

REGULATORY DISCLOSURE

Gas transmission services: Non-standard contracts disclosure

12 months ended 30 September 2022



First Gas Limited March 2023



1 Introduction

First Gas Limited (Firstgas) owns and operates 2,500 kilometres of gas transmission pipelines. These pipelines transport around 20 percent of New Zealand's primary energy supply from Taranaki across the North Island. Firstgas also owns and operates more than 4,900 kilometres of gas distribution pipelines that service approximately 66,000 consumers across the regions of Northland, Waikato, Central Plateau, Bay of Plenty, Gisborne and Kāpiti Coast.

Firstgas is part of the wider Firstgas Group. Headquartered in New Plymouth, Firstgas Group is an umbrella brand consisting of Rockgas, Firstgas, Flexgas and Gas Services NZ. Firstgas and Rockgas deliver natural gas and supply LPG respectively to over 500,000 customers through their network of high-pressure gas transmission pipelines and distribution pipelines in the North Island, as well as through LPG distribution pipelines in the South Island, 36 local LPG suppliers, and over 180 Refill & Save locations across New Zealand.

Flexgas operates the Ahuroa gas storage facility in Central Taranaki. Gas Services NZ provides operational and maintenance support to all gas infrastructure owners, including other parts of Firstgas Group.

Gas transmission system

During this disclosure period, Firstgas' transmission system comprised two parts:

- The **Maui pipeline**, governed by the Maui Pipeline Operating Code (MPOC), being:
 - The gas transmission pipeline system from Oaonui to Huntly, including various laterals and interconnection points
- The Non-Maui pipelines, governed by the Gas Transmission Code (GTC), being the:
 - o North: commencing at the Rotowaro Receipt Point
 - o Central North: commencing at the Rotowaro South/Te Kowhai Receipt Points
 - Bay of Plenty: commencing at the Pokuru 1 and 2 Receipt Points
 - o Central South: commencing at the Kapuni North Receipt Point
 - Frankley Road to Kapuni: between the Frankley Road Bi-directional Point and Kapuni
 - o South: commencing at the Kapuni South Receipt Point,

including all Receipt and Delivery Points on each part.

Disclosure of new and modified non-standard contracts

This document is a regulatory disclosure prepared pursuant to sections 2.4.12(2), 2.4.15 and 2.4.17 of the *Gas Transmission Information Disclosure Determination 2012,* (ID Determination) consolidating all amendments as of 3 April 2018 issued by the Commerce Commission.

Firstgas¹ is required to disclose defined terms and conditions for any new non-standard contracts entered into, as well as any modifications to existing non-standard contracts made during the disclosure year.

This disclosure does not include any non-standard contracts relating to the Maui pipeline because the MPOC does not permit non-standard contracts. Firstgas provides transmission services to all Shippers on the Maui pipeline in accordance with the standard terms and conditions set out in the MPOC.

The GTC allows Firstgas to enter into non-standard contracts² for gas transmission services on any Non-Maui pipeline. This document represents Firstgas' required disclosure of such contracts (the Disclosure) for the disclosure year 1 October 2021 to 30 September 2022.

¹ First Gas Limited is a "gas transmission business" or "GTB", as referred to in the *Gas Transmission Information Disclosure Determination 2012.*

² See section 2.7 of the "GTC Effective 09 August 2021", on OATIS at <u>www.oatis.co.nz</u>, "Publications page".



This Disclosure was prepared in March 2023.

Further information

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2 Types of non-standard contracts

The GTC sets out the standard terms and conditions applicable to gas transmission on all Non-Maui pipelines. To use any Non-Maui pipeline a party must have signed a GTC Transmission Services Agreement (TSA), thereby becoming a Shipper. A TSA is Firstgas' standard contract for the provision of gas transmission services.

The GTC also stipulates which standard terms and conditions may be varied in a separate, nonstandard transmission contract with a Shipper. A non-standard gas transmission contract can only be used to ship gas to the end-user, Delivery Point or site specified in that contract. Each non-standard contract sets out the specific standard terms of the GTC that it varies; all other standard terms and conditions continue to apply and are incorporated into the non-standard contract.

