

## Contact Energy – emsTradePoint FM Consultation Response

Sharon Wray (email response)

- 1) Aligning EMS gas contracts closer to GSA's by including FM's OTD feels like a good outcome for the market. Likely leads the pipeline staying more balanced after a trip, as suppliers can more readily pass those reductions on to customers (who in turn will decrease demand where able to do so, or procure gas elsewhere).
- 2) We agree that FM should be made available OTD and linked to the next available ID cycle.
- 3) We are happy that the obligation remains with the participant.
- 4) To be accurate and fair OTD should be included but from the cycle the nomination is entered. i.e. the first option.
- 5) In respect to a trade being executed and it being included in the nomination I think this can only work with either a larger time frame (say at least 10mins) or an automation from etp into OATIS. I think the FM notification being at least 30mins prior to nomination deadline sounds reasonable. However, it might need to be tested.
- 6) There may be an increase in FMs. We think that FM's should be validated and don't expect that to be onerous on any party calling FM

Additional point: Once an FM is called for OTD volume it cannot then be amended up if the FM lasts less time than expected. I think shipper once FM'd would likely make other arrangements. However, I do wonder if you don't allow that then the party would simply put the volume back on the market and potentially get a better price. So, I'm not sure what the answer there is.