • TSOs – 4 characters • non-business days per year • gas gates 	

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- gas years
- the grouping of gas gates into valid *notional delivery points* – the *notional delivery point* is in the same format as the gas gate code
- 4 month and 12 month meter reading frequency percentage thresholds
- the cap and floor values for the annual UFG factors to be applied during the transitional period – Num(2.3). The floor to be initialised at 0.985 and the cap at 1.035.

Processing:

The allocation agent:

- validates and stores the codes in the reference data tables;
- creates a full audit trail entry.

Data outputs:

Updated reference tables and audit trail entry.

Exceptions:

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Sub-process:	GAS020 Receive allocation participant notifications
Process:	Accept and validate submissions
Source:	Retailers, distributors and TSOs
Rule references:	39
Dependencies:	GAR140, GAM010
Description:	<p>This information must be supplied to the allocation agent no later than the final business day of the month in which the changes apply.</p> <p>For maintenance of gas gate information see GAR140 for further details.</p> <p>Retailer trader information</p> <p><u>Retailer/Gas Gate</u></p> <p>Retailers must give notice to the allocation agent when they commence to supply gas to a consumer installation at a gas gate at which they have not previously supplied gas or cease to supply gas at a gas gate. Where a retailer commences supply at a gas gate, that retailer must advise the allocation agent as to whether the consumption information will be submitted at the individual gas gate level or at the <i>notional delivery point</i> level. The retailer must supply its as-billed information (refer GAS070) at the same level as its consumption information (i.e. if a retailer provides its consumption information submissions at the <i>notional delivery point</i> level, then that retailer is to provide its as-billed information at the <i>notional delivery point</i> level). This retailer information is to be used by the allocation agent to validate retailer submissions and to estimate missing submissions.</p> <p>Where a retailer is a supplier at a direct consumer gas gate, that retailer must give notice to the allocation agent as to whether or not that retailer will be submitting consumption information. Where consumption information is not being submitted, the retailer must provide the allocation agent with an allocation group of 1 or 2 to be used against any estimated consumption calculated by the allocation agent, for reporting purposes.</p> <p><u>Gas Transmission Contract Information</u></p> <p>In order for the allocation agent to accurately assign, for the TSO, gas transmission contract IDs to specific submission quantities, retailers are required to provide the contract ID of their relevant transmission service agreement (TSA) and the commencement and expiry dates. There must be one or more contract IDs for every retailer, which cover all gas gates at which that retailer is supplying gas and which cover every consumption day in the consumption period. Contract IDs can commence mid-month for new retailers and expire mid-month when retailers cease to supply gas at a gas gate. Otherwise changes to contract IDs (for administrative purposes) should have commencement dates of the first calendar day of the month (i.e. consumption period) only.</p> <p>Where retailers have supplementary gas transmission contracts (supplementary agreements) or non-VTC² TSA gas transmission contracts (non-VTC TSAs), they must also provide and notify (and keep up to date) the following information for each such contract:</p>

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- contract ID with the commencement and expiry dates; and either
- a list of ICPs for which the contract ID applies; or
- a list of gas gates (including *notional delivery points*) for which the contract ID applies. Currently, supplementary agreements and non-VTC TSAs have only one 'delivery point' (i.e. gas gate) per gas transmission contract. However, there can be multiple gas transmission contracts for a specific gas gate for one retailer.

Retailers are required to be aware that information for non-VTC TSA contract IDs and supplementary agreement contract IDs must be updated to exclude/include ICPs switched to/from other retailers since the last notification.

The allocation agent is able to check a retailer's contract IDs against information contained within OATIS through the allocation agent's own logon to OATIS (optional procedure).

In effect, there will be a maximum of 3 levels of contract ID information held per retailer:

Level 1 – Default contract ID (VTC compliant TSA);

Level 2 – Gas gate contracts (supplementary agreements and non-VTC TSAs);

Level 3 – ICP contracts (supplementary agreements and non-VTC TSAs).

Contract ID Matching Algorithm of Submissions

Contract ID matching of a retailer's submission for a gas gate will commence at the lowest level of contract ID (level 3) and work up to the default contract ID (level 1).

For each submission, the allocation system will attempt to find a matching retailer contract ID (level 3) first by using the submission's retailer code and ICP number (if exists in the submission), then if no match is found the system will search the level 2 contract IDs by using the retailer code and gas gate of the submission. If neither of these finds a matching contract ID then the system will use the retailer's VTC compliant TSA contract ID (for the applicable dates). Only contract IDs relating to the retailer of the submission will be assigned to a retailer's submission.

If a submission is assigned a contract ID that is later rejected by OATIS this will be mainly because the retailer has not notified the allocation agent of all of the retailer's contract IDs or not specified the correct gas gate or ICPs against a contract ID.

Retailer allocation information access to distributors

Each retailer has the right to permit distributors to receive that retailer's allocation reports – GAR010, GAR020, GAR030, GAR040 and GAR050. Each retailer will provide the allocation agent with permission for distributors to receive these reports. Permission to be per distributor. The default will be no access.

Transmission system owner trader information

TSOs are required to provide the allocation agent with details of the gas gates for which they will be providing injection information and for which they will be requiring allocation information. Note that the allocation agent will calculate the injection quantities of unmetered gas gates by using the total consumption submitted by the retailers at these gas gates.

With each gas gate, TSOs will be required to provide: the network owner of each gas gate and any translation information the system needs to convert gas gates to Welded Point IDs, if they are different. This translation will be used by the allocation system not just for translating codes but also for aggregating allocation information of multiple gas gates into one Welded Point ID.

TSOs are also required to provide any translations between allocation participant codes and

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their Shipper IDs, if they are different. This translation table will also be the mechanism used to amalgamate a retailer's allocation information into single codes required by the TSO for billing purposes.

In addition, the TSOs are required to provide a list of valid contract IDs and their associated retailer codes and contract names with commencement and termination dates (for cross-checking purposes with retailer's contract ID trader information – an optional procedure).

Distributor trader information

Distributors are required to notify the allocation agent when gas gates (including interconnection gas gates) are established or decommissioned, together with the gas gate code. When an embedded network is established or decommissioned, distributors are also required to identify the associated *notional delivery point*.

Business requirements:

1. The allocation agent must accept and store:
 - the effective dates (start and end) when retailers, TSOs and distributors commence and cease operation at gas gates;
 - TSO translation information;
 - the contract ID and effective dates of each retailer's default standard TSA contract;
 - the contract ID and effective dates of each retailer's supplementary contracts together with details of either the associated ICPs or gas gates.

Data inputs:

Trader information for each retailer. Per retailer, details of:

- gas gate,
- effective start and end dates.

Contract details for each retailer. Per retailer, details of:

- contract ID,
- TSO,
- contract type (default contract (TSA), non-VTC TSA or supplementary),
- ICP numbers or gas gates – for supplementary and non-VTC TSA contracts only,
- effective start and end dates.

TSO gas gate translation information. Per TSO, details of:

- gas gates,
- their Welded Point ID,
- their network code, and
- effective start and end dates.

TSO retailer translation information: Per TSO, details of:

- participant codes,

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- their TSO system Shipper IDs,
- effective start and end dates.

Gas gate information (see GAR140).

(This is not an exhaustive list nor does it dictate the internal system table structure for storing the information).

Processing:

The allocation agent:

- validates and stores the trader information in the reference data tables,
- creates a full audit trail entry.

Data outputs:

Updated trader information and TSO translation information with an audit trail entry.

Exceptions:

1. If there are either no matches or more than one match against contract ID, the issue must be raised with the retailer (and if appropriate the TSO) for resolution prior to releasing, to the appropriate allocation participants, the allocation results for the retailer at the gas gate.

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Sub-process:	GAS030 Receive gas gate injection quantities
Process:	Accept and validate submissions
Source:	Transmission system owners
Rule references:	41, 43.1.2
Dependencies:	
Description:	<p>Every TSO is required to provide to the allocation agent the actual daily injection (called delivered energy in Vector's Open Access Transmission Information System (OATIS)) quantities per gas gate, by 0800 hours on the 4th business day of the month that immediately follows a consumption period. Note that exemptions may be granted initially for this timeframe, so that such information can be provided by 1200 hours on the 4th business day of the month.</p> <p>For OATIS-based transmission systems the allocation agent must have reached agreement with the relevant TSO on the terms of use and have been allocated login details.</p> <p>For embedded network injection volumes it is the TSO of the parent distribution system that provides the injection volumes, which are included in the injection quantities for the parent distribution system gas gate.</p>
Business requirements:	<ol style="list-style-type: none"> 1. The allocation agent must accept, validate and store the injection quantities provided by the TSOs. 2. The allocation agent must agree a mechanism with each TSO for the transfer of this information in an efficient manner. 3. Where injection quantities are provided at individual gas gates that belong to a <i>notional delivery point</i>, the system will aggregate these volumes to the <i>notional delivery point</i> level.
Data inputs:	<p>The OATIS file format, detailed below, will be the format used by all TSOs.</p> <p>Each file contains information for one gas gate (delivery point).</p> <p>Each file is in csv format.</p> <p>Each file is essentially a report with titles, sub-headings, data rows and a row of totals. Currently the mechanism for obtaining this information is via a download from the OATIS website. Files can be downloaded singly or, with the appropriate permissioning, the allocation agent is able to download all files into one zipped file in one action. The following format is for each individual file, which is for one gas gate for a complete consumption period.</p>

Row Number	Attribute	Validation rules
Row 1	Report Title	Must be "Daily Delivery Report". Any extra commas are ignored.

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Row 2	<blank>	Ignore.
Row 3	"WP ID:" <gas gate code>	Must be "WP ID:" followed by a valid gas gate code e.g. WP ID: BEL24510. Any extra commas are ignored.
Rows 4 to 9	various	Ignore.
Rows 10 to 40	<Day>,<Uncorrected Volume>,,,,<Corrected Volume>,<Calorific Value>,<Delivered Energy>	<p>Day must be a valid date in dd/mm/yyyy format for the month. Each subsequent row increments the date in the previous row. There must be no duplicates or missing days in the file.</p> <p>Ignore Uncorrected Volume, Corrected Volume and Calorific Value.</p> <p>Delivered Energy is the injected volume for that Day for the gas gate used in the allocation process, expressed in GJ's. The format must be 9999999999.999 and cannot be negative. Leading and trailing zeros will be omitted. It will be the 9th field in the row i.e. column I if opened in an Excel spreadsheet.</p> <p>For consumption periods with no days 29 and/or 30 and/or 31 these rows will be blank.</p>
Row 41 to 44	<blank>	Ignore
Row 45	<Totals>,<Total Uncorrected Volume>,,,,<Total Corrected Volume>,,<Total Delivered Energy>	<p>Totals will be "Totals".</p> <p>Ignore Total Uncorrected Volume and Total Corrected Volume.</p> <p>Total Delivered Energy must be the total of the daily Delivered Energy figures.</p>
<p>Example</p> <p>Daily Delivery Report,,,,,,,,</p> <p>WP ID: BEL24510,,,,,,,,</p> <p>WP Name: Belmont,,,,,,,,</p> <p>24 hours,Metered,,,,,Corrected,Calorific,Delivered to 2400 on,Volume,,,,,Volume,Value,Energy,(cm),,,,,(scm),(MJ/scm),(GJ)</p> <p>1/12/2007,0,,,,,54863,40.779,2237.305 2/12/2007,0,,,,,33196,40.491,1344.14 3/12/2007,0,,,,,114056,40.55,4625.021 4/12/2007,0,,,,,125531,40.67,5105.375 5/12/2007,0,,,,,117906,40.843,4815.691 6/12/2007,0,,,,,132455,40.948,5423.859 7/12/2007,0,,,,,129635,40.976,5311.959 8/12/2007,0,,,,,60569,40.82,2472.487 9/12/2007,0,,,,,36268,40.726,1477.053 10/12/2007,0,,,,,95049,40.811,3879.139 11/12/2007,0,,,,,108402,40.929,4436.859 12/12/2007,0,,,,,127342,40.996,5220.619 13/12/2007,0,,,,,104604,41.034,4292.33 14/12/2007,0,,,,,102918,41.113,4231.279 15/12/2007,0,,,,,65849,41.065,2704.108 16/12/2007,0,,,,,45707,40.866,1867.885</p>		

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17/12/2007,0,,,,,98344,41.007,4032.819
18/12/2007,0,,,,,105588,41.111,4340.91
19/12/2007,0,,,,,111060,41.025,4556.341
20/12/2007,0,,,,,106209,41.059,4360.922
21/12/2007,0,,,,,91624,40.945,3751.626
22/12/2007,0,,,,,60392,40.828,2465.71
23/12/2007,0,,,,,36628,40.978,1500.963
24/12/2007,0,,,,,29331,41.056,1204.231
25/12/2007,0,,,,,10036,41.256,414.052
26/12/2007,0,,,,,18453,41.334,762.741
27/12/2007,0,,,,,44404,41.158,1827.588
28/12/2007,0,,,,,35119,41.107,1443.666
29/12/2007,0,,,,,24093,41.079,989.721
30/12/2007,0,,,,,19555,41.122,804.16
31/12/2007,0,,,,,23410,41.333,967.621
Totals,0,,,,,2268596,,92868.18
Processing:
The allocation agent:
<ul style="list-style-type: none">• validates and stores the injection quantities with a date and time stamp.• aggregates any injection volumes provided at individual gas gate level up to the <i>notional delivery point</i> level.
Data outputs:
Gas gate injection quantities.
Exceptions:
<ol style="list-style-type: none">1. If there are any validation errors, the complete file is rejected and the issue must be raised with the TSO for resolution.2. If the information is not supplied by the time specified in the Rules, a rule breach is logged and reported in the incident report.

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Sub-process:	GAS040 Receive monthly submissions
Process:	Accept and validate submissions
Source:	Retailers
Rule references:	30.2.3, 31.4, 32.4, 33.4, 40.1
Dependencies:	GAS020
Description:	<p>The responsible retailer must provide the allocation agent with the aggregate estimated energy quantities by gas gate for all consumer installations in allocation groups 4 and 6 by 0800 hours on the 4th business day of the month that immediately follows the consumption period to which the information relates so that the allocation agent can perform an initial allocation (rule 31.4).</p> <p>The responsible retailer must also provide the allocation agent with the aggregate estimated energy quantities by gas gate for all consumer installations in allocation groups 4 and 6 by 0800 hours on the 9th business day of the 4th month following the consumption period to which the information relates so that the allocation agent can perform an interim allocation (rule 32.4).</p> <p>The responsible retailer must further provide the allocation agent with the aggregate estimated energy quantities by gas gate for all consumer installations in allocation groups 4 and 6 by 0800 hours on the 14th business day of the 13th month that follows the consumption period to which the information relates so the allocation agent can perform a final allocation (rule 33.4).</p> <p>This is also the mechanism by which retailers report the proportion of historic estimates contained within the consumption information to the allocation agent (rule 40.1).</p>
Business requirements:	<ol style="list-style-type: none"> 1. The allocation agent must accept and validate all submissions. 2. The allocation agent must store only valid submissions. 3. The allocation agent must report any errors to the sender. 4. Error reports must have sufficiently detailed error messages to assist users to correct erroneous submissions and to allow them to reload correct information. 5. Subsequent submissions must be regarded as superseding earlier submissions with the same key attributes and for the same consumption period. 6. Where submissions are provided at individual gas gates that belong to a <i>notional delivery point</i>, the system will aggregate these volumes to the <i>notional delivery point</i> level but only after assigning the correct contract ID. 7. All submissions must be date and time stamped on acceptance by the allocation agent.
Data inputs:	

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Trader information (GAS020).