Firstgas currently offers three types of non-standard gas transmission contract, as set out below.

Non-standard transmission contracts:

- Supplementary Agreement (SA)
 - Sets the firm gas transmission capacity, being the maximum daily quantity (MDQ) and maximum hourly quantity (MHQ) of gas that Firstgas is required to receive at the Receipt Point(s) and the equivalent quantities of gas that Firstgas is required to make available to the Shipper at the Delivery Point(s)
- Interruptible User Contract (IUC)
 - The Shipper may request interruptible transmission capacity (MDQ and hence MHQ) for and/or on each day
 - Firstgas is not obliged to approve any capacity request and may curtail approved interruptible transmission capacity at any time
- Interruptible Shipper Contract (ISC)
 - The Shipper may request interruptible transmission capacity (MDQ and hence MHQ) for and/or on each day to ship gas from one part of a Non-Maui pipeline to another, or between Non-Maui pipelines (i.e. not for supply to an end-user)
 - Firstgas is not obliged to approve any capacity request and may curtail approved interruptible transmission capacity at any time.

Connection contracts

Firstgas also offers a form of contract that allows a party to physically connect to a Non-Maui pipeline. While such contracts are not part of the GTC, they reference various GTC provisions.

- Interconnection Agreement (ICA)
 - Allows a gas producer, gas distribution business, directly connected consumer or other party to physically connect to a Non-Maui pipeline
 - Applicable to a receipt point, delivery point or bi-directional point (or more than one)
 - \circ $\;$ An ICA does not provide for the transmission of gas.



3 Disclosure format

The following appendices are provided with this disclosure:

- Appendix 1: Lists the contract terms required to be disclosed by the ID Determination.
- **Appendix 2**: Tabulates new non-standard transmission contracts <u>entered into</u> during the disclosure year, <u>including contracts commencing in a subsequent year</u>.

To avoid unnecessary repetition, contract provisions and terms used in multiple contracts (Common Terms) are referenced by an alpha-numeric code. These codes and the meaning of the Common Term corresponding to each are set out in Appendix 4.

Appendix 3:Tabulates non-standard transmission contracts modified during the disclosure year,
including modifications taking effect in a subsequent year.

Again, Common Terms are used to avoid unnecessary repetition.

Appendix 4: Summarises the Common Terms referred to in Appendix 2 and Appendix 3.



Appendix 1: Contract terms to be disclosed

The ID Determination (IDD) requires Firstgas to disclose the terms listed in the table below in respect of any:

- New non-standard contracts entered into
- Modifications to an existing non-standard contract.

| IDD Reference | IDD Requirement | Firstgas' Interpretation |
|--|---|--|
| Section 1.4.3: Prescribed terms and conditions (a) | Describe the goods or services to be supplied under the contract | Goods or services means, in respect of: each SA, firm gas transmission capacity each IUC and ISC, interruptible gas transmission capacity each ICA, the right of connection to a pipeline |
| Section 1.4.3: Prescribed terms and conditions (b) | Determine, or provide for the determination of the quantity or amount of those goods or services | In respect of each SA, IUC and ISC: the maximum quantity of goods and services that Firstgas may be required to provide is determined by the amount of gas transmission capacity (MDQ and MHQ) set out in the contract the actual quantity of goods and services that Firstgas provides is the daily delivery quantity under the contract, determined in accordance with the GTC Not applicable for an ICA, since ICAs provide for the right to connect but do not provide for the transmission of gas (either receipt or delivery) |
| Section 1.4.3: Prescribed terms and conditions (c) (ii) | Specify, determine, or provide for the determination of the timing of payment for those goods or services | The date by which the relevant Firstgas invoice must be paid |
| Section 1.4.3: Prescribed terms and conditions (c) (iii) | Specify, determine, or provide for the determination of the security for payment for those goods or services | The payment security that Firstgas may require, in accordance with the GTC or ICA |
| Section 1.4.3: Prescribed terms and conditions (c) (iv) | Specify, determine, or provide for the determination of Firstgas' obligations and responsibilities (if any) to consumers if the supply of gas transmission services is interrupted | Firstgas understands this to relate only to its obligations when: firm gas transmission capacity is curtailed under a SA, since capacity under any IUC or ISC is inherently interruptible an interruption has occurred and not to obligations Firstgas may have prior to an interruption, including to avoid or mitigate an interruption |



