



REGULATORY DISCLOSURE

# Gas transmission services: Non-standard contracts disclosure

12 months ended 30 September 2018



## Introduction

First Gas operates 2,500km of gas transmission pipelines (the transmission system), and more than 4,700km of gas distribution pipelines across the North Island. These gas infrastructure assets transport gas from Taranaki to major industrial gas users, electricity generators, businesses and homes, and transport around 20 percent of New Zealand's primary energy supply.

For commercial purposes for this disclosure period, First Gas' transmission system is divided into two sections:

- **The Maui Pipeline**, which is governed by the Maui Pipeline Operating Code (MPOC);
  - The Maui Pipeline is the section of the gas transmission system from the Oaonui to the Huntly Power Station connections; and
- **The Non-Maui Pipeline** which is governed by the Vector Transmission Code (VTC);
  - All sections of the transmission system that are not included as part of the Maui pipeline. These sections are the:
    - North Pipeline: From the Rotowaro connection to all downstream connections;
    - Central North Pipeline: From the Te Kowhai connection to all downstream connections;
    - Bay of Plenty Pipeline: From the Pokuru connection to all downstream connections;
    - Central South Pipeline: From the Kapuni North connection to the Pokuru 2 connection;
    - Frankley Road to Kapuni Pipeline: From the Frankley Road connection to the Kapuni connection; and
    - South Pipeline: From the Kapuni South connection to all downstream connections.

For further information on First Gas, please visit our website [www.firstgas.co.nz](http://www.firstgas.co.nz).

### 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 (No. 1) 2017* (ID Determination) consolidating all amendments as of 14 June 2017 issued by the Commerce Commission.

First Gas Limited (First Gas<sup>1</sup>) is required to disclose defined terms and conditions for any new non-standard agreements entered into, as well as any modifications to existing non-standard agreements made during the disclosure year.

The MPOC does not allow for non-standard contracts. All possible variations to gas transmission services on the Maui Pipeline are provided for via MPOC standard contracts (i.e. no MPOC contracts or variations to MPOC contracts are disclosed in this disclosure).

The VTC allows First Gas to enter into non-standard contracts<sup>2</sup> for gas transmission services on the Non-Maui Pipelines (i.e. all relevant VTC non-standard contracts and non-standard contract variations are disclosed in this disclosure). This document represents First Gas' required contract disclosures (the Disclosure) for the disclosure year 1 October 2017 to 30 September 2018.

This regulatory disclosure was prepared on 29 March 2019.

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

<sup>2</sup> See 2.7 of the VTC, which is available here: [http://firstgas.co.nz/wp-content/uploads/VTC\\_Effective\\_1\\_October-2015.pdf](http://firstgas.co.nz/wp-content/uploads/VTC_Effective_1_October-2015.pdf)

**Further Information**

For further information regarding this regulatory disclosure, please contact:

Karen Collins  
Regulatory Policy Manager  
First Gas Limited  
[Karen.Collins@firstgas.co.nz](mailto:Karen.Collins@firstgas.co.nz)  
04 979 5368

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## 1. Types of non-standard agreements

First Gas currently offers three main types of VTC non-standard agreements for gas transmission; First Gas also offers an agreement for the right to connect to the Non-Maui Pipelines.

The VTC contains the standard terms and conditions for gas transmission on the Non-Maui Pipelines. Non-standard gas transmission agreements must comply with the VTC.

Agreements for connections to the Non-Maui Pipelines exist to some extent outside of the VTC, though they reference a number of VTC provisions.

Current VTC non-standard agreements for the gas transmission comprise of the following types:

### Gas transmission:

- Supplementary Agreement (SA)
  - Sets the firm gas transmission capacity, being the maximum daily quantity (MDQ) and maximum hourly quantity (MHQ) of gas that First Gas is required to receive at the Receipt Point(s) and the equivalent quantities of gas that First Gas is required to make available to the Shipper at the Delivery Point(s); and
  - The capacity may be used to deliver gas only to the end user defined in the agreement.
- Interruptible User Contract (IUC)
  - Allows the Shipper to request, for and/or on each day, MDQ on an interruptible basis; and
  - Capacity approved by First Gas may be used to deliver gas only to the end-user defined in the agreement.
- Interruptible Shipper Contract (ISC)
  - Allows the Shipper to request, for and/or on each day, MDQ on an interruptible basis; and
  - Capacity approved by First Gas may be used only to deliver gas from one defined section of the Non-Maui Pipelines to another (i.e. not for a defined end-user).

### Connection to the pipeline:

- Interconnection Agreement (ICA)
  - Provides for the right to connect to the Non-Maui Pipelines at a defined point (receipt, delivery or bi-directional).

### Disclosure format

The following appendices are provided with this disclosure:

- Appendix 1:** Lists the terms required to be disclosed by the ID Determination.
- Appendix 2:** Tabulates the new non-standard agreements and modifications being disclosed. To minimise repetition and the size of this Disclosure, contract provisions and terms common to different agreements (Common Terms) are referenced by a number, with the details of each Common Term being set out in Appendix 4.
- Appendix 3:** Tabulates the modified non-standard agreements disclosed. Common Terms are referenced by a number, with the details of each Common Term being set out in Appendix 4.
- Appendix 4:** Summarises the Common Terms referred to in Appendix 2 and Appendix 3.