Reference data.

The key attributes are:

- consumption period,
- allocation participant,
- gas gate,
- allocation group.

The file format for submission information for allocation groups 4 and 6 is:

Description	Type	M/O	Validation
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAS040"
Sender	Char (4)	O	Optional
Allocation Participant	Char (4)	M	Valid code of retailer whose consumption information is provided. Each file will contain information for only one allocation participant.
Recipient	Char (4)	M	"ALLA" (code of allocation agent)
Report Run Date	DD/MM/YYYY	M	Date the report was created
Report Run Time	HH:MM:SS	M	Time the report was created
Number of Records	Num (6)	M	Total number of detail records in report

Description	Type	M/O	Validation
Detail Record Type	Char (3)	M	"DET"
Consumption Period	MM/YYYY	M	Calendar month to which consumption information applies. In one file there will only be information for one consumption period.
Allocation Participant	Char (4)	M	Valid code of retailer
Gas Gate	Char (8)	M	Valid gas gate code where allocation participant trades in consumption period
Network Code	Char (4)	M	Valid network code at gas gate
Allocation Group	Char (1)	M	Allocation group, either 4 or 6
Contract ID	Char (8)	O	Contract ID for gas transmission contract. Optional. Derived by the allocation agent from the retailer trader information – gas transmission contracts.
Consumption (GJ)	Num (8.3)	M	Consumption in GJ

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Description	Type	M/O	Validation
Quantity of Historic Estimate (GJ)	Num (8.3)	M	Consumption in GJ
Number of Installations	Num (6)	O	Number of installations making up the monthly aggregate volume. Optional.

Example (Monthly Submission – Groups 4 and 6):	HDR,GAS040,SENA,RETA,ALLA,02/11/2008,12:32:02,2 DET,10/2008,RETA,TWA35610,NETA,4,1109,445.050,123.754,85 DET,10/2008,RETA,TWA35610,NETA,6,1109,1536.667,384.166,1002
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Processing:
The allocation agent: <ul style="list-style-type: none"> • validates submissions, derives the contract ID and stores valid data with a date and time stamp. • reports errors to the sender.
Data outputs:
Valid monthly submissions for allocation groups 4 and 6.
Exceptions:
<ol style="list-style-type: none"> 1. If there are any validation errors, the complete file is rejected. 2. If the information is not supplied by the time specified in the Rules, a rule breach is logged and reported in the Incident report.

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Sub-process:	GAS050 Receive daily ICP submissions
Process:	Accept and validate submissions
Source:	Retailers
Rule references:	30.1.2, 30.2.3, 31.1, 31.2, 32.1, 32.2, 33.1, 33.2, 40.1
Dependencies:	GAS020
Description:	<p>The responsible retailer is required to provide the allocation agent with the actual daily energy quantities for all consumer installations in allocation groups 1 and 2, and, estimated daily energy quantities for all consumer installations in allocation group 3, by gas gate, by 0800 hours on the 4th business day of the month that immediately follows the consumption period to which the information relates so the allocation agent can perform an initial allocation (rules 31.1 and 31.2).</p> <p>The responsible retailer is also required to provide the allocation agent with the actual daily energy quantities for all consumer installations in allocation groups 1 and 2, and, estimated daily energy quantities for all consumer installations in allocation group 3, by gas gate, by 0800 hours on the 9th business day of the 4th month that follows the consumption period to which the information relates so the allocation agent can perform an interim allocation (rule 32.1 and 32.2).</p> <p>The responsible retailer is further required to provide the allocation agent with the actual daily energy quantities for all consumer installations in allocation groups 1 and 2, and, estimated daily energy quantities for all consumer installations in allocation group 3, by gas gate, by 0800 hours on the 14th business day of the 13th month that follows the consumption period to which the information relates, to enable the allocation agent to perform a final allocation (rule 33.1 and 33.2).</p> <p>This is also the mechanism by which retailers report the proportion of historic estimates contained within the consumption information to the allocation agent (rule 40.1).</p>
Business requirements:	<ol style="list-style-type: none"> 1. The allocation agent must accept and validate all submissions. 2. The allocation agent must store only valid submissions. 3. The allocation agent must report any errors to the sender. 4. Error reports must have sufficiently detailed error messages to assist users to correct erroneous submissions and to allow them to reload correct information. 5. Subsequent submissions must be regarded as superseding earlier submissions with the same key attributes and for the same consumption period. 6. All submissions must be date and time stamped on acceptance by the allocation agent. 7. Where submissions are provided at individual gas gates that belong to a <i>notional delivery point</i>, the system will aggregate these volumes to the <i>notional delivery point</i> level but only after assigning the correct contract ID. (In this instance as the data is at ICP level the allocation system will be 'changing' the gas gate). 8. The retailer must supply information for every day that it is supplying gas to an ICP

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i.e. there cannot be gaps if say the ICP was inactive for a few days in the month. Zero values must be supplied for days with no consumption. The only time gaps are permitted in the submission file is when an ICP switched during the month and therefore ICP information ended for one retailer and commenced for another retailer partway through a month (i.e. for a particular ICP there is a leading gap from the start of the consumption period or a trailing gap to the end of the consumption period signifying the start or end of supply to the ICP). (In regards to rules 30.1.2 and 30.2.3, the interpretation of "supply" in these specifications is the supply of gas, whether or not that gas is being consumed, and includes the commencement of a contract for the supply of gas).

Data inputs:

Trader information (GAS020).

Reference data.

The key attributes are:

- consumption period,
- allocation participant,
- ICP,
- consumption day.

The file format for submission information for allocation groups 1, 2 and 3 is:

Description	Type	M/O	Validation
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAS050"
Sender	Char (4)	O	Optional
Allocation Participant	Char (4)	M	Valid code of retailer whose consumption information is provided. Each file will contain information for only one allocation participant.
Recipient	Char (4)	M	"ALLA" (code of allocation agent)
Report Run Date	DD/MM/YYYY	M	Date the report was created
Report Run Time	HH:MM:SS	M	Time the report was created
Number of Records	Num (6)	M	Total number of detail records in report

Description	Type	M/O	Validation
Detail Record Type	Char (3)	M	"DET"
Consumption Period	MM/YYYY	M	Calendar month to which consumption information applies. In one file there will only be information for one consumption period.
Allocation Participant	Char (4)	M	Valid code of retailer

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Description	Type	M/O	Validation
Gas Gate	Char (8)	M	Valid gas gate code where allocation participant trades in consumption period
Network Code	Char (4)	M	Valid network code at gas gate
Allocation Group	Char (1)	M	1, 2 or 3.
Profile Code	Char (4)	M	Valid static deemed profile code for use by retailer or "XTOU".
Contract ID	Char (8)	O	Contract ID for the supply of gas. Optional. Derived by the allocation agent from the retailer trader information - contracts.
ICP	Char (15)	M	ICP unique identifier
Consumption Day	DD/MM/YYYY	M	Date of the day in the consumption period to which consumption information applies
Consumption (GJ)	Num (8.3)	M	Consumption in GJ
Quantity of Historic Estimate (GJ)	Num (8.3)	M/O	Consumption in GJ. Mandatory for allocation group 3 consumption information.
Estimate Indicator	Char (1)	O	"E" used to indicate estimated data in lieu of missing data for allocation groups 1,2, otherwise field left blank

Example (Daily Submission – Groups 1-3):	<pre>HDR,GAS050,SENA,RETA,ALLA,02/11/2008,12:32:02,4 DET,10/2008,RETA,TWA35610,NETA,1,XTOU,1120,0123456789QT123,01/10/200 8,759.025 DET,10/2008,RETA,TWA35610,NETA,1,XTOU,1120,0123456789QT123,02/10/200 8,787.756 DET,10/2008,RETA,TWA35610,NETA,3,S316,1120,0123456789QT124,01/10/200 8,259.025,123.754 DET,10/2008,RETA,TWA35610,NETA,3,S316,1120,0123456789QT124,02/10/200 8,259.025,123.754 Etc</pre>
---	--

Processing:
<p>The allocation agent:</p> <ul style="list-style-type: none"> • validates submissions, derives the contract ID and stores valid data with a date and time stamp. • reports errors to the sender.
Data outputs:
Valid daily submissions for allocation groups 1, 2 and 3.

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Exceptions:

1. If there are any validation errors, the complete file is rejected.
2. If the information is not supplied by the time specified in the Rules, a rule breach is logged and reported in the Incident report.

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Sub-process:	GAS060 Receive daily submissions for dynamic deemed profile types
Process:	Accept and validate submissions
Source:	Retailers
Rule references:	30.2.3, 31.3, 32.3, 33.3, 40.1
Dependencies:	GAS020
<hr style="width: 50%; margin: auto;"/>	
Description:	
<p>The responsible retailer must provide the allocation agent with the estimated daily energy quantities for all consumer installations in allocation group 5, by gas gate, by 0800 hours on the 4th business day of the month that immediately follows the consumption period to which the information relates so the allocation agent can perform an initial allocation (rule 31.1).</p> <p>The responsible retailer must also provide the allocation agent with the estimated daily energy quantities for all consumer installations in allocation group 5, by gas gate by 0800 hours on the 9th business day of the 4th month that follows the consumption period to which the information relates so that the allocation agent can perform an interim allocation (rule 32.1).</p> <p>The responsible retailer must further provide the allocation agent with the estimated daily energy quantities for all consumer installations in allocation group 5, by gas gate, by 0800 hours on the 14th business day of the 13th month that follows the consumption period to which the information relates so the allocation agent can perform a final allocation (rule 33.1).</p> <p>This is also the mechanism by which retailers report the proportion of historic estimates contained within the consumption information to the allocation agent (rule 40.1).</p>	
Business requirements:	
<ol style="list-style-type: none"> 1. The allocation agent must accept and validate all submissions. 2. The allocation agent must store only valid submissions. 3. The allocation agent must report any errors to the sender. 4. Error reports must have sufficiently detailed error messages to assist users to correct erroneous submissions and to allow them to reload correct information. 5. Subsequent submissions must be regarded as superseding earlier submissions with the same key attributes and for the same consumption period. 6. All submissions must be date and time stamped on acceptance by the allocation agent. 7. Where submissions are provided at individual gas gates that belong to a <i>notional delivery point</i>, the system will aggregate these volumes to the <i>notional delivery point</i> level but only after assigning the correct contract ID. 8. A submission must be supplied for every day in the month unless the retailer's trader information has commencement/cessation dates partway through a month, or a leading gap from the start of the consumption period or a trailing gap to the end of the consumption period exists in the submission file signifying the retailer starting or 	

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ceasing to supply allocation group 5 consumers.

Data inputs:

Trader information (GAS020).

Reference data.

The key attributes are:

- consumption period
- allocation participant
- gas gate
- profile code
- consumption day

The file format for submission information for allocation group 5 is:

Description	Type	M/O	Validation
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAS060"
Sender	Char (4)	O	Optional
Allocation Participant	Char (4)	M	Valid code of retailer whose consumption information is provided. Each file will contain information for only one allocation participant.
Recipient	Char (4)	M	"ALLA" (code of allocation agent)
Report Run Date	DD/MM/YYYY	M	Date the report was created
Report Run Time	HH:MM:SS	M	Time the report was created
Number of Records	Num (6)	M	Total number of detail records in report

Description	Type	M/O	Validation
Detail Record Type	Char (3)	M	"DET"
Consumption Period	MM/YYYY	M	Calendar month to which consumption information applies. In one file there will only be information for one consumption period.
Allocation Participant	Char (4)	M	Valid code of retailer
Gas Gate	Char (8)	M	Valid gas gate code where allocation participant trades in consumption period
Network Code	Char (4)	M	Valid network code at gas gate
Allocation Group	Char (1)	M	Allocation group 5 only

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Description	Type	M/O	Validation
Profile Code	Char (4)	M	Registered dynamic deemed profile code approved for use by retailer.
Contract ID	Char (8)	O	Contract ID for the supply of gas. Optional. Derived by the allocation agent from the retailer trader information - contracts.
Consumption Day	DD/MM/YYYY	M	Date of the day in the consumption period to which consumption information applies
Consumption (GJ)	Num (8.3)	M	Consumption in GJ
Quantity of Historic Estimate (GJ)	Num (8.3)	M	Consumption in GJ
Number of Installations	Num (6)	M	Number of installations making up the daily aggregate volume

Example (Daily Submission–Group 5):	HDR,GAS060,SENA,RETA,ALLA,02/11/2008,12:32:02,2 DET,10/2008,RETA,TWA35610,NETA,5,D316,1109,01/10/2008,759.025,123.754,75 DET,10/2008,RETA,TWA35610,NETA,5,D316,1109,02/10/2008,384.756,62.365,75 Etc
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Processing:
The allocation agent: <ul style="list-style-type: none"> • validates submissions, derives the contract ID and stores valid data with a date and time stamp. • reports errors to the sender.
Data outputs:
Valid daily submissions for allocation group 5.
Exceptions:
<ol style="list-style-type: none"> 1. If there are any validation errors, the complete file is rejected. 2. If the information is not supplied by the time specified in the Rules, a rule breach is logged and reported in the incident report.

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Sub-process:	GAS070 Receive As-Billed information
Process:	Accept and validate submissions
Source:	Retailers
Rule references:	52.2.1
Dependencies:	
<hr style="border: 1px solid black;"/>	
Description:	
<p>Each retailer must provide the allocation agent with the total quantities billed, by gas gate and aggregated by invoice month, for the previous billing month by 0800 hours on the 11th business day of each month. (Note that the previous billing month refers to the month prior to the previous consumption period, and actual sales refers to quantities billed, in accordance with rule 52.3).</p>	
Business requirements:	
<ol style="list-style-type: none"> 1. The allocation agent must accept and validate all submissions. 2. The allocation agent must store only valid submissions. 3. The allocation agent must report any errors to the sender. 4. Error reports must have sufficiently detailed error messages to assist users to correct erroneous submissions and to allow them to reload correct information. 5. Subsequent submissions must be regarded as superseding earlier submissions with the same key attributes and for the same consumption period. 6. The retailer must provide information for every gas gate indicated in a retailer's trader information (GAS020) for the consumption period. 	
Data inputs:	
<p>Trader information (GAS020). Reference data. The key attributes are: Month Billed Allocation Participant Gas Gate</p> <p>The file format is:</p>	

Description	Type	M/O	Validation
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAS070"
Sender	Char (4)	O	Optional.