| IDD Reference | IDD Requirement | Firstgas' Interpretation |
|---|--|--|
| Section 2.4.17 (1) | The maximum monthly amount of gas (in GJ) to be conveyed to the consumer under the contract, or (if the amount is not quantified in the contract) a reasonable estimate of that amount based on the duration of the contract | For an SA (which provides firm capacity), this could be the contract MDQ (or maximum MDQ if it varies throughout the year), multiplied by the number of days in the month in which that MDQ could occur. The actual maximum monthly quantity is also disclosed For IUCs and ISCs, where no amount of capacity is stipulated or certain, only the actual maximum monthly quantity is disclosed Not applicable to ICAs since such contracts do not provide for gas transmission |
| Section 2.4.17 (2) | The month in which the supply of the maximum monthly amount of gas referred to in subclause 2.4.17 (1) of this section is to occur, or is most likely to occur | The month that the actual maximum monthly quantity occurred Not applicable to ICAs since such contracts do not provide for the transmission of gas (either receipt or delivery) |
| Section 2.4.17 (3) The pressure or pressures at which the gabe supplied or conveyed under that contrating the pressure is not specified in the contrating reasonable estimate of that pressure | | At a Delivery Point, this is the pressure at which Firstgas' makes gas available to be taken, namely: the set-point of the active pressure control device (where delivery pressure is controlled), or the typical pressure in Firstgas' pipeline at the Delivery Point (where delivery pressure is not controlled) At a Receipt Point, the ICA requires the Interconnected Party to be able to inject gas into Firstgas' pipeline at whatever pressure prevails within it, up to the maximum allowable operating pressure (MAOP). For Receipt Point ICAs, both the MAOP and the typical pipeline pressure are disclosed |



The following Prescribed term is not required to be disclosed and is not disclosed in this Disclosure:

| IDD Reference | IDD Requirement | Firstgas' Interpretation |
|--|--|---|
| Section 1.4.3: Prescribed terms and conditions (c) (i) | Specify, determine, or provide for the determination of the price at which those goods or services are to be supplied. | The price(s) for gas transmission services under each non-standard contract or how such price is determined Under section 2.4.12 (2) of the IDD, Firstgas is not required to disclose the price(s) applicable under any non-standard contract or how such price is determined |



Appendix 2: New non-standard contracts

| Contract Identifier | 2022: ICA | | | |
|---|--|---|------------------------------------|--|
| Contract Type and Name | Interconnection Agreement for Kaimiro Bi- directional Point | Receipt Point(s) | Kaimiro Receipt Point (KAI07601) | |
| Contract Party | Greymouth Petroleum Limited | Delivery Point(s) | Kaimiro Delivery Point (KAl07602) | |
| IDD Reference | | | | |
| section 1.4.3 (a): goods | or services to be supplied | See Common Term 1d | See Common Term 1d | |
| section 1.4.3 (b): quantit | ty of good or services supplied | n/a (not a transmission agreement) | | |
| section 1.4.3 (c) (ii): timi | section 1.4.3 (c) (ii): timing of payment | | See Common Term 3b | |
| section 1.4.3 (c) (iii): sec | curity for payment | See Common Term 4b | | |
| section 1.4.3 (c) (iv): First | stgas' obligations if service is interrupted | See Common Term 5c | | |
| section 2.4.17 (1): maxir | section 2.4.17 (1): maximum monthly amount of gas | | n/a (not a transmission agreement) | |
| section 2.4.17 (2): month of maximum monthly amount of gas | | n/a (not a transmission agreement) | | |
| section 2.4.17 (3): pressure at which the gas is to be supplied or conveyed | | Pipeline pressure at the Bi-directional Point. | | |
| | | MAOP 66.2 bar g, typical pressure 44 - 50 bar g | | |