## Appendix 1: Agreement terms to be disclosed

The Commerce Commission's *Gas Transmission Information Disclosure Determination 2012* (the ID Determination) requires First Gas to disclose the terms listed in the table below in respect of any:

1. New non-standard agreement entered into; and
2. Modifications to an existing non-standard agreement.

IDD Reference	IDD Requirement	First Gas' Interpretation
Section 1.4.3: Prescribed term (a)	Describe the goods or services to be supplied under the contract	Goods or services means, in respect of: <ul style="list-style-type: none"> <li>• each SA, firm gas transmission capacity;</li> <li>• each IUC and ISC, interruptible gas transmission capacity; and</li> <li>• each ICA, the right of connection to the pipeline</li> </ul>
Section 1.4.3: Prescribed term (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: <ul style="list-style-type: none"> <li>• the maximum quantity of goods and services that First Gas is required to provide is determined by the amount of gas transmission capacity under the agreement; and</li> <li>• the actual quantity of goods and services provided by First Gas is determined by the daily delivery quantity under the agreement.</li> </ul>
Section 1.4.3: Prescribed term (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 First Gas invoice is required to be paid
Section 1.4.3: Prescribed term (c) (iii)	Specify, determine, or provide for the determination of the security for payment for those goods or services	Security for payment to First Gas under the agreement (if any), in accordance with the options set out in the relevant agreement
Section 1.4.3: Prescribed term (c) (iv)	Specify, determine, or provide for the determination of [First Gas'] obligations and responsibilities (if any) to consumers in the event that the supply of gas transmission services to consumers is interrupted	This is understood to relate only to: <ul style="list-style-type: none"> <li>○ curtailment or shutdown of the supply of firm gas transmission capacity, i.e. to First Gas' obligations under SAs, and excludes all IUCs and ISCs under which capacity is inherently interruptible; and</li> <li>○ First Gas' obligations once an interruption has occurred (i.e. after the event) and not to obligations First Gas may have prior to an interruption, including to avoid or mitigate an interruption</li> </ul>

IDD Reference	IDD Requirement	First Gas' Interpretation
Section 2.4.17 (1)	The maximum monthly amount of gas (in gigajoules) 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	The maximum monthly quantity multiplied by the number of days in a month (i.e. 31 unless otherwise stated)
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 maximum monthly quantity occurred or is most likely to occur
Section 2.4.17 (3)	The pressure or pressures at which the gas is to be supplied or conveyed under that contract, or (if the pressure is not specified in the contract) a reasonable estimate of that pressure	Generally, the nominal delivery pressure (where regulated) or the typical pipeline pressure (where not regulated), at the relevant Delivery Point

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

IDD Reference	IDD Requirement	Interpretation
Section 1.4.3: Prescribed term (c) (i)	Specify, determine, or provide for the determination of the price at which those goods or services are to be supplied.	The price or how the price is determined  Under section 2.4.12 (2) of the IDD First Gas is not required to disclose this

## Appendix 2: New VTC non-standard agreements

Contract Identifier		2018:01:SA							
<b>Contract Name</b>	Supplementary Agreement (Auckland District Health Board)	<b>Receipt Point(s)</b>	Rotowaro						
<b>Contract Party</b>	Genesis Energy Limited	<b>Delivery Point(s)</b>	Greater Auckland						
<b>Contract Type</b>	SA	<b>Interconnection Point(s)</b>	N/A						
Prescribed term (a) - goods or services to be supplied		Firm capacity for the transmission of gas from the Receipt Point to the Delivery Point							
Prescribed term (b) - quantity supplied		<table border="1"> <thead> <tr> <th>Delivery Point</th> <th>MDQ</th> <th>MHQ</th> </tr> </thead> <tbody> <tr> <td>Greater Auckland</td> <td>1,451GJ</td> <td>90.688 GJ</td> </tr> </tbody> </table> <p>(see also Common Term 2a)</p>		Delivery Point	MDQ	MHQ	Greater Auckland	1,451GJ	90.688 GJ
Delivery Point	MDQ	MHQ							
Greater Auckland	1,451GJ	90.688 GJ							
Prescribed term (c) (ii) - timing of payment		As per section 16.14 of the VTC (see Common Term 3a)							
Prescribed term (c) (iii) - security for payment		Contract Party has an acceptable credit rating Complying with section 14 of the VTC (see Common Term 4a)							
Prescribed term (c) (iv) – First Gas' obligations when service is interrupted		As per section 10 of the VTC (see Common Term 5a)							
section 2.4.17 (1) - maximum monthly amount of gas		46,531 GJ (i.e. MDQ x 31)							
section 2.4.17 (2) - month of maximum monthly amount of gas		June							
section 2.4.17 (3) - pressure or pressures at which the gas is to be supplied or conveyed		18.1 bar gauge (nominal delivery pressure)							

