



Decision

Access arrangement

Amadeus Gas Pipeline

1 August 2011 – 30 June 2016

July 2011

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Shortened forms

Shortened form	Extended form
access arrangement information	N.T. Gas Pty Limited, <i>Access arrangement information</i> , 23 December 2010
access arrangement information drafted by the AER	AER, <i>Access arrangement information, Amadeus Gas Pipeline, 1 August 2011 – 30 June 2016</i> , July 2011
access arrangement period	1 August 2011 to 30 June 2016
access arrangement proposal	N.T. Gas Pty Limited, <i>Access arrangement</i> , 23 December 2010
access arrangement drafted by the AER	AER, <i>Access arrangement, Amadeus Gas Pipeline, 1 August 2011 – 30 June 2016</i> , July 2011
AER	Australian Energy Regulator
draft decision	AER, <i>Draft decision, N.T. Gas Pty Limited arrangement proposal for the Amadeus Gas Pipeline 1 July 2011 – 30 June 2016</i> , April 2011
final decision	AER, <i>Final decision, N.T. Gas Pty Limited arrangement proposal for the Amadeus Gas Pipeline 1 August 2011 – 30 June 2016</i> , July 2011
NGL	National Gas Law
NGR	National Gas Rules
revised access arrangement information	N.T. Gas Pty Limited, <i>Revised access arrangement information</i> , 27 May 2011
revised access arrangement proposal	N.T. Gas Pty Limited, <i>Revised access arrangement</i> , 27 May 2011

Background

The Amadeus Gas Pipeline (AGP) is approximately 1658 km which includes the Mereenie spurline, Tennant Creek and Katherine laterals, and the Pine Creek outlet.¹ NT Gas Pty Limited (NT Gas) supplies gas to Power and Water Corporation (PWC) predominantly for generating electricity in Darwin.

The AGP consists of the mainline or system backbone and comprises four gas inlet stations (Palm Valley, Mereenie, Ban Ban Springs and Weddell), a compressor station (Warrego), one odorant station (Tylers Pass), eleven mainline valves, eleven scraper stations and thirteen offtakes.²

The AGP is classified as a covered pipeline.³ The AER is responsible for the economic regulation of covered natural gas distribution and transmission pipelines in all states and territories (except WA). The AER's functions and powers are set out in the National Gas Law (NGL) and the National Gas Rules (NGR).

On 17 June 2011, APT Pipelines NT Pty Ltd (APTNT) acquired the AGP.⁴ On 20 June 2011, APA Group confirmed that the transfer of ownership of the AGP from NT Gas to APTNT occurred on 17 June 2011.⁵ APTNT now owns, operates and controls the AGP and therefore satisfies the meaning of *service provider* under the NGL.⁶

To maintain consistency with the AER's draft and final decision, NT Gas's access arrangement proposal, and NT Gas's revised access arrangement proposal, the access arrangement decision will refer to '*NT Gas*' and not '*APTNT*'.

Access arrangement proposal

On 23 December 2010, NT Gas submitted an access arrangement proposal for the AGP for the period 1 July 2011 to 30 June 2016. In accordance with the NGR, the AER published NT Gas's access arrangement proposal on 14 January 2011. Interested parties were invited to make submissions on the proposal and four submissions were received.

The access arrangement proposal outlined the proposed terms and conditions of access for the AGP for the access arrangement period. The purpose of the access arrangement information is to set out the background and basis of various elements of the access arrangement proposal.⁷

1 NT Gas, *Access arrangement submission*, December 2010, p. ix.

2 NT Gas, *Access arrangement submission*, December 2010, p. ix.

3 AEMC, List of natural gas pipelines, viewed 9 December 2010, <<http://www.aemc.gov.au/Gas/Scheme-Register/Pipeline-list-summary.html>>.

4 APA Group, Email to the AER—*Application to exempt APTNT from ring fencing obligation under section 140 of the NGL*, 27 May 2011.

5 NT Gas, Email to the AER, *AER.NTGAS.39-41 - Project Management costs*, 20 June 2011.

6 NGL, s. 8.

7 NGR, r. 42.

Draft decision on service provider's access arrangement proposal

The AER published its draft decision on NT Gas's access arrangement proposal for the AGP for the period from 1 July 2011 to 30 June 2016 on 21 April 2011 (draft decision).

Revised access arrangement proposal

NT Gas submitted a revised access arrangement proposal and revised access arrangement information for the AGP to the AER on 27 May 2011. NT Gas set out its response to the draft decision through a series of attachments to the revised access arrangement information.

Final decision on service provider's access arrangement proposal

On 20 June 2011, the AER released its final decision not to approve NT Gas's revised access arrangement proposal. The final decision set out the AER's proposed revisions to the revised access arrangement proposal and revised access arrangement information.

The final decision stated that, in accordance with r. 64(4) of the NGR, the AER would make a decision giving effect to its proposed revisions within two months of making its final decision.

Adjustments subsequent to the final decision

The AER has identified several minor revisions that should be made subsequent to the release of the final decision. These editorial changes have been incorporated in the access arrangement and access arrangement information published with this decision. The revisions made are discussed below.

Terms and conditions

The AER has accepted NT Gas's suggested minor wording changes to improve the clarity of clauses 67, 79, 80, and 83(g) of the terms conditions. The AER has also removed the definition of *Default Rate* from the glossary as it is no longer relevant and is consistent with the deletion of the *Bank Bill Rate* definition.

Further final decision

In accordance with r. 64(4) of the NGR, the AER approves the access arrangement (including the access arrangement information) drafted by the AER for the AGP being the access arrangement published with this decision.

In accordance with r. 64(6) of the NGR, the access arrangement shall take effect on 1 August 2011.