| Contract Identifier | 2022: SA | | | |
|---|---|---|---|--|
| Contract Type and Name | Supplementary Agreement (Southern Paprika) | Receipt Point(s) | Rotowaro (RTW3203) | |
| Contract Party | Transgas Limited | Delivery Point(s) | Warkworth (WRK18901) | |
| IDD Reference | | | | |
| section 1.4.3 (a): goods | or services to be supplied | See Common Term 1a | | |
| section 1.4.3 (b): quantity of good or services supplied | | MDQ 1,500 GJ MHQ 89 GJ | | |
| section 1.4.3 (c) (ii): timi | section 1.4.3 (c) (ii): timing of payment | | See Common Term 3a | |
| section 1.4.3 (c) (iii): sec | curity for payment | See Common Term 4a | | |
| section 1.4.3 (c) (iv): Fire | stgas' obligations if service is interrupted | See Common Term 5a | | |
| section 2.4.17 (1): maxir | section 2.4.17 (1): maximum monthly amount of gas | | 46,500 GJ (i.e. MDQ x 31 days); actual maximum quantity was 30,422 GJ | |
| section 2.4.17 (2): month of maximum monthly amount of gas | | August | | |
| section 2.4.17 (3): pressure at which the gas is to be supplied or conveyed | | 15 bar g at the Delivery Point. The actual delivery pressure to the end-user is determined by the GMS at the ICP on the distribution system | | |

| Firstgas |
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| Contract Identifier | 2022: SA | | |
|-----------------------------|---|---|---|
| Contract Type and Name | Supplementary Agreement (Kauri and Maungaturoto Dairy Factories) | Receipt Point(s) | Rotowaro (RTW3203) |
| Contract Party | Nova Energy Limited | Delivery Point(s) | Kauri DF (KUR33601), Maungaturoto DF (MUT19001) |
| DD Reference | | | |
| section 1.4.3 (a): goods | or services to be supplied | See Common Term 1a | |
| section 1.4.3 (b): quant | ty of good or services supplied | MDQs: | |
| | | Period of the Year | MDQ (GJ) |
| | | October & November | 5,000 |
| | | December | 4,500 |
| | | January | 4,250 |
| | | | 4,000 |
| | | | 3,750 |
| | | | 2,750 |
| | | June & July | 2,500 |
| | | August | 4,500 |
| | | September | 5,000 |
| | | MHQ = MDQ ÷ 20 | |
| section 1.4.3 (c) (ii): tim | ing of payment | See Common Term 3a | |
| section 1.4.3 (c) (iii): se | curity for payment | See Common Term 4a | |
| section 1.4.3 (c) (iv): Fi | rstgas' obligations if service is interrupted | See Common Term 5a | |
| section 2.4.17 (1): maxi | mum monthly amount of gas | 155,000 GJ (i.e. MDQ x 31 days); actual maximum quantity was 111,108 GJ | |
| section 2.4.17 (2): mon | th of maximum monthly amount of gas | September | |
| section 2.4.17 (3): pres | sure at which the gas is to be supplied or conveyed | Kauri DF 3.6 bar g, Maur | ngaturoto DF 3.8 bar g |
| | | | |



| Contract Identifier | 2022: SA | | | |
|--|---|-------------------------------|--|--------|
| Contract Type and Name | Supplementary Agreement (Kauri and Maungaturoto Dairy Factories) | Receipt Point(s) | Rotowaro (RTW3203) | |
| Contract Party | Nova Energy Limited | Delivery Point(s) | Kauri DF (KUR33601), Maungaturoto DF (MUT | 19001) |
| IDD Reference | | | | |
| section 1.4.3 (a): goods or services to be supplied | | See Common Term 1a | | |
| section 1.4.3 (b): quantity of good or services supplied | | MDQs: | | |
| | | Period of the Year | MDQ (GJ) | |
| | | October, November & Decem | ber 4,600 | |
| | | January | 4,250 | |
| | | February | 3,500 | |
| | | March | 3,250 | |
| | | April | 2,750 | |
| | | Мау | 2,500 | |
| | | June | 2,250 | |
| | | July | 2,500 | |
| | | August & September | 4,600 | |
| | | MHQ = MDQ ÷ 20, up to a max | imum of 130 GJ at either Delivery Point | |
| section 1.4.3 (c) (ii): tim | ing of payment | See Common Term 3a | | |
| section 1.4.3 (c) (iii): se | curity for payment | See Common Term 4a | | |
| section 1.4.3 (c) (iv): Fi | rstgas' obligations if service is interrupted | See Common Term 5a | | |
| section 2.4.17 (1): max | mum monthly amount of gas | 142,600 GJ (i.e. MDQ x 31 day | s); actual maximum quantity was 115,429 GJ | |
| section 2.4.17 (2): mon | th of maximum monthly amount of gas | October 2023 | | |
| section 2.4.17 (3): pres | sure at which the gas is to be supplied or conveyed | Kauri DF 3.6 bar g, Maungatur | oto DF 3.8 bar g | |