Contract Identifier		2018:02:ISC	
<b>Contract Name</b>	Interruptible Shipper Contract (Kapuni to Pokuru 2)	<b>Receipt Point(s)</b>	Kapuni
<b>Contract Party</b>	Genesis Energy Limited	<b>Delivery Point(s)</b>	Pokuru 2
<b>Contract Type</b>	ISC	<b>Interconnection Point(s)</b>	N/A
Prescribed term (a) - goods or services to be supplied		Interruptible capacity for the transmission of gas from the Receipt Point to the Delivery Point	
Prescribed term (b) - quantity supplied		See Common Term 2c	
Prescribed term (c) (ii) - timing of payment		As per section 16.14 of the VTC (see Common Term 3a)	
Prescribed term (c) (iii) - security for payment		Contract Party has an acceptable credit rating Complying with section 14 of the VTC (see Common Term 4a)	
Prescribed term (c) (iv) – First Gas’ obligations when service is interrupted		No obligations (see Common Term 5b)	
section 2.4.17 (1) - maximum monthly amount of gas		80,000 GJ (estimated)	
section 2.4.17 (2) - month of maximum monthly amount of gas		July	
section 2.4.17 (3) - pressure or pressures at which the gas is to be supplied or conveyed		70 bar gauge (estimated)	

Contract Identifier		2018:03:ISC	
<b>Contract Name</b>	Interruptible Shipper Contract (Kupe to Frankley Road)	<b>Receipt Point(s)</b>	Kapuni North Receipt
<b>Contract Party</b>	Genesis Energy Limited	<b>Delivery Point(s)</b>	Frankley Road
<b>Contract Type</b>	ISC	<b>Interconnection Point(s)</b>	N/A
Prescribed term (a) - goods or services to be supplied		Interruptible capacity for the transmission of gas from the Receipt Point to the Delivery Point	
Prescribed term (b) - quantity supplied		See Common Term 2d	
Prescribed term (c) (ii) - timing of payment		As per section 16.14 of the VTC (see Common Term 3a)	
Prescribed term (c) (iii) - security for payment		Contract Party has an acceptable credit rating Complying with section 14 of the VTC (see Common Term 4a)	
Prescribed term (c) (iv) – First Gas’ obligations when service is interrupted		No obligations (see Common Term 5b)	
section 2.4.17 (1) - maximum monthly amount of gas		185,000 GJ (estimated)	
section 2.4.17 (2) - month of maximum monthly amount of gas		Jun	
section 2.4.17 (3) - pressure or pressures at which the gas is to be supplied or conveyed		45 bar gauge (estimated: determined by pressure in Maui Pipeline)	

Contract Identifier		2018:04:SA							
<b>Contract Name</b>	Supplementary Agreement (Rimu Production Station)	<b>Receipt Point(s)</b>	Kapuni South						
<b>Contract Party</b>	Genesis Energy Limited	<b>Delivery Point(s)</b>	Mokoia						
<b>Contract Type</b>	SA	<b>Interconnection Point(s)</b>	N/A						
Prescribed term (a) - goods or services to be supplied		Firm capacity for the transmission of gas from the Receipt Point to the Delivery Point							
Prescribed term (b) - quantity supplied		<table border="1"> <thead> <tr> <th>Delivery Point</th> <th>MDQ</th> <th>MHQ</th> </tr> </thead> <tbody> <tr> <td>Mokoia</td> <td>300GJ</td> <td>18.75GJ</td> </tr> </tbody> </table> <p>(See also Common Term 2a)</p>		Delivery Point	MDQ	MHQ	Mokoia	300GJ	18.75GJ
Delivery Point	MDQ	MHQ							
Mokoia	300GJ	18.75GJ							
Prescribed term (c) (ii) - timing of payment		As per section 16.14 of the VTC (see Common Term 3a)							
Prescribed term (c) (iii) - security for payment		Contract Party has an acceptable credit rating Complying with section 14 of the VTC (see Common Term 4a)							
Prescribed term (c) (iv) – First Gas’ obligations when service is interrupted		As per section 10 of the VTC (see Common Term 5a)							
section 2.4.17 (1) - maximum monthly amount of gas		9,300 GJ (i.e. MDQ x 31)							
section 2.4.17 (2) - month of maximum monthly amount of gas		Oct							
section 2.4.17 (3) - pressure or pressures at which the gas is to be supplied or conveyed		70 bar gauge (estimated)							