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Allocation Participant	Char (4)	M	Valid code of retailer whose information is provided. Each file will contain information for only one allocation participant.
Recipient	Char (4)	M	"ALLA" (code of allocation agent)
Report Run Date	DD/MM/YYYY	M	Date the report was created
Report Run Time	HH:MM:SS	M	Time the report was created
Number of Records	Num (6)	M	Total number of detail records in report

Description	Type	M/O	Validation
Detail Record Type	Char (3)	M	"DET"
Month Billed	MM/YYYY	M	Calendar month to which consumption information applies. In one file there will only be information for one billing month.
Allocation Participant	Char (4)	M	Valid code of retailer
Gas Gate	Char (8)	M	Valid gas gate code where allocation participant trades in consumption period
Network Code	Char (4)	M	Valid network code at gas gate
Actual Sales (GJ)	Num (8.3)	M	Consumption in GJ

Example (As-Billed Data):	HDR,GAS070,SENA,RETA,ALLA,02/11/2008,12:32:02,2 DET,10/2008,RETA,TWA35610,NETA,3224.232 DET,10/2008,RETA,HST05210,NETA,2595.726
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Processing:
The allocation agent: <ul style="list-style-type: none"> validates submissions and stores valid data with a date and time stamp. reports errors to the sender.
Data outputs:
Valid as-billed information.
Exceptions:
<ol style="list-style-type: none"> If there are any validation errors, the complete file is rejected. If the complete information is not supplied by the time specified in the Rules, a rule breach is logged and reported in the incident report.

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Sub-process:	GAS080 Receive Meter Reading Frequency Information
Process:	Accept and validate submissions
Source:	Retailers
Rule references:	40.2 (reference to 29.4.3 and 29.5)
Dependencies:	
Description:	<p>By 1200 hours on the 10th business day of each month a report on the dates, frequency and number of validated register readings obtained in accordance with rules 29.4.3 and 29.5 during the previous 4 months and 12 months. (Note that Non-TOU (meter) in the context of this file format includes a TOU meter assigned to allocation groups 5 and 6 in accordance with rule 29.3 and 29.6)</p>
Business requirements:	<ol style="list-style-type: none"> 1. The system must have a process that accepts, validates, reports errors back to the sender and stores valid submissions in an efficient manner. 2. Error reports should have detailed error messages to assist users in correcting erroneous submissions and to allow them to reload correct information. 3. Subsequent submissions must be regarded as superseding earlier submissions with the same key attributes and for the same consumption period. 4. A report is expected for every retailer that provides submissions for at least one of the allocation groups 3, 4, 5 or 6.
Data inputs:	<p>Reference data.</p> <p>The key attributes are:</p> <p style="padding-left: 40px;">Allocation Participant</p> <p style="padding-left: 40px;">Consumption Period.</p> <p>The file format is:</p>

Description	Type	M/O	Validation
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAS080"
Sender	Char (4)	O	Optional
Allocation Participant	Char (4)	M	Valid code of retailer whose data is provided. Each file will contain information for only one allocation participant.

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Recipient	Char (4)	M	"ALLA" (code of allocation agent)
Report Run Date	DD/MM/YYYY	M	Date the report was created
Report Run Time	HH:MM:SS	M	Time the report was created
Number of Records	Num (6)	M	Total number of detail records in report

Description	Type	M/O	Validation
Detail Record Type	Char (3)	M	"DET"
Allocation Participant	Char (4)	M	Valid code of retailer
Consumption Period	MM/YYYY	M	The last month included in the period to which the information applies. In one file there will only be information for one consumption period.
Non-TOU Consumer Installation Count	Num (6)	M	Check format.
Rolling 4 Month Non-TOU Consumer Installation Count	Num (6)	M	Check format.
Rolling 4 Month Non-TOU Consumer Installation Validated Register Reading Count	Num (6)	M	Check format.
Rolling 4 Month Non-TOU Validated Register Reading Percentage	Num (3.2)	M	Must be the rolling 4 month non-TOU consumer installation validated register reading count divided by rolling 4 month non-TOU consumer installation count * 100
Rolling 12 Month Non-TOU Consumer Installation Count	Num (6)	M	Check format.
Rolling 12 Month Non-TOU Validated Register Reading Count	Num (6)	M	Check format.
Rolling 12 Month Non-TOU Validated Register Reading Percentage	Num (3.2)	M	Must be the rolling 12 month non-TOU consumer installation validated register reading count divided by rolling 12 month non-TOU consumer installation count * 100

Example (Meter Read Frequency Data):	HDR,GAS080,SENA,RETA,ALLA,02/11/2008,12:32:02,1 DET,RETA,10/2008,1004,1130,1065,94.25,950,946,99.58
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Processing:
The allocation agent: <ul style="list-style-type: none"> • validates submissions and stores valid data with a date and time stamp. • reports errors to the sender.

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Data outputs:
Valid meter reading frequency information.
Exceptions:
<ol style="list-style-type: none">1. If there are any validation errors, the complete file is rejected.2. If the information is not supplied by the time specified in the Rules, a rule breach is logged and reported in the Incident report.

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Sub-process:	GAU010 Determine consumption period and stage
Process:	Allocate UFG
Rule references:	44, 48, 49, 50, 51
Dependencies:	
Description:	<p>The allocation agent must perform an initial allocation for the immediately preceding consumption period by 0800 hours on the 5th business day of each month (rule 48).</p> <p>The allocation agent must perform an interim allocation for the 4th preceding consumption period by 0800 hours on the 11th business day of each month, e.g. in October 2008 an interim allocation will be performed for June 2008 (rule 49).</p> <p>The allocation agent must perform a final allocation for the 13th preceding consumption period. By 0800 hours on the 16th business day of each month, e.g. in October 2008 a final allocation will be performed for September 2007 (rule 50).</p> <p>At any time during the period after an initial allocation has been performed up to 12 months after a final allocation has been performed, Gas Industry Co may require the allocation agent to perform a special allocation for the relevant consumption period in addition to an initial allocation, an interim allocation, or a final allocation for that same consumption period (rule 51).</p>
Business requirements:	<ol style="list-style-type: none"> 1. The allocation agent must schedule the appropriate allocation run for the given consumption period and allocation stage i.e. initial, interim, final or special. 2. Each allocation run, which includes the delivery of all outputs and reports, must be completed by the times specified in the Rules. 3. The latest and best available submission information must be used in each run. 4. An allocation run can be re-run in accordance with rule 44.
Data inputs:	Business day of month.
Processing:	<p>The allocation agent:</p> <ul style="list-style-type: none"> • determines the consumption period and allocation stage for the run.
Data outputs:	Consumption period and allocation stage.

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Sub-process:	GAU020 Check for completeness and estimate
Process:	Allocate UFG
Rule references:	43, 44
Dependencies:	GAS010, GAS020, GAS030, GAS040, GAS050, GAS060, GAU090
Description:	<p>The allocation agent checks that all the required information has been received from all allocation participants prior to commencing the allocation process. Where information is missing or in error, the allocation agent should, if time permits, notify the relevant allocation participants and request the missing information be submitted or corrected. Otherwise, the allocation agent is required to estimate consumption and injection on behalf of the allocation participant and create appropriate submissions. Estimation is a process of last resort.</p>
Business requirements:	<ol style="list-style-type: none"> 1. The allocation agent must check submissions against the trader information provided by retailers and TSOs. If expected submissions are missing, the allocation agent will contact the allocation participant and request that it is provided, if time permits. 2. The allocation agent must estimate consumption wherever a retailer has failed to submit information (i.e. there is missing information) by the times specified in the Rules. 3. Missing information is defined as follows: <ul style="list-style-type: none"> • where a retailer provides trader information for a new gas gate, a submission is missing if there is no submission, for any type of allocation group, for the first trading consumption period i.e. the month in which trading commences; • for allocation groups 4, 5 and 6, a submission is missing when a submission was provided in the previous consumption period's submissions by the retailer for a particular gas gate and allocation group but one is not present in the submissions for this consumption period; • for allocation groups 1, 2 and 3, a submission is missing when there is a current contract ID for the retailer with an ICP listed for which there has been no submission provided, or, for ICPs that do not appear against contract IDs, a submission was provided for the ICP in the previous consumption period for the last day in that consumption period for that retailer but it is missing in this month's submissions; • for injection quantities, missing information is when a TSO has failed to supply information for a gas gate as indicated in its trader information; • for unmetered gas gates, injection quantities will always be missing; • for direct consumer gas gates where the retailer's trading information indicates the retailer will be submitting consumption information, the information is missing if none has been submitted for this consumption period. 4. The allocation agent must estimate daily injection at gas gates and for days when a TSO has failed to submit information by the times specified in the Rules and for

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unmetered gas gates.

5. Allocation results using estimates must be marked as being such in all output reports.
6. The allocation agent must agree any estimation algorithms with Gas Industry Co.

Agreed estimation algorithm

- For allocation groups 4 and 6, the system uses the previous consumption period's monthly quantity submitted multiplied by a factor to adjust for the number of days in the current consumption period and then a factor to adjust for seasonality (the figure is then multiplied by the current consumption period's injection quantity at the gas gate divided by the previous consumption period's injection quantity at the gas gate).
- For allocation groups 1, 2 and 3, the system uses the appropriate (business day or non-business day) daily average ICP quantity per day from the previous consumption period adjusted for seasonality (the figure is then multiplied by the current consumption period's injection quantity at the gas gate divided by the previous consumption period's injection quantity at the gas gate) (see GAU090).
- For allocation group 5, the system uses the previous consumption period's daily quantity submitted, adjusted for business days and non-business days, and adjusted for seasonality (the figure is then multiplied by the current consumption period's injection quantity at the gas gate divided by the previous consumption period's injection quantity at the gas gate).
- For missing injection quantities for other than unmetered gas gates, the system uses the previous consumption period's injection quantities, adjusted for business days and non-business days, and adjusted for seasonality (the figure is then multiplied by the current consumption period's total consumption information quantity at the gas gate divided by the previous consumption period's total consumption information quantity at the gas gate).
- For direct consumer gas gates where retailers are not submitting consumption information, the system uses the total injection quantity as the retailer's total consumption information submission quantity and the allocation group provided by the retailer as part of its trader information and the profile code of XTOU. If any or all of the daily injection quantities are missing, the system shall use the injection quantity provided for the same day(s) in the previous consumption period.
- For direct consumer gas gates where retailers are expected to submit consumption information (as per their trader information), the system estimates as described above in the first 3 bullet points i.e. the standard estimation process.
- For missing daily injection quantities at unmetered gas gates, the system uses the total consumption information for the current consumption period, divided by the number of days in the month.
- In the event that information provided at a gas gate for the current consumption period is missing some or all of the injection quantity and some or all of the consumption information, then in order to adjust the estimate of the injection/consumption quantities for seasonality, the previous consumption period's injection/consumption quantities (adjusted for business day / non-business day) are multiplied by the ratio of the total injection quantity across all gas gates for which there is no missing submission data in the current consumption period over the total injection quantity across all of the same gas gates for the previous consumption period.
- An estimated quantity of zero is created in the instance where a retailer notified the allocation agent that it was intending to supply gas at a gas gate from the start of the consumption period, but then did not provide any consumption information

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to the allocation agent (and the allocation agent was not able to obtain an estimate from the retailer in time to prevent the estimation algorithm from needing to be used).

- When consumption information is estimated, the associated quantity of historical estimates must be set to zero.
- When consumption information is estimated using the previous consumption period's information, the profile code (if relevant) should also be extracted from the previous consumption period's information.
- When consumption information is estimated, the contract ID must be obtained from the latest information held about the retailer's gas transmission contracts.

Data inputs:

Consumption period and allocation stage.

Trader information (GAS020).

Submission information for the current and previous consumption periods from retailers (GAS040, GAS050, GAS060).

Injection information from TSOs for the current and previous consumption periods (GAS030).

Estimated consumption or injection information (see GAU090).

Reference data – average daily consumption per allocation group.

Retailer gas transmission contract ID details

Processing:

The allocation agent:

- checks that the submission information has been provided by each retailer for the consumption period at the gas gates indicated in their trader information.
- checks that the TSOs have provided daily injection quantities at each of their gas gates for each day in the consumption period (unless the gas gate was commissioned or decommissioned partway through a consumption period) as indicated in the trader information;
- reports missing information.
- for missing information, generates submissions with estimates, together with an additional estimate indicator (set to 'E').
- includes these submissions in subsequent processes.

Data outputs:

Details of missing information.

Submissions created by the system with an attached estimate indicator set to 'E'.

Exceptions:

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1. If the information is not supplied by the time specified in the Rules, a rule breach is logged and reported in the incident report for each allocation participant in breach.

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Sub-process:	GAU030 Calculate AUFG factor
Process:	Allocate UFG
Rule references:	46.3, 46.4.2, 47, 79 (see also 43.3)
Dependencies:	GAS030 GAS040 GAS050 GAS060
Description:	<p>The allocation agent calculates the annual UFG factor (AUFG) for a gas year for every gas gate (singles and <i>notional delivery points</i> but not the individual gas gates of a <i>notional delivery point</i>). The AUFG is used to calculate allocation quantities of consumption for allocation groups 1 and 2.</p> <p>The AUFG is calculated annually and published on the 1st business day of July, and it applies to the whole gas year (for every consumption period within that year) from 1st October following publication (the commencement of the gas year).</p>
Business requirements:	<ol style="list-style-type: none"> 1. The allocation agent must calculate the annual UFG factor in accordance with the following formula (rule 46): $\mathbf{AUFG = \Sigma E / \Sigma C}$ <p>where:</p> <p>AUFG is the applicable annual UFG factor for the gas gate.</p> <p>ΣE is the sum of the actual daily energy quantities injected for a particular gas gate during the 12 months up to and including February of the previous gas year (in GJ).</p> <p>ΣC is the sum of the best available consumption information for all allocation groups for the gas gate during the 12 months up to and including February of the previous gas year (in GJ).</p> 2. For the gas year 2008/2009, the AUFG for each gas gate must be calculated using 12 months of actual daily energy quantities and consumption information for that gas gate from October 2006 to September 2007 (not from March to February) (see transition rule 79.2.1), or if not available: <ol style="list-style-type: none"> a. estimating such quantities or information (see transition rule 78.3); or b. using the information during that period for all gas gates (see transition rule 79.2.3). 3. For the gas year 2009/2010, the AUFG for each gas gate must be calculated using 12 months of actual daily energy quantities and consumption information for that gas gate from October 2007 to September 2008 (see transition rule 79.2.2), or if not available: <ol style="list-style-type: none"> a. estimating such quantities or information (see transition rule 78.3); or b. using the information during that period for all gas gates (see transition rule 79.2.3). 4. For the gas years 2008/2009 and 2009/2010, if the calculations in points 2 and 3 above respectively, result in factors less than 0.985, then 0.985 must be used as the

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AUFG.