| Contract Identifier | 2022: SA | | |
|---|---|--|----------------------|
| Contract Type and Name | Supplementary Agreement (Whakatane Mill) | Receipt Point(s) | Pokuru 1 (PKU02308) |
| Contract Party | Greymouth Gas Limited | Delivery Point(s) | Whakatane (WHK32101) |
| IDD Reference | | | |
| section 1.4.3 (a): goods | or services to be supplied | See Common Term 1a | |
| section 1.4.3 (b): quantity of good or services supplied | | MDQ 3,400 GJ MHQ 176 GJ | |
| section 1.4.3 (c) (ii): timi | ng of payment | See Common Term 3a | |
| section 1.4.3 (c) (iii): sec | curity for payment | See Common Term 4a | |
| section 1.4.3 (c) (iv): First | section 1.4.3 (c) (iv): Firstgas' obligations if service is interrupted | | |
| section 2.4.17 (1): maximum monthly amount of gas | | 105,400 GJ (i.e. MDQ x 31 days); actual maximum quantity was 91,177 GJ | |
| section 2.4.17 (2): month of maximum monthly amount of gas | | June 2022 | |
| section 2.4.17 (3): pressure at which the gas is to be supplied or conveyed | | 3.5 bar g at the inlet to the distribution system | |



| Contract Identifier | 2022: SA | | | |
|---|--|---|--------------------------------------|--|
| Contract Type and Name | Supplementary Agreement (Rimu Production Station) | Receipt Point(s) | Kapuni South (KAP09004) | |
| Contract Party | Genesis Energy Limited | Delivery Point(s) | Mokoia (MOK35801) | |
| IDD Reference | | | | |
| section 1.4.3 (a): goods | or services to be supplied | See Common Term 1a | | |
| section 1.4.3 (b): quantity of good or services supplied | | MDQ 300 GJ MHQ = MDQ ÷ 16 | | |
| section 1.4.3 (c) (ii): timi | section 1.4.3 (c) (ii): timing of payment | | See Common Term 3a | |
| section 1.4.3 (c) (iii): sec | curity for payment | See Common Term 4a | | |
| section 1.4.3 (c) (iv): First | stgas' obligations if service is interrupted | See Common Term 5a | | |
| section 2.4.17 (1): maxir | section 2.4.17 (1): maximum monthly amount of gas | | ; actual maximum quantity was 596 GJ | |
| section 2.4.17 (2): month of maximum monthly amount of gas | | September 2022 | | |
| section 2.4.17 (3): pressure at which the gas is to be supplied or conveyed | | Pipeline pressure at the Delivery Point. MAOP 86.2 bar g, typical pressure 60 - 75 bar g | | |



| Contract Identifier | 2022: ISC | | | |
|---|--|---|-------------------------|--|
| Contract Type and Name | Interruptible Shipper Contract (Kapuni to Pokuru 2) | Receipt Point(s) | Kapuni North (KAP09008) | |
| Contract Party | Vector Gas Trading Limited | Delivery Point(s) | Pokuru 2 (PKR02402) | |
| IDD Reference | | | | |
| section 1.4.3 (a): goods | section 1.4.3 (a): goods or services to be supplied | | See Common Term 1c | |
| section 1.4.3 (b): quantit | section 1.4.3 (b): quantity of good or services supplied | | See Common Term 2c | |
| section 1.4.3 (c) (ii): timi | section 1.4.3 (c) (ii): timing of payment | | See Common Term 3a | |
| section 1.4.3 (c) (iii): sec | section 1.4.3 (c) (iii): security for payment | | | |
| section 1.4.3 (c) (iv): First | stgas' obligations if service is interrupted | See Common Term 5b | | |
| section 2.4.17 (1): maximum monthly amount of gas | | Actual maximum quantity was 100,103 GJ | | |
| section 2.4.17 (2): month of maximum monthly amount of gas | | July 2022 | | |
| section 2.4.17 (3): pressure at which the gas is to be supplied or conveyed | | Pipeline pressure at the Delivery Point. | | |
| | | MAOP 86.2 bar g, typical pressure 70 - 75 bar g | | |