Contract Identifier		2018:05:SA										
<b>Contract Name</b>	Supplementary Agreement (Ballance Ammonia-Urea Plant)	<b>Receipt Point(s)</b>	Frankley Road-Bi and/or other Receipt Point valid for the Shipper on the Frankley Road to Kapuni Pipeline									
<b>Contract Party</b>	Greymouth Gas New Zealand Limited	<b>Delivery Point(s)</b>	Ballance 8201 & Ballance 9626									
<b>Contract Type</b>	SA	<b>Interconnection Point(s)</b>	N/A									
Prescribed term (a) - goods or services to be supplied		Firm capacity for the transmission of gas from the Receipt Point to the Delivery Point										
Prescribed term (b) - quantity supplied		<table border="1"> <thead> <tr> <th>Delivery Point</th> <th>MDQ</th> <th>MHQ</th> </tr> </thead> <tbody> <tr> <td>Ballance 8201</td> <td>10,300GJ</td> <td>460GJ</td> </tr> <tr> <td>Balance 9626</td> <td>12,200GJ</td> <td>550GJ</td> </tr> </tbody> </table> <p>(See also Common Term 2a)</p>		Delivery Point	MDQ	MHQ	Ballance 8201	10,300GJ	460GJ	Balance 9626	12,200GJ	550GJ
Delivery Point	MDQ	MHQ										
Ballance 8201	10,300GJ	460GJ										
Balance 9626	12,200GJ	550GJ										
Prescribed term (c) (ii) - timing of payment		As per section 16.14 of the VTC (see Common Term 3a)										
Prescribed term (c) (iii) - security for payment		Contract Party has supplied a cash bond Complying with section 14 of the VTC (see Common Term 4a)										
Prescribed term (c) (iv) – First Gas' obligations when service is interrupted		As per section 10 of the VTC (see Common Term 5a)										
section 2.4.17 (1) - maximum monthly amount of gas		697,500 GJ (i.e. Total MDQ x 31)										
section 2.4.17 (2) - month of maximum monthly amount of gas		October										
section 2.4.17 (3) - pressure or pressures at which the gas is to be supplied or conveyed		<table border="1"> <thead> <tr> <th>Delivery Point</th> <th>Supply Pressure</th> </tr> </thead> <tbody> <tr> <td>Ballance 8201</td> <td>30 bar gauge (estimated)</td> </tr> <tr> <td>Balance 9626</td> <td>32 bar gauge (estimated)</td> </tr> </tbody> </table>		Delivery Point	Supply Pressure	Ballance 8201	30 bar gauge (estimated)	Balance 9626	32 bar gauge (estimated)			
Delivery Point	Supply Pressure											
Ballance 8201	30 bar gauge (estimated)											
Balance 9626	32 bar gauge (estimated)											

Contract Identifier		2018:06:SA							
<b>Contract Name</b>	Supplementary Agreement (CHH Whakatane)	<b>Receipt Point(s)</b>	Pokuru						
<b>Contract Party</b>	Greymouth Gas New Zealand Limited	<b>Delivery Point(s)</b>	Whakatane						
<b>Contract Type</b>	SA	<b>Interconnection Point(s)</b>	N/A						
Prescribed term (a) - goods or services to be supplied		Firm capacity for the transmission of gas from the Receipt Point to the Delivery Point							
Prescribed term (b) - quantity supplied		<table border="1"> <thead> <tr> <th>Delivery Point</th> <th>MDQ</th> <th>MHQ</th> </tr> </thead> <tbody> <tr> <td>Whakatane</td> <td>3,400GJ</td> <td>176GJ</td> </tr> </tbody> </table> <p>(See also Common Term 2a)</p>		Delivery Point	MDQ	MHQ	Whakatane	3,400GJ	176GJ
Delivery Point	MDQ	MHQ							
Whakatane	3,400GJ	176GJ							
Prescribed term (c) (ii) - timing of payment		As per section 16.14 of the VTC (see Common Term 3a)							
Prescribed term (c) (iii) - security for payment		Contract Party has supplied a cash bond Complying with section 14 of the VTC (see Common Term 4a)							
Prescribed term (c) (iv) – First Gas' obligations when service is interrupted		As per section 10 of the VTC (see Common Term 5a)							
section 2.4.17 (1) - maximum monthly amount of gas		105,400 GJ (i.e. MDQ x 31)							
section 2.4.17 (2) - month of maximum monthly amount of gas		August							
section 2.4.17 (3) - pressure or pressures at which the gas is to be supplied or conveyed		3.5 bar gauge (nominal delivery pressure)							

Contract Identifier		2018:07:IUC	
<b>Contract Name</b>	Interruptible User Contract (CHH Whakatane)	<b>Receipt Point(s)</b>	Pokuru
<b>Contract Party</b>	Greymouth Gas New Zealand Limited	<b>Delivery Point(s)</b>	Whakatane
<b>Contract Type</b>	IUC	<b>Interconnection Point(s)</b>	N/A
Prescribed term (a) - goods or services to be supplied		Interruptible capacity for the transmission of gas from the Receipt Point to the Delivery Point	
Prescribed term (b) - quantity supplied		See Common term 2b: there is also an SA for this end user and Delivery Point	
Prescribed term (c) (ii) - timing of payment		As per section 16.14 of the VTC (see Common Term 3a)	
Prescribed term (c) (iii) - security for payment		Contract Party has supplied a cash bond Complying with section 14 of the VTC (see Common Term 4a)	
Prescribed term (c) (iv) – First Gas’ obligations when service is interrupted		No obligations (see Common Term 5b)	
section 2.4.17 (1) - maximum monthly amount of gas		9,000 GJ (estimated)	
section 2.4.17 (2) - month of maximum monthly amount of gas		October	
section 2.4.17 (3) - pressure or pressures at which the gas is to be supplied or conveyed		3.5 bar gauge (nominal delivery pressure)	