5. For the gas years 2008/2009 and 2009/2010, if the calculations in points 2 and 3 above respectively, result in factors greater than 1.035, then 1.035 must be used as the AUFG.
6. For the gas years 2010/2011 and onwards, the AUFG for each gas gate is calculated as defined in point 1 above, i.e. using 12 months of actual daily energy quantities and consumption information for that gas gate up to and including February of the previous gas year (rule 46.3).
7. For the gas years 2010/2011 and later, there are no floor or cap values as described in points 4 and 5.
8. If a force majeure event occurs at a gas gate, the allocation agent may give notice to Gas Industry Co, provided such notice is given no later than 10 business days prior to the date that the AUFG must be published. Gas Industry must then determine the applicable AUFG for that gas gate in the next gas year. In this case the allocation agent must instead use the AUFGs calculated and provided by Gas Industry Co (rule 47).
9. The allocation agent must publish the AUFG per gas gate on the allocation agent website (see report GAR100).
10. If the AUFG was determined by Gas Industry Co, the publication of the AUFGs must indicate that this was the case.

Data inputs:

Today's date.

Cap and floor values (1.035 and 0.985 for 2008/2009 and 2009/2010) (GAS020).

Submission information for the appropriate consumption periods from retailers (GAS040, GAS050, GAS060).

Injection information from TSOs (GAS030) for the appropriate consumption periods.

Processing:

The allocation agent, for each gas gate:

- aggregates the appropriate consumption periods' daily injection quantities;
- aggregates the appropriate consumption periods' submission information;
- divides the former by the latter to give the annual UFG factor;
- if rule 47 applies, inputs the annual UFG factor provided by Gas Industry Co together with an assessment indicator;
- publishes the AUFG and any indicators on the website using output GAR100.

Data outputs:

AUFGs per gas gate and gas year (with an appropriate indicator when provided by Gas Industry Co) for use in the allocation process of consumption periods in the relevant gas year.

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Exceptions:

If ΣC is zero then ACFG is 1 (one).

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Sub-process:	GAU040 Apply AUFG to allocation groups 1 and 2
Process:	Allocate UFG
Rule references:	45.2.3
Dependencies:	GAS030 GAS050 GAU030
<hr style="border: 1px solid black; width: 60%; margin: 0 auto;"/>	
Description:	
<p>The allocation agent calculates the allocated quantities for each day in the consumption period for allocation groups 1 and 2 for each gas gate (singles and <i>notional delivery points</i> but not the individual gas gates of a <i>notional delivery point</i>) and retailer.</p>	
Business requirements:	
<p>1. For each consumption period and allocation stage, the allocation agent must calculate the allocated quantities for allocation groups 1 and 2 (separately not combined) for each gas gate, retailer, contract ID and consumption day in the consumption period, in accordance with the following formula:</p> <p style="text-align: center;">AQ1&2 = AUFG x C1&2</p> <p>where:</p> <p>AQ1&2 is the quantity of gas in GJ to be allocated to allocation groups 1 and 2 for the day for the gas gate.</p> <p>AUFG is the applicable annual UFG factor calculated in accordance with rule 46 (and calculated in GAS030) for the gas gate.</p> <p>C1&2 is the consumption information for allocation groups 1 and 2 for the day, retailer and gas gate (in GJ) provided in accordance with rules 31 to 33 (and submitted in GAS050).</p>	
Data inputs:	
<p>Consumption period.</p> <p>Allocation stage.</p> <p>AUFG applicable to consumption period and gas gate.</p> <p>Submission information for the appropriate consumption periods from retailers but only allocation groups 1 and 2 (provided in GAS050).</p>	
Processing:	
<p>The allocation agent:</p> <ul style="list-style-type: none"> • extracts the appropriate submissions for allocation groups 1 and 2; • calculates the allocation quantity of each submission by multiplying the consumption figure by the applicable AUFG. 	

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Data outputs:
Allocated quantities for allocation groups 1 and 2 (separately not combined) for each gas gate, retailer, contract ID, consumption day in the consumption period, and allocation stage.
Exceptions:

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Sub-process:	GAU050 Calculate MUFG factor
Process:	Allocate UFG
Rule references:	46.3.2
Dependencies:	GAU040
<hr style="width: 60%; margin: auto;"/>	
Description:	
<p>The allocation agent calculates the monthly UFG factor (MUFG) which is used to calculate allocation quantities of consumption for allocation groups 3, 4, 5 and 6. The allocation agent also publishes these factors on the website.</p>	
Business requirements:	
<ol style="list-style-type: none"> 1. For each consumption period and allocation stage, the allocation agent must calculate the MUFG per gas gate, store it for subsequent use in the current allocation process and publish it on the website (see report GAR070). 2. The allocation agent must calculate the monthly UFG factor (MUFG) in accordance with the following formula: <div style="text-align: center; margin: 10px 0;"> $\mathbf{MUFG} = (\mathbf{\Sigma E} - \mathbf{\Sigma AQ1\&2}) / \mathbf{\Sigma C3-6}$ </div> <p>where:</p> <p>MUFG is the applicable monthly UFG factor for the gas gate for the consumption period.</p> <p>ΣE is the sum of the actual daily energy quantities injected at a particular gas gate for the consumption period provided by the TSO under rule 41 (in GJ), i.e. output from GAS030.</p> <p>ΣAQ1&2 is the sum of daily allocated quantities allocated to allocation groups 1 and 2 for the gas gate for the consumption period under rule 45.2.3 (in GJ), i.e. output from GAU040.</p> <p>ΣC3-6 is the sum of the submission consumption information for allocation groups 3, 4, 5 and 6 for the gas gate for the consumption period provided in accordance with rules 31 to 33 (in GJ), i.e. output from GAS040, GAS050 (allocation group 3 only) and GAS060. If the sum is zero then use ΣE.</p> 	
Data inputs:	
<p>Consumption period.</p> <p>Allocation stage.</p> <p>Allocated quantities for allocation groups 1 and 2 for the appropriate consumption period (output from GAU040).</p> <p>Submission information for the appropriate consumption period from retailers (GAS040, GAS050 (only allocation group 3 information) and GAS060).</p> <p>Injection information from TSOs for the appropriate consumption period (GAS030).</p>	

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Processing:

The allocation agent:

- aggregates the injection information per gas gate (**ΣE**);
- aggregates the allocated quantities for allocation groups 1 and 2 per gas gate (**$\Sigma AQ1\&2$**);
- extracts the submission information with allocation groups 3, 4, 5 and 6 and aggregates them by gas gate (**$\Sigma C3-6$**). If the sum is zero then **ΣE** is used instead;
- calculates (**$\Sigma E - \Sigma AQ1\&2$**) / **$\Sigma C3-6$** ;
- stores the MUFG per gas gate for the consumption period for use in the current allocation process;
- publishes the MUFG on the website using output GAR100.

N.B. MUFG factors can have negative or zero values.

Data outputs:

MUFG per gas gate for the consumption period and allocation stage.

Exceptions:

1. If **$\Sigma AQ1\&2$** is zero and **$\Sigma C3-6$** is zero but **ΣE** is greater than zero then this gas gate cannot complete the allocation steps. The incident must then be raised via the Incident Report and the reason for the lack of submissions and estimates investigated.

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Sub-process:	GAU060 Apply MUFG to allocation groups 3 and 5
Process:	Allocate UFG
Rule references:	45.2.4
Dependencies:	
Description:	
	The allocation agent calculates the allocated quantities for each day in the consumption period for allocation groups 3 and 5 for each gas gate (singles and <i>notional delivery points</i> but not the individual gas gates of a <i>notional delivery point</i>) per retailer.
Business requirements:	
	<ol style="list-style-type: none"> 1. For each allocation run the allocation agent must extract only consumption information submissions for allocation groups 3 and 5 (where information was provided by day). 2. For each consumption period and allocation stage, the allocation agent must calculate the allocated quantities for allocation groups 3 and 5 (separately not combined) for each gas gate, retailer, contract ID, profile and consumption day in the consumption period in accordance with the following formula: <p style="text-align: center;">AQ3&5= MUFG x C3&5</p> <p>where:</p> <p>AQ3&5 is the quantity of gas in GJ to be allocated to allocation groups 3 and 5 for the day.</p> <p>MUFG is the applicable monthly UFG factor calculated in accordance with rule 46 (and calculated in GAU050).</p> <p>C3&5 is the consumption information for allocation groups 3 and 5 for the day in GJ provided in accordance with rules 31 to 33 (and submitted in GAS050 and GAS060).</p>
Data inputs:	
	<p>Consumption period.</p> <p>Allocation stage.</p> <p>MUFG applicable to consumption period, allocation stage and gas gate.</p> <p>Submission information (daily) for the appropriate consumption periods from retailers but only for allocation groups 3 and 5 (provided in GAS050 and GAS060).</p>
Processing:	
	<p>The allocation agent:</p> <ul style="list-style-type: none"> • extracts the appropriate submissions with allocation groups 3 and 5;

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- multiplies the consumption figures by the applicable MUFG;

Data outputs:

Allocated quantities for allocation groups 3 and 5 (separately not combined) for each gas gate, retailer, contract ID, profile and consumption day in the consumption period and allocation stage.

Exceptions:

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Sub-process:	GAU070 Calculate gas gate residual profile
Process:	Allocate UFG
Rule references:	45.2.5
Dependencies:	
Description:	
	<p>The allocation agent calculates and publishes the gas gate residual profile for the consumption period. The gas gate residual profile is the remaining quantity of unaccounted for gas (UFG) for each day in the consumption period when the allocated quantities for allocation groups 1, 2, 3 and 5 are subtracted from the daily injection quantity of each gas gate.</p>
Business requirements:	
	<ol style="list-style-type: none"> 1. For each consumption period and allocation stage, the allocation agent must calculate the gas gate residual profile and store it for 'profiling' monthly submissions of allocation groups 4 and 6. 2. The allocation agent must calculate the gas gate residual profile value for each day in the consumption period and allocation stage by: <ul style="list-style-type: none"> • obtaining the injection information for the gas gate for that day (I). • aggregating the allocated quantities for allocation groups 1, 2, 3 and 5 for the gas gate for that day (AQ). • subtracting AQ from I, giving the profile value for the gas gate for that day. 3. The allocation agent must provide the gas gate residual profile to retailers (See report GAR040). 4. The allocation agent must derive the seasonal adjustment daily shape values for a gas gate from each gas gate residual profile for all retailers at that gas gate for the previous 24 months in which allocations have been performed (i.e. the seasonal adjustment daily shape values are from 1 October 2008 onwards and are up to 24 months of values, not just one month).
Data inputs:	
	<p>Consumption period.</p> <p>Allocation stage.</p> <p>Allocated quantities for allocation groups 1, 2, 3 and 5 for the appropriate consumption period and allocation stage (output from GAU040 and GAU060).</p> <p>Injection information from TSOs for the appropriate consumption periods (GAS030).</p>
Processing:	
	The allocation agent:

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- calculates the gas gate residual profile value for each day in the consumption period and allocation;
- stores the gas gate residual profile for use in this allocation process and for use in deriving the seasonal adjustment daily shape values (GAR060);
- provides the gas gate residual profile to retailers using output GAR040.

N.B. A gas gate residual profile can be negative.

Data outputs:

Gas gate residual profile values for each day, for every gas gate for the consumption period and allocation stage. (Can be thought of as a vector of daily values applicable to a consumption period, allocation stage and gas gate).

Exceptions:

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Sub-process:	GAU080 Profile allocation groups 4 and 6 using GGRP and apply the MUFG
Process:	Allocate submission information
Rule references:	45.2.6
Dependencies:	GAU040
Description:	<p>The allocation agent profiles the monthly submissions of allocation groups 4 and 6 into daily quantities by using the gas gate residual profile. Once the daily value has been derived, the MUFG factor is applied and the allocated quantity is calculated.</p> <p>The gas gate residual profile quantities are the remaining quantities of gas that need to be allocated to retailers once the daily allocated quantities for allocation groups 1, 2, 3 and 5 have been subtracted from the actual daily energy injection quantity. If there are no submissions for allocation groups 4 and 6 at a gas gate then the residual profile values must be allocated to allocation groups 1, 2, 3 and 5 in addition to AUFG/MUFG. Otherwise the total allocated quantities will not balance with the injection quantity for the gas gate for the consumption day. Note that this aspect of the process is subject to an exemption being consulted on, considered in light of any submissions and issued by Gas Industry Co in accordance with the Rules. Should such an exemption not be issued, an amendment to this process in this functional specification will be required.</p>
Business requirements:	<ol style="list-style-type: none"> 1. For each consumption period and allocation stage, the allocation agent must calculate the allocated quantities for allocation groups 4 and 6 for each gas gate, retailer, contract ID and consumption day in the consumption period, using the gas gate residual profile calculated in GAU070 of the gas gate indicated in the submission. 2. The allocation agent must calculate the daily allocation quantities by: <ul style="list-style-type: none"> • extracting the appropriate gas gate residual profile and summing all the daily values of the gas gate residual profile, giving the profile total (PT), • calculating a particular day's profile factor (PF) by dividing that day's profile value by the profile total (PT) calculated above, • multiplying the monthly submission consumption quantity by the profile factor (PF), giving the daily profiled consumption quantity (DPCQ), • multiplying the daily profiled consumption quantity (DPCQ) by the applicable MUFG factor, giving a day's allocated quantity (AQ). 3. If there are no submissions for allocation groups 4 and 6 for the consumption day at the gas gate but there is a non zero residual profile value for that day at the gas gate, then this residual profile value must be allocated to all retailers that provided submissions for allocation groups 1, 2, 3 and 5 for that consumption day and gas gate. The allocation for each allocation group must be in proportion to each retailer's allocated quantities over all retailers' allocated quantities for that allocation group for the day at the gas gate. The allocation must be calculated separately for each allocation group for each retailer. The allocation for each allocation group must be in proportion to each allocation group's quantities over all allocation group quantities for