| Contract Identifier | 2022: ISC | | |
|---|---|---|--------------------------|
| Contract Type and Name | Interruptible Shipper Contract (Kupe to Frankley Road) | Receipt Point(s) | Kupe (KUP37501) |
| Contract Party | Genesis Energy Limited | Delivery Point(s) | Frankley Road (F4000439) |
| IDD Reference | | | |
| section 1.4.3 (a): goods of | or services to be supplied | See Common Term 1c | |
| section 1.4.3 (b): quantity of good or services supplied | | See Common Term 2d | |
| section 1.4.3 (c) (ii): timing of payment | | See Common Term 3a | |
| section 1.4.3 (c) (iii): security for payment | | See Common Term 4a | |
| section 1.4.3 (c) (iv): Firstgas' obligations if service is interrupted | | See Common Term 5b | |
| section 2.4.17 (1): maximum monthly amount of gas | | Actual maximum quantity was 175,300 GJ | |
| section 2.4.17 (2): month of maximum monthly amount of gas | | April 2022 | |
| section 2.4.17 (3): pressure at which the gas is to be supplied or conveyed | | Pipeline pressure at the Delivery Point. | |
| | | MAOP 66.2 bar g, typical pressure 44 - 50 bar g | |



| Contract Identifier | 2022: IUC | | |
|---|---|---|-------------------------|
| Contract Type and Name | Interruptible User Contract (PanPac) | Receipt Point(s) | Kapuni South (KAP09004) |
| Contract Party | Vector Gas Trading Limited | Delivery Point(s) | Hastings (HST05210) |
| IDD Reference | | | |
| section 1.4.3 (a): goods of | or services to be supplied | See Common Term 1b | |
| section 1.4.3 (b): quantity of good or services supplied | | See Common Term 2b | |
| section 1.4.3 (c) (ii): timing of payment | | See Common Term 3a | |
| section 1.4.3 (c) (iii): security for payment | | See Common Term 4a | |
| section 1.4.3 (c) (iv): Firstgas' obligations if service is interrupted | | See Common Term 5b | |
| section 2.4.17 (1): maximum monthly amount of gas | | Actual maximum quantity was 30,894 GJ | |
| section 2.4.17 (2): month of maximum monthly amount of gas | | October 2021 | |
| section 2.4.17 (3): pressure at which the gas is to be supplied or conveyed | | 10.5 bar g at the Delivery Point. The actual delivery pressure to the end-user is determined by the GMS at the ICP on the distribution system | |



Appendix 3: Modified non-standard contracts

| Contract Identifier | 2022: SA | | | |
|--------------------------|---|--------------------------|----------------------|--|
| Contract Type and Name | Supplementary Agreement (New Zealand Refining Company) | Receipt Point(s) | Rotowaro (RTW3203) | |
| Contract Party | Nova Energy Limited | Delivery Point(s) | Marsden 1 (MSD01801) | |
| Modified Term(s) | | | | |
| Expiry date of agreement | | Changed to 15 April 2022 | | |

| Contract Identifier | 2022: SA | | | |
|---------------------------------|---|----------------------------|----------------------|--|
| Contract Type and Name | Supplementary Agreement (Southern Paprika) | Receipt Point(s) | Rotowaro (RTW3203) | |
| Contract Party Transgas Limited | | Delivery Point(s) | Warkworth (WRK18901) | |
| Modified Term(s) | | | | |
| Expiry date of agreement | | Changed to 31 October 2022 | | |

| Contract Identifier | 2022: SA | | | |
|--|--|---|--------------------------|--|
| Contract Type and Name | Supplementary Agreement (Kupe to Frankley Road) | Receipt Point(s) | Kupe (KUP37501) | |
| Contract Party Genesis Energy Limited | | Delivery Point(s) | Frankley Road (F4000439) | |
| Modified Term(s) | | | | |
| section 2.4.17 (1) - maximum monthly amount of gas | | Increased from 1,333,000 GJ to 1,540,700 GJ | | |