Contract Identifier		2018:10:IUC	
<b>Contract Name</b>	Interruptible User Contract (Refining New Zealand)	<b>Receipt Point(s)</b>	Rotowaro
<b>Contract Party</b>	Nova Energy Limited	<b>Delivery Point(s)</b>	Marsden 1
<b>Contract Type</b>	IUC	<b>Interconnection Point(s)</b>	N/A
Prescribed term (a) - goods or services to be supplied		Interruptible capacity for the transmission of gas from the Receipt Point to the Delivery Point	
Prescribed term (b) - quantity supplied		See Common term 2b: there is also an SA for this end user and Delivery Point	
Prescribed term (c) (ii) - timing of payment		As per section 16.14 of the VTC (see Common Term 3a)	
Prescribed term (c) (iii) - security for payment		Contract Party has supplied a cash bond Complying with section 14 of the VTC (see Common Term 4a)	
Prescribed term (c) (iv) – First Gas' obligations when service is interrupted		No obligations (see Common Term 5b)	
section 2.4.17 (1) - maximum monthly amount of gas		321,000 GJ (estimated)	
section 2.4.17 (2) - month of maximum monthly amount of gas		July	
section 2.4.17 (3) - pressure or pressures at which the gas is to be supplied or conveyed		19 bar gauge (nominal delivery pressure)	

Contract Identifier		2017:13:SA																			
<b>Contract Name</b>	Supplementary Agreement (NZ Grain & Seed)	<b>Receipt Point(s)</b>	Pokuru																		
<b>Contract Party</b>	Trustpower Limited	<b>Delivery Point(s)</b>	Te Puke																		
<b>Contract Type</b>	SA	<b>Interconnection Point(s)</b>	N/A																		
Prescribed term (a) - goods or services to be supplied		Firm capacity for the transmission of gas from the Receipt Point to the Delivery Point																			
Prescribed term (b) - quantity supplied		<table border="1"> <thead> <tr> <th>Period of the Year</th> <th>MDQ (GJ)</th> <th>MHQ (GJ)</th> </tr> </thead> <tbody> <tr> <td>October – February, inclusive</td> <td>0</td> <td rowspan="8">MHQ is the MDQ divided by 16</td> </tr> <tr> <td>March</td> <td>200</td> </tr> <tr> <td>April</td> <td>250</td> </tr> <tr> <td>May and June</td> <td>400</td> </tr> <tr> <td>July</td> <td>250</td> </tr> <tr> <td>August</td> <td>200</td> </tr> <tr> <td>September</td> <td>0</td> </tr> </tbody> </table> <p>(See also Common Term 2a)</p>		Period of the Year	MDQ (GJ)	MHQ (GJ)	October – February, inclusive	0	MHQ is the MDQ divided by 16	March	200	April	250	May and June	400	July	250	August	200	September	0
Period of the Year	MDQ (GJ)	MHQ (GJ)																			
October – February, inclusive	0	MHQ is the MDQ divided by 16																			
March	200																				
April	250																				
May and June	400																				
July	250																				
August	200																				
September	0																				
Prescribed term (c) (ii) - timing of payment			As per section 16.14 of the VTC (see Common Term 3a)																		
Prescribed term (c) (iii) - security for payment		Contract Party has an acceptable credit rating Complying with section 14 of the VTC (see Common Term 4a)																			
Prescribed term (c) (iv) – First Gas’ obligations when service is interrupted		As per section 10 of the Code (see Common Term 5a)																			
section 2.4.17 (1) - maximum monthly amount of gas		12,400 GJ (i.e. highest value of MDQ x Days in Month)																			
section 2.4.17 (2) - month of maximum monthly amount of gas		April																			

Contract Identifier 2017:13:SA	
section 2.4.17 (3) - pressure or pressures at which the gas is to be supplied or conveyed	8 bar gauge (estimated)

Contract Identifier		2018:14:ISC	
<b>Contract Name</b>	Interruptible Shipper Contract (Kapuni to Pokuru 2)	<b>Receipt Point(s)</b>	Kapuni North
<b>Contract Party</b>	Vector Gas Trading Limited	<b>Delivery Point(s)</b>	Pokuru 2
<b>Contract Type</b>	ISC	<b>Interconnection Point(s)</b>	N/A
Prescribed term (a) - goods or services to be supplied		Interruptible capacity for the transmission of gas from the Receipt Point to the Delivery Point	
Prescribed term (b) - quantity supplied		See Common Term 2c	
Prescribed term (c) (ii) - timing of payment		As per section 16.14 of the VTC (see Common Term 3a)	
Prescribed term (c) (iii) - security for payment		Contract Party has a guarantee from a third party with an acceptable credit rating Complying with section 14 of the VTC (see Common Term 4a)	
Prescribed term (c) (iv) – First Gas' obligations when service is interrupted		No obligations (see Common Term 5b)	
section 2.4.17 (1) - maximum monthly amount of gas		215,000 GJ (estimated)	
section 2.4.17 (2) - month of maximum monthly amount of gas		October	
section 2.4.17 (3) - pressure or pressures at which the gas is to be supplied or conveyed		70 bar gauge (estimated)	