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the day at the gas gate.
Data inputs:
Consumption period. Allocation stage. Submission information for allocation groups 4 and 6 for the appropriate consumption period and allocation stage from retailers (GAS040). Allocated quantities for allocation groups 1, 2, 3 and 5 for each gas gate, retailer and consumption day in the consumption period and allocation stage, output from GAU040 and GAU060. Gas gate residual profile per gas gate calculated in this run in GAU070. MUFG factor applicable to consumption period, allocation stage and gas gate.
Exceptions:
Processing:
The allocation agent: <ul style="list-style-type: none">• calculates the daily allocation quantities;• outputs (i.e. generates new) <u>daily</u> allocated quantities for allocation groups 4 and 6 using data from the original submissions and the values from the above calculations DPCQ and AQ and includes the appropriate day;• adjusts the allocated quantities of allocation groups 1, 2, 3 and 5 previously calculated in GAU040 and GAU060, when there are no submissions for allocation groups 4 and 6 for the gas gate.
Data outputs:
Allocated quantities for allocation groups 4 and 6 (separately not combined) for each gas gate, retailer, contract ID and day in the consumption period and allocation stage. Possibly, adjusted allocated quantities for allocation groups 1, 2, 3 and 5 (separately not combined) for each gas gate, retailer and consumption day in the consumption period and allocation stage.
Exceptions:

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Sub-process:	GAU090 Calculate the daily average consumption per ICP
Process:	Allocate submission information
Rule references:	
Dependencies:	
Description:	
	<p>In order to be able to estimate missing consumption information for ICPs in allocation groups 1, 2 and 3, the system will calculate the average daily business day consumption quantity and the average daily non-business day quantity for the days each ICP was supplied, for use in the next consumption period's estimation process. These averages will be adjusted by a factor based on the current and previous consumption period's injection quantities, to adjust for seasonality.</p>
Business requirements:	
	<ol style="list-style-type: none"> 1. For each consumption period and allocation stage, the allocation agent must calculate the daily average business and non-business day quantities for each ICP in allocation groups 1, 2 and 3. This figure is then multiplied by the current consumption period's injection quantity at the gas gate divided by the previous consumption period's injection quantity at the gas gate. 2. The allocation may also derive the retailer that is expected to provide submission information in the next consumption period by storing the retailer that submitted consumption on the last consumption day.
Data inputs:	
	<p>Consumption period.</p> <p>Allocation stage.</p> <p>Submission information for allocation groups 1, 2 and 3 for the appropriate consumption period and allocation stage from retailers (GAS050).</p> <p>Gas gate injection quantities for the current consumption period and allocation stage and the previous consumption period and its latest allocation stage.</p>
Processing:	
	<p>The allocation agent:</p> <ul style="list-style-type: none"> • calculates the daily average business day quantity of each ICP using the daily submission quantities of each business day in the consumption period and dividing by the total number of business days in the consumption period. • calculates the daily average non-business day quantity of each ICP using the daily submission quantities of each non-business day in the consumption period and dividing by the total number of non-business days in the consumption period.

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- multiplies each average above by the current consumption period's injection quantity divided by the previous consumption period's injection quantity at the gas gate.
- derives the last retailer that supplied consumption information for the ICP from the submission for the last day.

Data outputs:

Daily average quantities of ICPs – includes the daily average business day and non-business day quantities per ICP together with the last retailer.

Exceptions:

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Sub-process:	GAR010 Daily Retailer Allocation and UFG
Process:	Generate reports
Destination:	Retailers (and distributors with agreement of retailers)
Rule references:	45.2.7, 48.2.2, 49.2.2, 50.2.2, 51
Dependencies:	GAU40, GAU60, GAU80
<hr style="border: 1px solid black;"/>	
Description:	
This report details the allocation at a daily aggregation level.	
Business requirements:	
<ol style="list-style-type: none"> 1. The allocation agent must provide a report setting out the daily quantities of gas allocated to each retailer (and distributor if permitted) for each consumption period: <ul style="list-style-type: none"> • by 0800 hours on the 5th business day of each month for the initial allocation (rule 48.2.2), and • by 0800 hours on the 11th business day of each month for the interim allocation (rule 49.2.2), and • by 0800 hours on the 16th business day of each month for the final allocation (rule 50.2.2), and • the time instructed by Gas Industry Co for special allocations (rule 51). 2. The allocation agent must ensure that only the retailer's own information is included in each retailer's report. 3. The allocation agent must make the information available to distributors as soon as practicable after retailers have received their information and only of information permitted by retailers. 4. The allocation agent must ensure that only information for the particular networks owned by each distributor is given to that distributor. 	
Data inputs:	
Consumption period.	
Allocation stage.	
Submission information for all allocation groups (GAS040, GAS050 and GAS060).	
Allocated quantities for allocation groups 1, 2, 3, 4, 5 and 6 output from GAU040, GAU60 and GAU080.	
Trader information access permissions.	
Processing:	
The allocation agent: <ul style="list-style-type: none"> • Aggregates submission information (S) and allocated quantities (AQ): 	

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by

- consumption period,
- allocation stage
- allocation participant
- gas gate
- contract ID and
- consumption day
- calculates the UFG quantity allocated by subtracting the aggregate original consumption from the allocated quantity.
- sets the estimate indicator to 'E' for each aggregate if any of the allocation groups 1 and 2 submissions used in the aggregation contained estimated figures and/or the allocation agent used estimated figures in lieu of missing data from retailers or TSOs i.e. if allocation agent is notified that the GAS050 file contains an estimate for allocation groups 1 or 2 and/or if the allocation agent calculated an estimate.
- formats the report for each aggregate.

N.B. The gas gates in this report will be the singles and *notional delivery points* not the individual gas gates that are part of a *notional delivery point*.

Data outputs:

Daily retailer allocation and UFG report format:

Description	Type	M/O	Validation
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAR010"
Sender	Char (4)	M	"ALLA" (code of allocation agent)
Allocation Participant	Char (4)	M	Valid code of retailer
Recipient	Char (4)	M	Valid code of retailer
Report Run Date	DD/MM/YYYY	M	Date the report was created
Report Run Time	HH:MM:SS	M	Time the report was created
Number of Records	Num (6)	M	Total number of detail records in report

Description	Type	M/O	Validation
Detail Record Type	Char (3)	M	"DET"
Consumption Period	MM/YYYY	M	Calendar month to which consumption information applies
Allocation Stage	Char(1)	M	I – Initial Allocation M – Interim Allocation F – Final Allocation S – Special Allocation
Allocation Participant	Char (4)	M	Valid code of retailer
Gas Gate	Char (8)	M	Valid gas gate code

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Description	Type	M/O	Validation
Network Code	Char (4)	M	Valid network code at gas gate
Allocation Group	Num (1)	M	Allocation group (1 to 6)
Contract ID	Char (8)	M	Contract ID for gas transmission contract.
Consumption Day	DD/MM/YYYY	M	Date of the consumption day for which the allocation has been made
Allocation for Consumption Day (GJ)	Num (10.3)	M	Aggregated
UFG Allocated for Consumption Day (GJ)	Num (10.3)	M	Calculated
Estimate Indicator	Char (1)	O	"E" if estimated data in GAS050 submission file and/or allocation agent has estimated data in lieu of missing data from retailer or TSO, else blank

Example (Daily Allocation):	HDR,GAR010,ALLA,RETA,RETA,02/11/2008,12:32:02,2 DET,10/2008,I,RETA,TWA35610,NETA,4,1109,01/10/2008,759.025,2.314,E DET,10/2008,I,RETA,TWA35610,NETA,4,1109,02/10/2008,712.351,1.896 Etc
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Sub-process:	GAR020 Monthly Retailer Allocation and UFG
Process:	Generate reports
Destination:	Retailers (and distributors with agreement of retailers)
Rule references:	45.2.7, 48.2.2, 49.2.2, 50.2.2, 51
Dependencies:	GAU40, GAU60, GAU80
<hr style="border: 1px solid black;"/>	
Description:	
This report details the allocation at a monthly aggregation level.	
Business requirements:	
<ol style="list-style-type: none"> 1. The allocation agent must provide a report setting out the monthly quantities of gas allocated to each retailer (and distributor if permitted) for each consumption period: <ul style="list-style-type: none"> • by 0800 hours on the 5th business day of each month for the initial allocation (rule 48.2.2), and • by 0800 hours on the 11th business day of each month for the interim allocation (rule 49.2.2), and • by 0800 hours on the 16th business day of each month for the final allocation (rule 50.2.2), and • the time instructed by Gas Industry Co for special allocations (rule 51). 2. The allocation agent must ensure that only the retailer's own information is included in each retailer's report. 3. The allocation agent must make the information available to distributors as soon as practicable after retailers have received their information and only of information permitted by retailers. 4. The allocation agent must ensure that only information for the particular networks owned by each distributor is given to that distributor. 	
Data inputs:	
Consumption period.	
Allocation stage.	
Submission information for all allocation groups (GAS040, GAS050 and GAS060).	
Allocated quantities for allocation groups 1, 2, 3, 4, 5 and 6 output from GAU040, GAU60 and GAU080.	
Trader information access permissions.	
Processing:	
The allocation agent: <ul style="list-style-type: none"> • Aggregates submission information (S) and allocated quantities (AQ): 	

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by

- consumption period,
- allocation stage
- allocation participant and
- gas gate
- calculates the UFG quantity for each aggregate by subtracting the aggregate original consumption from the allocated quantity;
- sets the estimate indicator to 'E' for each aggregate if any of the allocation groups 1 and 2 submissions used in the aggregation contained estimated figures and/or the allocation agent used estimated figures in lieu of missing data from retailers or TSOs i.e. if allocation agent is notified that the GAS050 file contains an estimate for allocation groups 1 or 2 and/or if the allocation agent calculated an estimate;
- formats the report for each aggregate;
- filters the output appropriately for each recipient.

N.B. The gas gates in this report will be the singles and *notional delivery points* not the individual gas gates that are part of a *notional delivery point*.

Data outputs:

Monthly retailer allocation and UFG report format:

Description	Type	M/O	Validation
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAR020"
Sender	Char (4)	M	"ALLA" (code of allocation agent)
Allocation Participant	Char (4)	M	Valid code of retailer
Recipient	Char (4)	M	Valid code of retailer
Report Run Date	DD/MM/YYYY	M	Date the report was created
Report Run Time	HH:MM:SS	M	Time the report was created
Number of Records	Num (6)	M	Total number of detail records in report

Description	Type	M/O	Validation
Detail Record Type	Char (3)	M	"DET"
Consumption Period	MM/YYYY	M	Calendar month to which consumption information applies
Allocation Stage	Char(1)	M	I – Initial Allocation M – Interim Allocation F – Final Allocation S – Special Allocation
Allocation Participant	Char (4)	M	Valid code of retailer
Gas Gate	Char (8)	M	Valid gas gate code
Network Code	Char (4)	M	Valid network code at gas gate

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Description	Type	M/O	Validation
Allocation Group	Num (1)	M	Allocation group (1 to 6)
Allocation for Consumption Period (GJ)	Num (10.3)	M	Aggregated
UFG Allocated for Consumption Period (GJ)	Num (10.3)	M	Calculated
Estimate Indicator	Char (1)	O	"E" if estimated data in GAS050 submission file and/or allocation agent has estimated data in lieu of missing data from retailer or TSO, else blank

Example (Monthly Allocation):	HDR,GAR020,ALLA,RETA,RETA,02/11/2008,12:32:02,2 DET,10/2008,I,RETA,TWA35610,NETA,4,759.025,2.314,E DET,10/2008,I,RETA,HST05210,NETA,4,712.351,1.896 Etc
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Sub-process:	GAR030 Annual Retailer Allocation and UFG
Process:	Generate reports
Destination:	Retailers (and distributors with agreement of retailers)
Rule references:	45.2.7,48.2.2, 49.2.2, 50.2.2, 51
Dependencies:	GAU40, GAU60, GAU80
Description:	
	This report details the allocation at a rolling annual aggregation level.
Business requirements:	
	<ol style="list-style-type: none"> 1. The allocation agent must provide the rolling annual allocation report to each retailer (and distributor if permitted) for each consumption period: <ul style="list-style-type: none"> • by 0800 hours on the 5th business day of each month for the initial allocation, and • by 0800 hours on the 11th business day of each month for the interim allocation, and • by 0800 hours on the 16th business day of each month for the final allocation, and • the time instructed by Gas Industry Co for special allocations. 2. The report must aggregate information for the consumption period being processed and for the preceding 11 months. 3. The allocation agent must ensure that only the retailer's own information is included in each retailer's report. 4. The allocation agent must make the information available to distributors as soon as practicable after retailers have received their information and only of information permitted by retailers. 5. The allocation agent must ensure that only information for the particular networks owned by each distributor is given to that distributor.
Data inputs:	
	<p>Consumption period being processed.</p> <p>Allocation stage.</p> <p>Submission information for all allocation groups (GAS040, GAS050 and GAS060) for previous 12 consumption periods.</p> <p>Allocated quantities for allocation groups 1, 2, 3, 4, 5 and 6 output from GAU040, GAU60 and GAU080 for previous 12 consumption periods.</p> <p>Trader information access permissions.</p>
Processing:	

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The allocation agent:

- Aggregates submission information (S) and allocated quantities (AQ):
by
 - allocation participant and
 - gas gate
- calculates the UFG quantity for each aggregate by subtracting the aggregate original consumption from the allocated quantity;
- sets the estimate indicator to 'E' for each aggregate if any of the allocation groups 1 and 2 submissions used in the aggregation contained estimated figures and/or the allocation agent used estimated figures in lieu of missing data from retailers or TSOs i.e. if allocation agent is notified that the GAS050 file contains an estimate for allocation groups 1 or 2 and/or if the allocation agent calculated an estimate;
- formats the report for each aggregate;

N.B. The allocation stage output in this report is the stage associated with the consumption period being processed.