Appendix 4: Summary of Common Terms

Common Terms used in this Disclosure are set out in the following table.

| Common term reference | Where used | IDD reference | Common term meaning |
|-----------------------------|---------------|--|---|
| 1a | SA | | Firm gas transmission capacity (MDQ and MHQ) from the Receipt Point(s) to the Delivery Point(s) for gas to be supplied to the specified end-user or site |
| 1b | IUC | 1.4.3 (a) | Interruptible gas transmission capacity (MDQ and MHQ) from the Receipt Point(s) to the Delivery Point(s) for gas to be supplied to the specified end-user or site |
| 1c | ISC | (goods or services to be supplied) | Interruptible gas transmission capacity (MDQ and MHQ) from the Receipt Point(s) to the Delivery Point(s), determined in accordance with and/or set out in the ISC |
| 1d | ICA | | The right for the Interconnected Party to connect its pipeline to Firstgas' pipeline at the Receipt Point(s), Delivery Point(s) or Bi-directional Point, all as specified in and subject to the terms and conditions set out in the ICA |
| 2a | SA | | Capacity supplied is the MDQ and MHQ specified in the agreement Capacity used on a day is the Delivery Quantity, the GJ of gas taken by the Shipper at the Delivery Point for supply to the relevant end-user, determined in accordance with section 6.5(a) or section 6.5(b) of the GTC |
| 2b | IUC | 1.4.3 (b) | Capacity supplied is the MDQ (and MHQ) determined by the nominations and approval processes set out in the IUC, which Firstgas may curtail wholly or in part at any time Capacity used on a day is the Delivery Quantity, i.e.: |
| | | (determination of the quantity or amount of goods or services) | Where there is no SA for the end-user and Delivery Point: The GJ of gas taken by the Shipper at the Delivery Point for supply to the end user, determined in accordance with section 6.5(a) or section 6.5(b) of the GTC Where there is also an SA for the same end user and Delivery Point: The amount (if any) of the Delivery Quantity that exceeds the MDQ supplied under the SA |
| 2c | ISC | | Capacity supplied is the MDQ (and MHQ) determined by the nominations and approval processes set out in the ISC, which Firstgas may curtail wholly or in part at any time |
| | | | Capacity used on a day is the Delivery Quantity, the GJ of gas taken by the Shipper at the Delivery Point, determined in accordance with section 6.5(e) of the GTC |
| 2d | ISC | | Capacity supplied is the MDQ (and MHQ) determined by the nominations and approval processes set out in the ISC, which Firstgas may curtail wholly or in part at any time |