Contract Identifier		2018:15:IUC	
<b>Contract Name</b>	Interruptible User Contract (PanPac)	<b>Receipt Point(s)</b>	Kapuni South
<b>Contract Party</b>	Vector Gas Trading Limited	<b>Delivery Point(s)</b>	Hastings
<b>Contract Type</b>	IUC	<b>Interconnection Point(s)</b>	N/A
Prescribed term (a) - goods or services to be supplied		Interruptible capacity for the transmission of gas from the Receipt Point to the Delivery Point	
Prescribed term (b) - quantity supplied		See Common term 2b	
Prescribed term (c) (ii) - timing of payment		As per section 16.14 of the VTC (see Common Term 3a)	
Prescribed term (c) (iii) - security for payment		Contract Party has a guarantee from a third party with an acceptable credit rating Complying with section 14 of the VTC (see Common Term 4a)	
Prescribed term (c) (iv) – First Gas' obligations when service is interrupted		No obligations (see Common Term 5b)	
section 2.4.17 (1) - maximum monthly amount of gas		38,500 GJ (estimated)	
section 2.4.17 (2) - month of maximum monthly amount of gas		September	
section 2.4.17 (3) - pressure or pressures at which the gas is to be supplied or conveyed		10.5 bar gauge (estimated)	

Contract Identifier		2017:16:SA																			
<b>Contract Name</b>	Supplementary Agreement (Bay Grain & Seeds Te Awamutu)	<b>Receipt Point(s)</b>	Pokuru																		
<b>Contract Party</b>	Trustpower Limited	<b>Delivery Point(s)</b>	Kihikihi (Te Awamutu)																		
<b>Contract Type</b>	SA	<b>Interconnection Point(s)</b>	N/A																		
Prescribed term (a) - goods or services to be supplied		Firm capacity for the transmission of gas from the Receipt Point to the Delivery Point																			
Prescribed term (b) - quantity supplied		<table border="1"> <thead> <tr> <th>Period of the Year</th> <th>MDQ (GJ)</th> <th>MHQ (GJ)</th> </tr> </thead> <tbody> <tr> <td>October – February, inclusive</td> <td>0</td> <td rowspan="8">MHQ is the MDQ divided by 16</td> </tr> <tr> <td>March</td> <td>100</td> </tr> <tr> <td>April</td> <td>150</td> </tr> <tr> <td>May and June</td> <td>200</td> </tr> <tr> <td>July</td> <td>150</td> </tr> <tr> <td>August</td> <td>100</td> </tr> <tr> <td>September</td> <td>0</td> </tr> </tbody> </table> <p>(See also Common Term 2a)</p>		Period of the Year	MDQ (GJ)	MHQ (GJ)	October – February, inclusive	0	MHQ is the MDQ divided by 16	March	100	April	150	May and June	200	July	150	August	100	September	0
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April	150																				
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July	150																				
August	100																				
September	0																				
Prescribed term (c) (ii) - timing of payment			As per section 16.14 of the VTC (see Common Term 3a)																		
Prescribed term (c) (iii) - security for payment		Contract Party has an acceptable credit rating Complying with section 14 of the VTC (see Common Term 4a)																			
Prescribed term (c) (iv) – First Gas’ obligations when service is interrupted		As per section 10 of the Code (see Common Term 5a)																			
section 2.4.17 (1) - maximum monthly amount of gas		6,200 GJ (i.e. highest value of MDQ x Days in Month)																			
section 2.4.17 (2) - month of maximum monthly amount of gas		May																			

Contract Identifier 2017:16:SA	
section 2.4.17 (3) - pressure or pressures at which the gas is to be supplied or conveyed	8 bar gauge (estimated)

**Appendix 3: Modified non-standard agreements**

<b>Contract Identifier</b>		<b>2018:18</b>	
<b>Contract Name</b>	Supplementary Agreement (Kupe to Frankley Road (2))	<b>Receipt Point(s)</b>	Kupe Receipt Point
<b>Contract Party</b>	Genesis Energy Limited	<b>Delivery Point(s)</b>	Frankley Road-Bi
<b>Contract Type</b>	SA	<b>Interconnection Point(s)</b>	N/A
<b>Modified Term</b>		<b>Modification</b>	
section 2.4.17 (1) - maximum monthly amount of gas		Reduced from 1,395,000 GJ to 1,209,000 GJ	