Data outputs:

Annual allocation and UFG report format:

Description	Type	M/O	Validation
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAR030"
Sender	Char (4)	M	"ALLA" (code of allocation agent)
Allocation Participant	Char (4)	M	Valid code of retailer
Recipient	Char (4)	M	Valid code of retailer
Report Run Date	DD/MM/YYYY	M	Date the report was created
Report Run Time	HH:MM:SS	M	Time the report was created
Number of Records	Num (6)	M	Total number of detail records in report

Description	Type	M/O	Validation
Detail Record Type	Char (3)	M	"DET"
Consumption Period	MM/YYYY	M	Last calendar month to which consumption information applies
Allocation Stage	Char(1)	M	I – Initial Allocation M – Interim Allocation F – Final Allocation S – Special Allocation
Allocation Participant	Char (4)	M	Valid code of retailer
Gas Gate	Char (8)	M	Valid gas gate code
Network Code	Char (4)	M	Valid network code at gas gate
Allocation Group	Num (1)	M	Allocation group (1 to 6)

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Description	Type	M/O	Validation
Allocation for year up to and including Consumption Period (GJ)	Num (10.3)	M	Aggregated
UFG allocated for year up to and including Consumption Period (GJ)	Num (10.3)	M	Calculated
Estimate Indicator	Char (1)	O	"E" if estimated data in GAS050 submission file and/or allocation agent has estimated data in lieu of missing data from retailer or TSO, else blank

Example (Annual Allocation):	HDR,GAR030,ALLA,RETA,SENA,02/11/2008,12:32:02,2 DET,10/2008,I,RETA,TWA35610,NETA,4,759.025,2.314,E DET,10/2008,I,RETA,HST05210,NETA,4,712.351,1.896 Etc
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Sub-process:	GAR040 Gas gate residual profile
Process:	Generate reports
Destination:	Retailers (and distributors with agreement of retailers)
Rule references:	48.2.2, 49.2.2, 50.2.2, 51
Dependencies:	GAU070
Description:	
	The allocation agent provides the gas gate residual profile to each retailer (and distributor if permitted).
Business requirements:	
	<ol style="list-style-type: none"> 1. The allocation agent must provide the gas gate residual profile (daily values) to each retailer and distributor (if permitted) for each consumption period, allocation stage and gas gate. 2. The allocation agent must provide the report to each retailer: <ul style="list-style-type: none"> • by 0800 hours on the 5th business day of each month for the initial allocation (rule 48.2.2), and • by 0800 hours on the 11th business day of each month for the interim allocation (rule 49.2.2), and • by 0800 hours on the 16th business day of each month for the final allocation (rule 50.2.2), and • the time instructed by Gas Industry Co for special allocations (rule 51). 3. The allocation agent must ensure that retailers only receive the gas gate residual profile for gas gates where they provide submission information. 4. The allocation agent must make the information available to distributors as soon as practicable after retailers have received their information and only of information permitted by retailers. 5. The allocation agent must ensure that only information for the particular networks owned by each distributor is given to that distributor.
Data inputs:	
	<p>Consumption period.</p> <p>Allocation stage.</p> <p>Reference data.</p> <p>Daily gas gate injection quantities from GAS030.</p> <p>Gas gate residual profile per consumption period, allocation stage and gas gate output from GAU070.</p>
Processing:	

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The allocation agent:

- uses the gas gate residual profile per consumption period, allocation stage and gas gate output from GAU070 and the gas gate injection quantities to calculate the gas gate residual profile percentage by dividing the appropriate day's gas gate residual profile value (GGRP) by the appropriate day's gas gate injection (GI) i.e. GGRP/GI;
- formats the report.

Data outputs:

Gas gate residual profile report format:

Description	Type	M/O	Validation
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAR040"
Sender	Char (4)	M	"ALLA" (code of allocation agent)
Allocation Participant	Char (4)	M	Valid code of retailer
Recipient	Char (4)	M	Valid code retailer
Report Run Date	DD/MM/YYYY	M	Date the report was created
Report Run Time	HH:MM:SS	M	Time the report was created
Number of Records	Num (6)	M	Total number of detail records in report

Description	Type	M/O	Validation
Detail Record Type	Char (3)	M	"DET"
Consumption Period	MM/YYYY	M	Calendar month to which information applies
Allocation Stage	Char(1)	M	I – Initial Allocation M – Interim Allocation F – Final Allocation S – Special Allocation
Gas Gate	Char (8)	M	Valid gas gate code
Network Code	Char (4)	M	Valid network code at gas gate
Consumption Day	DD/MM/YYYY	M	Date of the consumption day for which the information applies
Gas Gate Residual Profile (GJ)	Num (10.3)	M	Gas gate residual profile expressed in GJ
Gas Gate Residual Profile (%)	Num (3.4) percentage	M	Gas gate residual profile expressed as percentage of monthly gas injections

Example (Gas Gate Residual Profile):

HDR, GAR040,ALLA,RETA,SENA,02/11/2008,12:32:02,2
 DET,10/2008,I,TWA35610,NETA,01/10/2008,152.068,12.4567
 DET,10/2008,I,TWA35610,NETA,02/10/2008,143.025,11.75
 Etc

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Sub-process:	GAR050 Initial versus final comparison
Process:	Generate reports
Destination:	Retailers, Gas Industry Co (and distributors with agreement of retailers)
Rule references:	53.3
Dependencies:	
Description:	<p>Each month the allocation agent provides a report comparing initial with final submissions to each retailer, distributor (if permitted) and Gas Industry Co.</p>
Business requirements:	<ol style="list-style-type: none"> 1. The allocation agent must report to retailers and Gas Industry Co (and distributors if permitted) on the percentage of error in the accuracy for each gas gate between: <ul style="list-style-type: none"> • the aggregated consumption information for consumer installations in allocation groups 3 to 6 provided under rule 31 by each retailer to the allocation agent for initial allocation; and • the aggregated consumption information for consumer installations in allocation groups 3 to 6 provided under rule 33 by each retailer to the allocation agent for final allocation. 2. The allocation agent must provide the report by 1200 hours on the 5th business day of each month, in respect of each consumption period for which a final allocation has been performed in the previous 12 months. 3. The allocation agent must make the information available to distributors as soon as practicable after retailers have received their information and only of information permitted by retailers. 4. The allocation agent must ensure that only information for the particular networks owned by each distributor is given to that distributor.
Data inputs:	<p>Consumption submission information provided in GAS040, GAS050 and GAS060 for allocation groups 3, 4, 5, or 6, which has been used in final allocations that were processed within the previous 12 months.</p> <p>For those same consumption periods that have had an allocation stage of final processed (see above), the consumption submissions for allocation groups 3, 4, 5, or 6 that had been processed in the initial allocation stage.</p> <p>Trader information access permissions.</p>
Processing:	

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The allocation agent:

- aggregates the consumption quantities for the key (consumption period, gas gate and allocation participant) in the final allocation and in the initial allocation.
- file matches on the key.
- calculates the percentage variation (initial/final).
- formats the report.

Data outputs:

Initial versus final submission comparison report format:

Description	Type	M/O	Validation
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAR050"
Sender	Char (4)	M	"ALLA" (code of allocation agent)
Allocation Participant	Char (4)	M	Valid code of retailer
Recipient	Char (4)	M	Valid code retailer
Report Run Date	DD/MM/YYYY	M	Date the report was created
Report Run Time	HH:MM:SS	M	Time the report was created
Number of Records	Num (6)	M	Total number of detail records in report

Description	Type	M/O	Validation
Detail Record Type	Char (3)	M	"DET"
Last Consumption Period	MM/YYYY	M	Last calendar month to which consumption information applies
Allocation Participant	Char (4)	M	Valid code of retailer
Gas Gate	Char (8)	M	Valid gas gate code
Network Code	Char (4)	M	Valid network code at gas gate
Initial Consumption (GJ)	Num (10.3)	M	Aggregated consumption for allocation groups 3 to 6 as reported to the allocation agent and expressed in GJ
Final Consumption (GJ)	Num (10.3)	M	Aggregated consumption for allocation groups 3 to 6 as reported to the allocation agent and expressed in GJ
Percentage Variation (%)	Num (3.2) percentage	M	Calculated percentage variation between the final and initial allocations (Initial/Final)

Example (Initial v Final Submission Comparison Data):

HDR,GAR050,ALLA,RETA,SENA,02/11/2008,12:32:02,2
 DET,10/2008,RETA,TWA35610,NETA,759.025,795.528,4.81
 DET,10/2008,RETA,HST05210,NETA,445.05,470.512,5.72

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Sub-process:	GAR060 Seasonal adjustment daily shape values
Process:	Generate reports
Destination:	Public website
Rule references:	53.1
Dependencies:	GAU070
Description:	<p>The allocation agent publishes the seasonal adjustment daily shape values for the previous consumption period and the previous 23 consumption periods (in which allocations have occurred – i.e. from 1 October 2008) for every gas gate, unless an exemption has been obtained.</p>
Business requirements:	<p>1. The allocation agent must publish the seasonal adjustment daily shape values for every gas gate, unless an exemption has been obtained for the gas gate, as soon as practicable after the gas gate residual profile information has been delivered (see GAR040) i.e.</p> <ul style="list-style-type: none"> • by close of business on the 5th business day of each month for the initial allocation, and • by close of business on the 11th business day of each month for the interim allocation, and • by close of business on the 16th business day of each month for the final allocation. <p>N.B. This is a variation from the Rules which require that the report is published by 1200 hours on the 1st business day of each month.</p>
Data inputs:	<p>Consumption period.</p> <p>Allocation stage.</p> <p>Seasonal adjustment daily shape values (per day) per consumption period, allocation stage and gas gate output from GAU070.</p> <p>Gas gate publication exemption list.</p>
Processing:	<p>The allocation agent:</p> <ul style="list-style-type: none"> • formats the report.
Data outputs:	

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Seasonal adjustment daily shape values report format:

Description	Type	M/O	Validation
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAR060"
Sender	Char (4)	M	"ALLA" (code of allocation agent)
Allocation Participant	Char (4)	M	"APAR"
Recipient	Char (4)	M	"GASW"
Report Run Date	DD/MM/YYYY	M	Date the report was created
Report Run Time	HH:MM:SS	M	Time the report was created
Number of Records	Num (6)	M	Total number of detail records in report

Description	Type	M/O	Validation
Detail Record Type	Char (3)	M	"DET"
Gas Gate	Char (8)	M	Valid gas gate code
Network Code	Char (4)	M	Valid network code at gas gate
Consumption Day	DD/MM/YYYY	M	Date of the consumption day for which the information applies
Seasonal Adjustment Daily Shape Value (GJ)	Num (10.3)	M	Daily gas gate residual profile value expressed in GJ

Example (SADSV report):	HDR,GAR060,ALLA,APAR,GASW,02/11/2008,12:32:02,2 DET,TWA35610,NETA,01/10/2008,12.450 DET,TWA35610,NETA,02/10/2008,11.750 Etc
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Sub-process:	GAR070 Summary UFG and retailer allocation
Process:	Generate reports
Destination:	Public website
Rule references:	46.4, 53.2.1, 53.2.2, 53.2.3
Dependencies:	
Description:	<p>Every month the allocation agent publishes a summary UFG report to the website for the initial, interim and final allocations for every gas gate, unless an exemption has been obtained.</p>
Business requirements:	<ol style="list-style-type: none"> 1. The allocation agent must publish the summary UFG and allocation report for each initial, interim, final and special allocation performed for during the month by 0800 hours on the 5th, 11th and 16th business days of each month. (Note this report is published on these dates as specified in rule 46.4.1. Accordingly the information required by rule 53.2 will also be published in this report on these dates (i.e. in advance of the timeframe specified in rule 53.2).) 2. For each consumption period, allocation stage and gas gate the report must show at least: <ul style="list-style-type: none"> • the monthly total injection quantity; and • both the monthly total quantity and the rolling total annual quantity of UFG and UFG percentage; and • the monthly UFG factor; and • the monthly total allocations for each retailer. 3. This report must show all retailers' allocations. 4. Information must be published for every gas gate unless an exemption has been obtained.
Data inputs:	<p>Consumption period.</p> <p>Allocation stage.</p> <p>Allocated quantities for allocation groups 1, 2, 3, 4, 5 and 6 for the consumption period and allocation stage being processed.</p> <p>Latest allocated quantities for allocation groups 1, 2, 3, 4, 5 and 6 for the preceding 11 months.</p> <p>Consumption submission information provided in GAS040, GAS050 and GAS060 for allocation groups 1, 2, 3, 4, 5, and 6.</p> <p>Injection information from TSOs for the appropriate 12 consumption periods and latest allocation stages (GAS030).</p>

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AUFG factors per gas gate and gas year (output from GAU030).

MUFG factors per gas gate for the consumption period and allocation stage (output from GAU050).

Gas gate publication exemption list.

Processing:

The allocation agent:

- formats the report according to the details given in the data outputs section below.

Data outputs:

Summary UFG and allocation report format:

Description	Type	M/O	Calculations
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAR070"
Sender	Char (4)	M	"ALLA"
Allocation Participant	Char (4)	M	"APAR"
Recipient	Char (4)	M	"GASW"
Report Run Date	DD/MM/YYYY	M	Date the report is created
Report Run Time	HH:MM:SS	M	Time the report is created
Number of Records	Num (6)	M	Total number of detail records in report.

Description	Type	M/O	Calculations
Detail Record Type	Char (3)	M	"DET"
Consumption Period	MM/YYYY	M	Consumption period
Allocation Stage	Char (1)	M	I – Initial Allocation M – Interim Allocation F – Final Allocation S – Special Allocation
Gas Gate	Char (8)	M	Gas gate code.
Network Code	Char(4)	M	Valid network code at the gas gate.
Gas Gate Injected Quantity Total for Consumption Period	Num (10.3)	M	Total injected quantity at gas gate in GJ for the gas gate, consumption period and allocation stage submitted via GAS030.
Gas Gate Annual UFG Factor	Num (5.6)	M	Annual UFG factor (AUFG) used for allocation groups 1 and 2 for the gas gate, consumption period and allocation stage output from GAU030.

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Gas Gate Monthly UFG Factor	Num (5.6)	M	Monthly UFG factor (MUFG) used for allocation groups 3 to 6 for the gas gate, consumption period and allocation stage output from GAU050.
Gas Gate UFG Total for Month	Num (10.3)	M	Total UFG expressed in GJ for the gas gate, consumption period and allocation stage, being the difference between the total injection quantity and total consumption information quantities at the gas gate for the consumption period and allocation stage.
Gas Gate UFG % for Month	Num (3.2) (percentage)	M	This is the gas gate UFG total for the current month (see above) expressed as a % of the total gas gate injection quantity for the gas gate, consumption period and allocation stage.
Gas Gate UFG Total for Previous 12 Months	Num (10.3)	M	This is the sum of the gas gate UFG totals of each of the previous 12 months, up to and including the consumption period, expressed in GJ. See Gas Gate UFG Total for Month above but the aggregation is of the 12 previous months.
Gas Gate UFG % for Previous 12 Months	Num (3.2) (percentage)	M	This is the gas gate UFG total for previous 12 months (see above) expressed as a % of the total gas gate injection quantity of the previous 12 months.
Allocation Participant	Char (4)	M	Retailer code of the allocated quantity being aggregated.
Retailer Allocation Results for Month	Num (10.3)	M	Quantity allocated to retailer in GJ in the consumption period and allocation stage for the gas gate. Obtained from the allocated quantities output from GAU040, GAU060 and GAU080.

