



27 July 2018

Angela Ogier
Transmission Commercial Manager
First Gas Limited
By email

Dear Angela,

Re: GTAC Drafting Comments

This letter sets out Greymouth Gas' comments on First Gas' memo on GTAC drafting comments dated 29 June 2018. Our comments are as follows:

1. Future iterative process still required

We appreciate the effort to address matters of legal drafting. However, we note that the memo addresses GIC's review of the PAP (not FAP). This, combined with the pace of GTAC_v2 workshops to date (and the likely design changes), means elements of that review (and this consultation) may become obsolete. A fresh review will be needed in the context of a redesigned code.

We do not propose the memo is updated with reference to the FAP, nor updated as a living document with reference to the workshops. However, we do think it is critical that First Gas provides parties with a sufficient window to review the GTAC_v2 when it is all but finalised, prior to it next submitting the GTAC and supporting arrangements to the GIC.

2. GIC view is informative but not determinative

We query whether too much reliance has been put on GIC's interpretation or views. While these are useful, we are unsure the degree to which GIC sought external advice. Given that First Gas will likely want contra proferentem to remain not applicable to the GTAC, we think it important that either GIC obtains external legal advice on any issues requiring review in the redesigned code, or that Bell Gully further considers the particulars as it marks up the code.

3. Changes generally a step in the right direction

Notwithstanding our comments in point 2. above, we consider the changes represent positive progress.

4. Interrelationship with workshops a concern

Some of First Gas' comments delegate matters to workshops to solve, or relate to matters discussed at workshops. However, the workshop experience to date has not circled back with reference to the memo, and so the danger is that these matters (however small they might be) get missed.

We therefore propose this memo (and a summary of submissions) is included in the agenda for the 7 – 9 August workshop and that specific action points are put to participants in respect of any such matter noted above that has not yet had air time, as follows:

- Independent Facilitator to ensure that the definitions of 'Interconnection Agreement', 'OBA' and 'Nominated Quantity' are discussed in the 7 – 9 August workshop on ICA items.
- First Gas to advise stakeholders the results of its data gathering review with respect to schedule 2, 5.8 of the GTAC on gas composition data.
- Participants to agree to add 'RPO' as a common and essential ICA term.
- Participants to agree to review 'DOCTOTAL' on 9 August in the workshop on rebates.
- Bell Gully to review First Gas' (and submitters' and GIC's) comments on the memo and advise if it has any views different to First Gas.
- First Gas to advise when a marked-up GTAC factoring in changes stemming from the memo will be put to parties for consultation.

Further, we are interested in hearing from First Gas on a couple of further items, and we propose these are also discussed on 7 August:

- Participants to consider whether to add a review of the provision of real time information to the workshop on 18 – 20 September, to ensure this is fit for purpose based on the redesign of the code at that time.
- First Gas to confirm whether or not the transmission system (and its distribution systems) will always be for gas use; and what protection (to enable / uphold the use of gas) needs to be written into the GTAC (if any).

Yours sincerely

Chris Boxall
Commercial Manager