**Appendix 4: Summary of common terms**

Common term reference	Where used	IDD reference	Common term meaning
1a	ICA	Prescribed term (a) - goods or services to be supplied	First Gas will permit connection of the Interconnected Party's Pipeline, and the Interconnected Party will connect its Pipeline to the Delivery Point(s), on and subject to the terms and conditions set out in the agreement.
2a	SA	Prescribed term (b) - quantity supplied	Capacity is the MDQ and MHQ specified in the agreement Actual usage of capacity on a day (i.e. the Delivery Quantity) is 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 VTC.
2b	IUC	Prescribed term (b) - quantity supplied	Capacity is the MDQ (and MHQ) as determined by the nominations and approval processes set out in the agreement which, notwithstanding its prior agreement, First Gas is entitled to interrupt wholly or in part at any time. Actual usage of capacity on a day (i.e. the Delivery Quantity) is: <ul style="list-style-type: none"> <li>o Where there is no SA for the end user and Delivery Point:                             <ul style="list-style-type: none"> <li>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 VTC; or</li> </ul> </li> <li>o Where there is also an SA for the same end user and Delivery Point, the greater of:                             <ul style="list-style-type: none"> <li>(a) DQ - SC; and</li> <li>(b) zero,</li> </ul>                             where:                             <ul style="list-style-type: none"> <li>DQ (i.e. Delivery Quantity) is 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 Code; and</li> <li>SC (i.e. Supplementary Capacity) is the MDQ under the SA</li> </ul> </li> </ul>

Common term reference	Where used	IDD reference	Common term meaning
2c	ISC	Prescribed term (b) - quantity supplied	<p>Capacity is the MDQ (and MHQ) as determined by the nominations and approval processes set out in the agreement which, notwithstanding its prior agreement, First Gas is entitled to interrupt wholly or in part at any time.</p> <p>Actual usage of capacity on a day (i.e. the Delivery Quantity) is the GJ of gas taken by the Shipper on a day at the Delivery Point which, as per section 6.5(e) of the VTC, is deemed to equal the MDQ approved by First Gas for that day.</p>
2d	ISC	Prescribed term (b) - quantity supplied	<p>Capacity is the MDQ (and MHQ) as determined by the nominations and approval processes set out in the agreement which, notwithstanding its prior agreement, First Gas is entitled to interrupt wholly or in part at any time</p> <p>Actual usage of capacity on a day (i.e. the Delivery Quantity) is the greater of:</p> <ul style="list-style-type: none"> <li>(a) <math>DQ - RC - SC</math>; and</li> <li>(b) zero,</li> </ul> <p>where:</p> <p>DQ is the GJ of gas taken by a Shipper at the Delivery Point, determined in accordance with section 6.5(c) of the VTC;</p> <p>RC is the Shipper's aggregate Reserved Capacity for that Delivery Point (if any); and</p> <p>SC is the aggregate MDQ under the Shipper's SAs (if any) for that Delivery Point</p>
3a	SA, IUC and ISC	Prescribed term (c) (ii) - timing of payment	Payments must be by the later of the 20th day of the month in which the invoice is rendered or 10 Business Days after receipt of such invoice.
3b	ICA	Prescribed term (c) (ii) - timing of payment	Payments must be by the 20 <sup>th</sup> day of the month following the month in which the invoice is rendered.
4a	SA, IUC and ISC	Prescribed term (c) (iii) - security for payment	<p>From section 14 of the VTC:</p> <p>14.2 By 1 January 2008 and at all times until the Shipper has paid all outstanding amounts and all amounts payable or which may become payable in the 30 months following expiry or termination of the Shipper's TSA, each Shipper must comply, at its election, with one of the following:</p>

Common term reference	Where used	IDD reference	Common term meaning
			<p>1.1 hold an acceptable credit rating in accordance with section 14.3;</p> <p>(a) pay two separate cash bonds, one to First Gas and another to the BPP Trustee. First Gas and the BPP Trustee will deal with the respective bonds in accordance with this section 14; or</p> <p>(b) arrange for a third party to provide one or a combination of the following securities, for the amount required in accordance with this section 14, provided the party providing the security maintains an acceptable credit rating in accordance with section 14.3:</p> <p>(i) an unconditional payment guarantee or letter of credit in favour of First Gas or the BPP Trustee;</p> <p>(ii) an unconditional third party payment guarantee in favour of First Gas or the BPP Trustee; or</p> <p>(iii) a security bond in favour of First Gas or the BPP Trustee.</p> <p>14.3 For the purposes of sections 14.2(a) and (c), an acceptable credit rating means a long term credit rating of at least Baa3 (Moody's Investor Services Inc.), BBB- (Standard &amp; Poors Ratings Group), B (AM Best), B (Fitch), such other equivalent credit rating or other reference from a reputable person which is reasonably acceptable to First Gas or the BPP Trustee, as applicable, (including confirmation from an independent auditor that, in its opinion, the relevant Shipper or third party security provider satisfies the criteria that would be applied in the granting of such a credit rating).</p> <p>14.4 The Shipper or third party security provider (as the case may be) will provide such evidence of the acceptable credit rating (as set out in section 14.3), as First Gas or the BPP Trustee may from time to time reasonably require.</p> <p>14.5 The amount of a cash bond or the amount which may be payable to First Gas or the BPP Trustee pursuant to any security provided pursuant to section 14.2 (as the case may be) shall be:</p> <p>(a) for the BPP Trustee, \$115,000; and</p> <p>(b) for First Gas, First Gas' reasonable estimate of three months of the Shipper's Transmission Charges (including GST).</p>
4b	ICA	Prescribed term (c) (iii) - security for payment	<p>From section 8 of the ICA:</p> <p>8.1 At all times during the term of this Agreement and at all times until the Interconnected Party has paid all outstanding amounts and all amounts payable or which may become payable in the month following expiry or</p>