Example	HDR, GAR070,ALLA,APAR,GASW,02/11/2008,12:32:02,2 DET,10/2008,I,TWA35610,NETA,158976.321,1.0153,1.32,148.369,2.59,63.241, 0.36,RETA,48.325 DET,10/2008,I,TWA35610,NETA,58976.321,1.0153,1.32,148.369,2.59,63.241,0 .36,RETB,26.649 Etc
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Sub-process:	GAR080 Billed versus submission quantities comparison
Process:	Generate reports
Destination:	Public website
Rule references:	52.2.3 (see also 31, 32, 33)
Dependencies:	
Description:	<p>The purpose of an annual reconciliation is to verify, on a monthly basis, the accuracy and completeness of quantities billed to consumers when compared with consumption information provided to the allocation agent for the previous 12 billing months.</p> <p>N.B. A billing month means the month in which occurred the consumption pertaining to a bill (invoice) (i.e. in general, bills issued in a particular month relate to consumption made in the previous month).</p> <p>This report is for every gas gate unless an exemption has been obtained.</p>
Business requirements:	<ol style="list-style-type: none"> 1. The allocation agent must compare, for each retailer, the total quantities billed over the previous 12 months with the same periods' consumption information submissions, by 1700 hours on the 13th business day of each month and publish the results by 0800 hours on the 14th business day. 2. The allocation agent must compare: <ul style="list-style-type: none"> • the total quantities billed provided by each retailer for each gas gate for the previous 12 billing months (rule 52.2.1); with • the sum of best available consumption information provided by each retailer for each gas gate for the previous 12 billing months (rules 31 to 33) i.e. for the previous 13th through to the previous 2nd³ consumption periods. 3. The allocation agent must publish the results of the comparison by 0800 hours on the 14th business day of each month. 4. This report must show all retailers' results. 5. Information must be published for every gas gate unless an exemption has been obtained.
Data inputs:	<p>Consumption period.</p> <p>Allocation stage.</p> <p>Submission information for the each consumption period with the latest allocation stage for</p>

³

The consumption period prior to the previous consumption period.

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the previous 12 months (GAS040, GAS050, GAS060). Valid as-billed information (from GAS070) for the previous 12 months. Gas gate publication exemption list.
Processing:
The allocation agent: <ul style="list-style-type: none"> formats the report using the calculations detailed in the data outputs section below.
Data outputs:
Rolling annual reconciliation report format:

Description	Type	M/O	Calculations
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAR080"
Sender	Char (4)	M	"ALLA"
Allocation Participant	Char (4)	M	"APAR"
Recipient	Char (4)	M	"GASW"
Report Run Date	DD/MM/YYYY	M	Date the report is created
Report Run Time	HH:MM:SS	M	Time the report is created
Number of Records	Num (6)	M	Total number of detail records in report.

Description	Type	M/O	Rule
Detail Record Type	Char (3)	M	"DET"
Last Month Billed	MM/YYYY	M	Last month to which the data of this report applies
Allocation Participant	Char (4)	M	Valid code for participant
Gas Gate	Char (8)	M	Gas gate code as determined by Gas Industry Co
Network Code	Char (4)	M	Valid network code at the gas gate
Actual Sales (GJ)	Num (10.3)	M	Sum of the actual sales billed for the previous 12 months for the retailer and gas gate, in GJ, from GAS070
Consumption (GJ)	Num (10.3)	M	Sum of the latest consumption information provided by the retailer to the allocation agent for the 12 consumption periods commencing one month earlier than the first billed month, for the retailer and gas gate, in GJ. (See GAS040, GAS050 and GAS060)

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Description	Type	M/O	Rule
Difference Between Sales and Submitted Consumption Data	Num (10.3)	M	Actual Sales (GJ) minus Consumption (GJ). See above.
Sales/Submission (%)	Num (3.2) (percentage)	M	Actual Sales divided by Consumption (see above), expressed in percentage terms (and rounded).

Example (Annual reconciliation):	HDR,GAR080,ALLA,APAR,GASW,02/11/2008,12:32:02,2 DET,10/2008,RETA,TWA35610,NETA,36224.232,35178.195,1046.037,102.97 DET,10/2008,RETA,HST05210,NETA,24595.726,24695.264,-99.538,99.6
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Sub-process:	GAR090 Annual UFG Factor
Process:	Generate reports
Destination:	Public website
Rule references:	46.4.2, 79.4
Dependencies:	
Description:	<p>The allocation agent determines and publishes the annual UFG factor which will apply for each new gas year commencing 1st October.</p> <p>This report is for every gas gate unless an exemption has been obtained.</p>
Business requirements:	<ol style="list-style-type: none"> 1. The allocation agent must publish, by the 1st business day in July of each year, the annual UFG factor which will apply to the next gas year. N.B. Special transition provisions apply for the next 2 years (2008-2010) and different publishing timeframes – see rule 79.4. 2. This report must show the AUFG factor per gas gate for the new year commencing 1st October following and any indicators showing that the AUFG factor was determined by Gas Industry Co. 3. Information must be published for every gas gate unless an exemption has been obtained.
Data inputs:	<p>Gas year being processed.</p> <p>AUFG factors and any indicators per gas gate for the new gas year (output in GAU030).</p> <p>Gas gate publication exemption list.</p>
Processing:	<p>The allocation agent:</p> <ul style="list-style-type: none"> • formats the report as shown in the section below.
Data outputs:	<p>Annual Factors report:</p>

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Description	Type	M/O	Calculations
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAR090"
Sender	Char (4)	M	"ALLA"
Allocation Participant	Char (4)	M	"APAR"
Recipient	Char (4)	M	"GASW"
Report Run Date	DD/MM/YYYY	M	Date the report is created
Report Run Time	HH:MM:SS	M	Time the report is created
Number of Records	Num (6)	M	Total number of detail records in report.

Description	Type	M/O	Calculations
Detail Record Type	Char (3)	M	"DET"
Gas Year Start Date	DD/MM/YYYY	M	01/10/YYYY where YYYY is the relevant year
Gas Year End Date	DD/MM/YYYY	M	30/09/YYYY where YYYY is the relevant year
Gas Gate	Char (8)	M	Gas gate code as determined by Gas Industry Co
Network Code	Char (4)	M	Valid network code at the gas gate
Annual UFG Factor	Num (5.4)	M	Annual UFG Factor calculated in GAU030
Assessment Indicator	Char(1)	O	"Y" for Yes if factor was assessed by Gas Industry Co, or blank

Example (Annual UFG Factor):	HDR,GAR090,ALLA,APAR,GASW,01/07/2008,12:32:02,2 DET,01/10/2008,30/09/2009,TWA35610,NETA,3.1 DET,01/10/2008,30/09/2009,HST05210,NETA,1.345,Y
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Sub-process:	GAR100 Meter Reading Frequency Compliance
Process:	Generate reports
Destination:	Gas Industry Co
Rule references:	Related to 40.2
Dependencies:	GAS080
<hr style="border: 1px solid black;"/>	
Description:	
The allocation agent produces a meter reading frequency compliance report for Gas Industry Co by the end of each month which analyses information provided by retailers for the previous 12 consumption periods.	
Business requirements:	
1. The allocation agent must deliver to Gas Industry Co a meter reading frequency report by the last business day of the consumption period.	
Data inputs:	
Meter Reading Frequency reports for the past 12 consumption periods (including the current consumption period) received via GAS080.	

Processing:
The allocation agent: <ul style="list-style-type: none"> • extracts the rolling 4 month validated register reading percentage and the 12 month validated register reading percentage input by each allocation participant via GAS080 for each of the 12 previous consumption periods. • assigns an asterisk to the percentage if the percentage value is less than the appropriate threshold. The threshold for the 4 month percentage is 90%. The threshold for the 12 month percentage is 100%. • formats the report as shown in the section below with an extra line under the Header with column headings to enable printing of the report using a spreadsheet.

Data outputs:
Meter Reading Frequency Compliance report, sorted by allocation participant and rolling month:

Description	Type	M/O	Calculations
Header Record Type	Char (3)	M	"HDR"
File Type	Char (6)	M	"GAR100"

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Sender	Char (4)	M	"ALLA"
Allocation Participant	Char (4)	M	"APAR" – all participants
Recipient	Char (4)	M	"GICX" – Gas Industry Co
Report Run Date	DD/MM/YYYY	M	Date the report is run.
Report Run Time	HH:MM:SS	M	Time the report is run.
Number of Records	Num (6)	M	Total number of detail records in report.

Next row after the Header to show the column headings for example: Record Type, Retailer, Rolling Month, October 2008, November 2008, December 2008, January 2009, February 2009, March 2009, April 2009, May 2009, June 2009, July 2009, August 2009, September 2009.

Then for all subsequent rows:

Description	Type	M/O	Calculations
Detail Record Type	Char (3)	M	"DET"
Allocation Participant	Char (4)	M	Directly from data input in GAS080.
Rolling month	Char 8		"4 Month" or "12 Month"
Month - Consumption Period minus 11	Num(3.2)*	M	Relevant 4 or 12 month validated register reading percentage from data input in GAS080 for the previous 11 th month, with asterisk if value less than relevant 4 month or 12 month threshold
Month - Consumption Period minus 10	Num(3.2)*	M	Relevant 4 or 12 month validated register reading percentage from data input in GAS080 for the previous 10 th month, with asterisk if value less than relevant 4 month or 12 month threshold
Month - Consumption Period minus 9	Num(3.2)*	M	Relevant 4 or 12 month validated register reading percentage from data input in GAS080 for the previous 9 th month, with asterisk if value less than relevant 4 month or 12 month threshold
Month - Consumption Period minus 8	Num(3.2)*	M	Relevant 4 or 12 month validated register reading percentage from data input in GAS080 for the previous 8 th month, with asterisk if value less than relevant 4 month or 12 month threshold
Month - Consumption Period minus 7	Num(3.2)*	M	Relevant 4 or 12 month validated register reading percentage from data input in GAS080 for the previous 7 th month, with asterisk if value less than relevant 4 month or 12 month threshold

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Description	Type	M/O	Calculations
Month - Consumption Period minus 6	Num(3.2)*	M	Relevant 4 or 12 month validated register reading percentage from data input in GAS080 for the previous 6 th month, with asterisk if value less than relevant 4 month or 12 month threshold
Month - Consumption Period minus 5	Num(3.2)*	M	Relevant 4 or 12 month validated register reading percentage from data input in GAS080 for the previous 5 th month, with asterisk if value less than relevant 4 month or 12 month threshold
Month - Consumption Period minus 4	Num(3.2)*	M	Relevant 4 or 12 month validated register reading percentage from data input in GAS080 for the previous 4 th month, with asterisk if value less than relevant 4 month or 12 month threshold
Month - Consumption Period minus 3	Num(3.2)*	M	Relevant 4 or 12 month validated register reading percentage from data input in GAS080 for the previous 3 rd month, with asterisk if value less than relevant 4 month or 12 month threshold
Month - Consumption Period minus 2	Num(3.2)*	M	Relevant 4 or 12 month validated register reading percentage from data input in GAS080 for the previous 2 nd month, with asterisk if value less than relevant 4 month or 12 month threshold
Month - Consumption Period minus 1	Num(3.2)*	M	Relevant 4 or 12 month validated register reading percentage from data input in GAS080 for the previous month, with asterisk if value less than relevant 4 month or 12 month threshold
Month - Current Consumption Period	Num(3.2)*	M	Relevant 4 or 12 month validated register reading percentage from data input in GAS080 for the current month, with asterisk if value less than relevant 4 month or 12 month threshold

Example (Meter Read Frequency Data):	<p>HDR,GAR100,ALLA,APAR,GICX,28/11/2008,12:32:02,4 Record Type,Retailer,Rolling Month,October 2008,November 2008,December 2008,January 2009,February 2009,March 2009,April 2009,May 2009,June 2009,July 2009, August 2009,September 2009 DET,RETA,4 Month,86.3*,85.6*,87.8*,88.6*,90.023,91.567,89.998*,86.1*,91.8,91.3,98.5,89.6* DET,RETA,12 Month,96.3*,95.6*,97.8*,98.6*,99.023*,91.567*,99.998*,96.1*,91.8*,91.3*,100,100 DET,RETB,4 Month,86.3*,85.6*,87.8*,88.6*,90.023,91.567,89.998*,86.1*,91.8,91.3,98.5,89.6* DET,RETB,12 Month,96.3*,95.6*,97.8*,98.6*,99.023*,91.567*,99.998*,96.1*,91.8*,91.3*,100,100</p>
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Exceptions:
<p>1. If values are missing for any month, zeroes will be shown without an asterisk – assumption being that the retailer did not trade in that month and any missing submissions will have been picked up and reported in GAS080.</p>

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Sub-process:	GAR110 Percentage of historical estimates
Process:	Generate reports
Destination:	Gas Industry Co
Rule references:	Related to 40.1
Dependencies:	GAU040, GAU060, GAU080
<hr style="border: 1px solid black;"/>	
Description:	
A report is required by Gas Industry Co to show the proportion of historical estimates in the initial submissions and subsequent revisions.	
Business requirements:	
<ol style="list-style-type: none"> 1. The allocation agent must deliver the analysis to Gas Industry Co by the first business day of the month, after the submissions have been processed and only for consumption periods that have had interim or final (or special) allocation runs. 2. The allocation agent must generate separate reports for each consumption period. <p>N.B. Where the allocation agent has estimated consumption, the quantity of historical estimates will be zero.</p>	
Data inputs:	
Submission information for all allocation groups except 1 and 2 (GAS040, GAS050 and GAS060).	
Processing:	
<p>The allocation agent:</p> <ul style="list-style-type: none"> • extracts all consumption submission information, i.e. that which was used in each allocation stage, for each consumption period processed (in the previous month) with allocation stages of interim or final (or special), ignoring allocation groups 1 and 2; • aggregates the submitted consumption by consumption period, allocation stage, gas gate and retailer; • formats the report as shown below. 	
Data outputs:	
Proportion of historical estimates report:	

Description	Type	M/O	Calculations
Header Record Type	Char (3)	M	"HDR"

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File Type	Char (6)	M	"GAR110"
Sender	Char (4)	M	"ALLA"
Allocation Participant	Char (4)	M	"APAR" – all participants
Recipient	Char (4)	M	"GICX" – Gas Industry Co
Report Run Date	DD/MM/YYYY	M	Date the report is run.
Report Run Time	HH:MM:SS	M	Time the report is run.
Number of Records	Num (6)	M	Total number of detail records in report.

Description	Type	M/O	Calculations
Detail Record Type	Char (3)	M	"DET"
Consumption Period	MM/YYYY	M	Calendar month to which the information applies
Allocation Stage	Char (1)	M	I – Initial Allocation M – Interim Allocation F – Final Allocation S – Special Allocation
Allocation Participant	Char (4)	M	Retailer from submissions
Gas Gate	Char (8)	M	Gas gate from submissions
Network Code	Char (4)	M	Valid network code of gas gate
Total monthly submission volume (GJ) in this allocation stage	Num (10.3)	M	Consumption submitted aggregated by consumption period, allocation stage, retailer, gas gate and allocation group.
Total monthly historical estimate (GJ) in this allocation stage	Num (10.3)	M	Quantity of historical estimate submitted aggregated by consumption period, allocation stage, retailer, gas gate and allocation group.
Percentage of historical estimate in this allocation stage	Num (4.2)	M	Calculated from values above.
Percentage variation of this revision's submission volume against the volume in the initial allocation stage	Num (4.2)	M	Calculated. Percentage increase or decrease. Zero for initial allocation stage.
Percentage variation of this revision's historical estimate volume against the historical estimate volume in the initial allocation stage	Num (4.2)	M	Calculated. Percentage increase or decrease. Zero for initial allocation stage.