| Common term reference | Where used | IDD reference | Common term meaning |
|-----------------------------|--------------------|---------------------------------------|---|
| | | | Capacity used on a day is the amount (if any) of the Delivery Quantity that exceeds the MDQ supplied under the Kupe to Frankley Road SA, where the Delivery Quantity) is the GJ of gas taken by a Shipper at the Delivery Point determined in accordance with section 6.5(c) of the GTC |
| 3a | SA, IUC and ISC | 1.4.3 (c) (ii) (timing of payment) | The Shipper must pay Firstgas for gas transmission services in accordance with section 16.14 of the GTC |
| 3b | ICA | | The Shipper must pay Firstgas' interconnection charges (if any) in accordance with the ICA |
| 4a | SA, IUC and ISC | | Section 14 of the GTC sets out the ways in which a Shipper may meet the prudential requirements relating to (respectively) gas transmission charges and balancing and peaking charges payable under its TSA A Shipper may choose to: |
| | | 1.4.3 (c) (iii) | Hold a long-term credit rating from a reputable person or agency reasonably acceptable to Firstgas Pay two separate cash bonds, one to Firstgas in respect of gas transmission charges and another to Firstgas as BPP Trustee in respect of balancing and peaking charges Arrange for a third party with a credit rating reasonably acceptable to Firstgas to provide one or more of: An unconditional payment guarantee or letter of credit in favour of Firstgas or the BPP Trustee An unconditional third-party payment guarantee in favour of Firstgas or the BPP Trustee A security bond in favour of Firstgas or the BPP Trustee |
| | | | Firstgas may require the Shipper or third party security provider to provide evidence of its credit rating from time to time |
| | | | The amount of a cash bond or the amount which may be payable to Firstgas or the BPP Trustee under any security provided shall be: |
| | | (security for payment) | Firstgas' reasonable estimate of 3 months of the Shipper's gas transmission charges, and for the BPP Trustee, \$115,000 |
| 4b | ICA | | Each ICA sets out the ways in which the Interconnected Party may provide credit support in respect of charges payable under that ICA |
| | | | The Interconnected Party may choose to: |
| | | | Hold a long-term credit rating from a reputable person or agency reasonably acceptable to Firstgas Arrange for a third party with a credit rating reasonably acceptable to Firstgas to provide one or more of: An unconditional payment guarantee or letter of credit in favour of Firstgas An unconditional third party payment guarantee in favour of Firstgas A security bond in favour of Firstgas |
| | | | Firstgas may require the Interconnected Party or third party security provider to provide evidence of its credit rating from time to time |
| | | | The amount of credit support to be provided shall be Firstgas' reasonable estimate of 3 months charges payable under the ICA |

Firstgas

| Common term reference | Where used | IDD reference | Common term meaning |
|-----------------------------|----------------|--|--|
| 5a | SA | 1.4.3 (c) (iv) (Firstgas' obligations when service is interrupted) | Firstgas may curtail or shutdown its provision of gas transmission services in accordance with section 10 of the GTC Firstgas is required to: Curtail capacity under any IUC or ISC (if any) before curtailing any firm capacity Allocate any remaining firm capacity on a fair basis (acting as a Reasonable and Prudent Operator and having regard to affected parties' requirements) Notify any curtailment or shutdown as early as possible Where the curtailment or shutdown is to carry out scheduled maintenance, give each affected Shipper at least 30 days' notice Where practicable, undertake the provide curtailment or shutdown at a time which minimises the disturbance to Shippers Minimise the period of any curtailment or shutdown to the extent reasonably practicable and restore the ability to take gas at a Delivery Point as soon as reasonably practicable Minimise the period of curtailment or shutdown required under an Operational Flow Order to the extent reasonably practicable Rebate fixed charges (e.g. for capacity) to the extent a curtailment or shutdown reduces the supply of capacity to an affected Shipper |
| 5b | IUC and ISC | | Under an IUC or ISC, Firstgas does not commit to provide any gas transmission capacity and may reduce, to any extent, any amount of interruptible capacity it has previously approved (an Interruption) Other than not charging for the interruptible capacity it curtails, Firstgas has no obligations (or liability) to a Shipper arising from an Interruption |

Firstgas

| Common term reference | Where used | IDD reference | Common term meaning |
|-----------------------------|---------------|---------------|--|
| 5c | ICA | | Firstgas may curtail or shutdown the Interconnected Party's ability to inject gas at a Receipt Point or take gas at a Delivery Point in accordance with the ICA Firstgas is required to: Notify any curtailment or shutdown as early as possible Minimise the period of any curtailment or shutdown to the extent reasonably practicable and restore the Interconnected Party's ability to inject gas or take gas as soon as reasonably practicable Where practicable, undertake the provide curtailment or shutdown at a time which minimises the disturbance to the Interconnected Party's business or, in the case of a Delivery Point, the impact on endusers supplied with gas via that Delivery Point Where the curtailment or shutdown is required to carry out scheduled maintenance, give the Interconnected Party not less than the period of notice stipulated in the ICA Minimise the period of curtailment or shutdown required under an Operational Flow Order to the extent reasonably practicable and Rebate fixed charges payable under the ICA to the extent the curtailment or shutdown reduces the Interconnected Party's ability to inject or take gas |

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