Common term reference	Where used	IDD reference	Common term meaning
			<p>termination of this Agreement, the Interconnected Party must comply, at its election, with one of the following (each individually Credit Support):</p> <ul style="list-style-type: none"> <li>(a) hold an acceptable credit rating in accordance with section 8.2;</li> <li>(b) arrange for a third party to provide one or a combination of the following securities, for the amount required in accordance with this section 8, provided the party providing the security maintains an acceptable credit rating in accordance with section 8.2:                             <ul style="list-style-type: none"> <li>(i) an unconditional payment guarantee or letter of credit in favour of First Gas; or</li> <li>(ii) an unconditional third party payment guarantee in favour of First Gas; or</li> <li>(iii) a security bond in favour of First Gas.</li> </ul> </li> </ul> <p>8.2 For the purposes of sections 8.1, an acceptable credit rating means a long term credit rating of at least Baa3 (Moody’s Investor Services Inc.), BBB- (Standard &amp; Poors Ratings Group), B (AM Best), B (Fitch) or such other equivalent credit rating or other reference from a reputable person which is reasonably acceptable to First Gas, (including confirmation from an independent auditor that, in its opinion, the relevant Interconnected Party or third party security provider satisfies the criteria that would be applied in the granting of such a credit rating).</p> <p>8.3 The Interconnected Party or third party security provider (as the case may be) will provide such evidence of the acceptable credit rating (as set out in section 8.2), as First Gas may from time to time reasonably require.</p> <p>8.4 The amount which may be payable to First Gas pursuant to any security provided pursuant to section 8.1 shall be First Gas’ reasonable estimate of 3 months of the aggregate Interconnection Fees (the Charges) (including GST).</p>
4c	ICA	Prescribed term (c) (iii) - security for payment	Where an Interconnection Fee is payable in respect of a Delivery Point and the Interconnected Party defaults without reasonable excuse in the payment on the due date of such fee, then interest shall be payable on the amount unpaid from the due date for payment until actual payment is made, at a rate equal to the Bill Rate calculated on a Daily basis (compounded monthly).
5a	SA	Prescribed term (c) (iv) – First Gas’ obligations when service is interrupted	First Gas shall: ...minimise the period of curtailment or shutdown to the extent reasonably practicable and resume making Gas available at a Delivery Point as soon as reasonably practicable; and

Common term reference	Where used	IDD reference	Common term meaning
			<p>...minimise the period of curtailment or shutdown required under an Operational Flow Order to the extent reasonably practicable; and</p> <p>...provide each Shipper with an appropriate rebate of the Capacity Reservation Charge and any fixed charge which is not calculated by reference to the throughput of any quantity of Gas in an [SA] or pursuant to an ATS Notice, paid by that Shipper for the loss or reduction of transmission service as a result of the period of curtailment or shutdown, except to the extent that the Shipper has caused or contributed to any event or circumstance giving rise to such curtailment or shutdown.</p>
5b	IUC and ISC	Prescribed term (c) (iv) – First Gas’ obligations when service is interrupted	<p>First Gas has no obligation to provide any gas transmission capacity under an IUC or ISC, and may reduce, to any extent, any capacity it has previously agreed to provide (an “Interruption”).</p> <p>First Gas has no obligations (i.e. liability) to a Shipper arising from an Interruption under any IUC or ISC.</p>
5c	ICA	Prescribed term (c) (iv) – First Gas’ obligations when service is interrupted	<p>First Gas shall:</p> <p>...minimise the period of curtailment or shutdown to the extent reasonably practicable, and restore the Interconnected Party’s ability to take Gas as soon as reasonably practicable; and</p> <p>...minimise the period of curtailment or shutdown required under an Operational Flow Order to the extent reasonably practicable; and</p> <p>...In any case of curtailment or shutdown [arising from an Emergency, a Force Majeure Event, Critical Contingency, Maintenance or Scheduled Maintenance, no Shipper having a valid transmission agreement in respect of the relevant connection(s), or an Operational Flow Order], First Gas shall provide the Interconnected Party with an appropriate rebate of the Fixed Interconnection Fee for such curtailment or shutdown, except to the extent that the Interconnected Party:</p> <ul style="list-style-type: none"> <li>(a) caused or contributed to any event or circumstance giving rise to such curtailment or shutdown including [when it is unsafe to connect to the pipeline];</li> <li>(b) was carrying out Maintenance or Scheduled Maintenance during the curtailment or shutdown that reduced its ability to take Gas at the relevant connection(s); or</li> <li>(c) did not intend to take Gas at the relevant connection(s) during the curtailment or shutdown.</li> </ul>