Example (Proportion of historical estimates):	HDR,GAR110,ALLA,APAR,GICX,02/11/2009,12:32:02,2 DET,10/2008,I, RETA,TWA35610,NETA,5,1000.000,600.000,60.00,0,0 DET,10/2008,M, RETA,TWA35610,NETA,5,900.000,450.000,50.00,-10.0,-25.0
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Sub-process:	GAR120 Incidents
Process:	Generate reports
Destination:	Gas Industry Co
Rule references:	
Dependencies:	

Description:	
The allocation agent reports rule breach incidents to Gas Industry Co.	
Business requirements:	
<ol style="list-style-type: none"> 1. The allocation agent is must provide a report in respect of any alleged breach of the Rules and, to the extent possible, within 5 business days of becoming aware of the alleged breach. 2. The allocation agent is must provide a report in respect of any breach by the allocation agent of its obligations under the Rules within 2 business days of the service provider becoming aware of that breach. 3. The allocation agent is must agree with Gas Industry Co on the mechanism used to forward the report. 	
Data inputs:	
Occurrences of rule breaches: type of rule breach, dates, times, participant and details.	
Processing:	
The allocation agent: <ul style="list-style-type: none"> • collect incidents and report to Gas Industry Co using the agreed mechanism. 	
Data outputs:	
Incident report.	

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Sub-process:	GAR130 Allocation Information to Transmission System Owners
Process:	Generate reports
Destination:	Transmission System Owners
Rule references:	None
Dependencies:	
Description:	
	Each month the allocation agent provides TSOs with initial, interim and final allocation information for the purpose of upstream balancing and invoicing.
Business requirements:	
	<ol style="list-style-type: none"> 1. The allocation agent must generate allocation information for TSOs, which includes contract IDs. 2. The service provider must agree a mechanism with TSOs for the transfer of this information in an efficient manner. 3. The OATIS file format (see below) must be used as the default format for all TSOs. 4. The allocation agent must generate one file per gas gate. 5. For OATIS-based transmission systems, the allocation agent must have reached agreement with the relevant TSO on the terms of use and have been allocated login details.
Data inputs:	
	<p>Allocated quantities for allocation groups 1, 2, 3, 4, 5 and 6 output from GAU040, GAU60 and GAU080.</p> <p>Consumption period being processed.</p> <p>Allocation stage being processed.</p> <p>TSO translation tables – gas gates and allocation participants.</p>
Processing:	
	<p>The allocation agent:</p> <ul style="list-style-type: none"> • aggregates the allocation quantities by Welded Point ID, Shipper ID, Contract ID and Day and outputs it in the OATIS file format. Welded Point ID and the Shipper ID are obtained from the translation tables using the gas gate and allocation participant from the allocation information as keys; • one file for each Welded Point; • finds the TSO of each Welded Point ID and produces one zip file for each TSO,

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containing the appropriate files;

- uploads into OATIS the zip file(s) for the TSO(s) provided for on OATIS;
- delivers the other files to the appropriate TSOs.

N.B. OATIS accepts multiple uploads of single or multiple files. Only the latest information is used by OATIS.

OATIS does not require a specific file naming convention.

Data outputs:

Each output file is a report with titles, sub-headings, data rows and a row of totals.

Each file contains information for one Welded Point ID.

Currently the mechanism for delivering this information to Vector is via an upload facility on the OATIS website.

The following format is for each individual file which is for one Welded Point ID.

Attribute	Format	Validation rules
Header - Row 1		Must be "Welded Point ID,Date,Shipper ID,Contract ID,Delivered Energy".
Detail rows from row 2 onwards:		
Welded Point ID	Char(8)	Welded Point ID from the gas gate translation table. There can only be one such code in each file.
Date	dd/mm/yyyy	Valid date. There must be no missing days in the consumption period for each retailer and Contract ID unless the contract commenced or ceased trading during the month when there could be missing days.
Shipper ID	Char(4)	Shipper ID from the allocation participant translation table. Each file contains all shippers with allocation information at this Welded Point ID.
Contract ID	Char(4)	Valid Contract ID for retailer for Date. It is possible for a retailer to have more than one Contract ID at a gas gate.
Delivered Energy	Num(10.3)	Aggregated allocated quantities. A positive or negative number with leading and trailing zeroes omitted.
One final trailing totals row:		
	Total,,,,<Num(10.3)>	Must be "Total,,,,," followed by a number that is the total of all the Delivered Energy values in the file.

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Example

Welded Point ID,Date,Shipper ID,Contract ID,Delivered Energy

BEL24510,1/12/2007,RETA,1109,1566.114
BEL24510,2/12/2007,RETA,1109,940.898
BEL24510,3/12/2007,RETA,1109,3237.515
BEL24510,4/12/2007,RETA,1109,3573.763
BEL24510,5/12/2007,RETA,1109,3370.984
BEL24510,6/12/2007,RETA,1109,3796.701
BEL24510,7/12/2007,RETA,1109,3718.371
BEL24510,8/12/2007,RETA,1109,1730.741
BEL24510,9/12/2007,RETA,1109,1033.937
BEL24510,10/12/2007,RETA,1109,2715.397
BEL24510,11/12/2007,RETA,1109,3105.801
BEL24510,12/12/2007,RETA,1109,3654.433
BEL24510,13/12/2007,RETA,1109,3004.631
BEL24510,14/12/2007,RETA,1109,2961.895
BEL24510,15/12/2007,RETA,1109,1892.876
BEL24510,16/12/2007,RETA,1109,1307.52
BEL24510,17/12/2007,RETA,1109,2822.973
BEL24510,18/12/2007,RETA,1109,3038.637
BEL24510,19/12/2007,RETA,1109,3189.439
BEL24510,20/12/2007,RETA,1109,3052.645
BEL24510,21/12/2007,RETA,1109,2626.138
BEL24510,22/12/2007,RETA,1109,1725.997
BEL24510,23/12/2007,RETA,1109,1050.674
BEL24510,24/12/2007,RETA,1109,842.962
BEL24510,25/12/2007,RETA,1109,289.836
BEL24510,26/12/2007,RETA,1109,533.919
BEL24510,27/12/2007,RETA,1109,1279.312
BEL24510,28/12/2007,RETA,1109,1010.566
BEL24510,29/12/2007,RETA,1109,692.805
BEL24510,30/12/2007,RETA,1109,562.912
BEL24510,31/12/2007,RETA,1109,677.335
BEL24510,1/12/2007,RETB,1120,671.192
BEL24510,2/12/2007,RETB,1120,403.242
BEL24510,3/12/2007,RETB,1120,1387.506
BEL24510,4/12/2007,RETB,1120,1531.613
BEL24510,5/12/2007,RETB,1120,1444.707
BEL24510,6/12/2007,RETB,1120,1627.158
BEL24510,7/12/2007,RETB,1120,1593.588
BEL24510,8/12/2007,RETB,1120,741.746
BEL24510,9/12/2007,RETB,1120,443.116
BEL24510,10/12/2007,RETB,1120,1163.742
BEL24510,11/12/2007,RETB,1120,1331.058
BEL24510,12/12/2007,RETB,1120,1566.186
BEL24510,13/12/2007,RETB,1120,1287.699
BEL24510,14/12/2007,RETB,1120,1269.384
BEL24510,15/12/2007,RETB,1120,811.232
BEL24510,16/12/2007,RETB,1120,560.366
BEL24510,17/12/2007,RETB,1120,1209.846
BEL24510,18/12/2007,RETB,1120,1302.273
BEL24510,19/12/2007,RETB,1120,1366.902
BEL24510,20/12/2007,RETB,1120,1308.277
BEL24510,21/12/2007,RETB,1120,1125.488
BEL24510,22/12/2007,RETB,1120,739.713
BEL24510,23/12/2007,RETB,1120,450.289
BEL24510,24/12/2007,RETB,1120,361.269
BEL24510,25/12/2007,RETB,1120,124.216
BEL24510,26/12/2007,RETB,1120,228.822
BEL24510,27/12/2007,RETB,1120,548.276
BEL24510,28/12/2007,RETB,1120,433.1
BEL24510,29/12/2007,RETB,1120,296.916
BEL24510,30/12/2007,RETB,1120,241.248
BEL24510,31/12/2007,RETB,1120,290.286
Total,,,,,92868.183

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Exceptions:

1. If OATIS or other TSOs' systems reject a file due to validation errors, the allocation agent must correct and reload the information. Any issues should be raised with the appropriate TSO for resolution.

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Sub-process:	GAR140 Provide Gas Registry with gas gate information
Process:	Generate reports
Destination:	Gas Registry, allocation participants
Rule references:	
Dependencies:	
Description:	
	The allocation agent maintains the gas gate reference information and provides the Gas Registry with the latest information every time the information is updated.
Business requirements:	
	<ol style="list-style-type: none"> 1. The allocation agent must agree a transfer mechanism with the Gas Registry service provider for the transfer of this information in a timely manner. This can be by email. 2. Only changes need be notified i.e. the whole file does not need to be sent. 3. The Gas Registry must be notified immediately after any change is made, except when changes relate solely to the responsible TSO, which is not required by the Gas Registry. 4. The information must also be made available to allocation participants to view and download from the allocation system.
Data inputs:	
	Gas gate information.

Description	Type	M/O	Validation
Gas Gate Code	Char (8)	M	Unique code.
Gas Gate Name	Char (32)	M	Location details.
Gas Gate Type	Char (2)	M	GN – gas gate connected network, EN – embedded gas network, GD – direct consumer, ND – <i>notional delivery point</i> .
Network Code	Char (4)	M	Valid network code at the gas gate. For gas gates of type GD this will be the allocation code of the consumer.
Responsible TSO	Char (4)	M	TSO of the gas gate.
Parent Gas Gate Code	Char (8)	M/O	Required if gas gate type is EN.
Notional Delivery Point Code	Char (8)	O	Required for those gas gates that are grouped under a <i>notional delivery point</i> .

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Description	Type	M/O	Validation
			The <i>notional delivery point</i> code must itself be of gas gate type ND.
Notice Date	DD/MM/YYYY	M	Date when notice was given that this gas gate was to commence.
Start Date	DD/MM/YYYY	M	Date the information in this record became applicable.
End Date	DD/MM/YYYY	M	Date the information in this record ceased to be applicable.
Audit Input Date/Time	DD/MM/YYYY HH:MM:SS	M	
Input By (User Name)	Char (8)	M	
Audit Deletion Date/Time	DD/MM/YYYY HH:MM:SS	O	
Deleted By (User Name)	Char (8)	O	

Processing:

The allocation agent:

- Maintains, validates, stores and displays the information with a date and time stamp;
- Outputs changes to the Gas Registry using agreed mechanism after every relevant update.

Data outputs:

Updated gas gate reference information.

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Sub-process:	GAM010 Maintain Reference Data
Process:	Maintain data
Source:	Allocation agent
Destination:	Allocation participants
Rule references:	
Dependencies:	GAM020, GAS010, GAS020, GAR140
Description:	
<p>The allocation agent maintains the reference data used in the allocation process. Sources of reference data are allocation participants, Gas Industry Co and the Gas Registry.</p>	
Business requirements:	
<p>1. The allocation agent must maintain data and applicable dates for the following:</p> <ul style="list-style-type: none"> • allocation participant code (4 character), full company name, their roles, start and end dates (valid roles are: retailer, distributor, transmission system owner (TSO), meter owner (N/A), Gas Industry Co, allocation agent); • gas gate information (see GAR140) with the addition of the metering type – unmetered or metered (information not required by the Gas Registry); • gas gate publication exemption list: A list of gas gates that have been granted exemptions from publication on the public website (GAR060 to GAR090); • retailer approved profiles (4 characters) i.e. a list of all profile codes (see GAS020) that can be used by retailers in their submissions; • retailer trader information i.e. the gas gates for retailers to use in their submission information; • retailer gas transmission contract ID details i.e. contract IDs for the three categories of gas transmission contract – VTC compliant TSA, non-VTC TSAs and supplementary agreement contract IDs, and either a list of their associated gas gates or ICP numbers; • allocation group codes – numeric 1 to 6. • information provided by Gas Industry Co in GAS010; • TSO translation tables. TSOs may each have gas gate codes and allocation participant codes that differ to those in the allocation system. Also some allocation participants use multiple codes in the submission process but the TSO only recognises one Shipper ID: <p><u>TSO gas gate translation table contains, per TSO:</u></p> <ul style="list-style-type: none"> TSO allocation participant code - char (4) Gas gate code – char (8) Network Code – char (4) Welded Point ID – char (8) 	

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Start Date

End Date

N.B. One welded Point ID can be associated with more than one gas gate.

TSO allocation participant table includes:

TSO allocation participant code - char (4)

Allocation participant code - char (4)

Shipper ID - char (4)

Start Date

End Date

N.B. One Shipper ID can be associated with more than one allocation participant code.

2. Allocation participants must be able to check the information about them for accuracy.

Data inputs:

Reference information.

Processing:

The allocation agent:

- Inserts or updates reference data in the reference tables as appropriate.

Data outputs:

Updated reference tables.

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Sub-process:	GAM020 Maintain register of profiles
Process:	Maintain data
Source:	Allocation Agent
Destination:	Allocation participants
Rule references:	54.1
Dependencies:	
<hr style="border: 1px solid black;"/>	
Description:	
<p>The allocation agent maintains a register of approved static and dynamic deemed profiles. The register and its contents must be accessible by all allocation participants.</p>	
Business requirements:	
<ol style="list-style-type: none"> 1. The allocation agent must record the following information for each approved profile: <ul style="list-style-type: none"> • profile code – char (4), used in submissions; • profile type – char (1), static or dynamic; • approval date – date the profile was approved by the allocation manager and the date from which it can be used in submissions; • submitted date – date profile was submitted to the allocation agent for approval; • expiry date – date from which the profile can no longer be used in submissions and is also the removal date (rule 62); • profile owner – char (4), valid allocation participant; 2. All profile data must be viewable and downloadable by allocation participants. 	
Data inputs:	
New approved profiles and profile amendments.	
Processing:	
<p>The allocation agent:</p> <ul style="list-style-type: none"> • inserts and updates profile register. 	
Data outputs:	
<p>Updated profile register. Download of register contents in .CSV format.</p>	