
**APT Petroleum Pipelines Limited
ACN 009 737 393**

**ACCESS ARRANGEMENT
FOR ROMA BRISBANE PIPELINE – UPDATED TO REFLECT
CERTAIN AMENDMENTS IN DRAFT DECISION**

Lodged with the ACCC

**Under the National Third Party Access Code for
Natural Gas Pipeline Systems**

28 SEPTEMBER 2006

Australian
Pipeline Trust



Table of Contents

<u>1. INTRODUCTION.....</u>	<u>1</u>
1.1 GENERAL	1
1.2 OWNER OF PIPELINE	1
1.3 COVERED PIPELINE	1
1.4 CAPACITY TO WHICH ACCESS ARRANGEMENT APPLIES.....	2
1.5 COMMENCEMENT OF THIS ACCESS ARRANGEMENT.....	2
1.6 REVISIONS.....	2
1.7 TERMS AND EXPRESSIONS.....	2
1.8 STRUCTURE OF THIS ACCESS ARRANGEMENT	3
<u>2. SERVICES POLICY</u>	<u>4</u>
2.1 SERVICES UNDER ACCESS ARRANGEMENT	4
2.2 RIGHT TO ACCESS	4
2.3 REFERENCE SERVICE	5
2.4 NEGOTIATED SERVICES	9
<u>3. REFERENCE TARIFFS AND OTHER CHARGES.....</u>	<u>10</u>
3.1 REFERENCE TARIFFS.....	10
3.2 VARIATIONS TO REFERENCE TARIFFS.....	11
3.3 OTHER CHARGES	11
3.4 GST.....	14
<u>4. GENERAL PRINCIPLES AND REFERENCE TARIFF POLICY.....</u>	<u>15</u>
4.1 GENERAL	15
4.2 NEW FACILITIES INVESTMENT	16
4.3 REDUNDANT CAPITAL	16
4.4 REFERENCE TARIFF VARIATION	16
4.5 BULLETIN BOARD.....	18
<u>5. TRADING POLICY</u>	<u>19</u>
5.1 BARE TRANSFER.....	19
5.2 SUBSTITUTED TRANSFER.....	19
5.3 CHANGE OF RECEIPT POINT OR DELIVERY POINT	19
5.3A MEANING OF “REASONABLE COMMERCIAL AND TECHNICAL”	19
5.4 RESPONSE TO REQUESTS.....	20
5.5 USER REMAINS LIABLE	20

6. QUEUING POLICY	21
6.1 FORMING THE QUEUE	21
6.2 CONDITIONS APPLICABLE ON QUEUE	22
6.3 INVESTIGATIONS TO DETERMINE IF CAPACITY IS AVAILABLE	23
6.4 PROCEDURE WHEN CAPACITY CAN BE MADE AVAILABLE WITHOUT INVESTMENT IN DEVELOPABLE CAPACITY	24
6.5 PROCEDURE WHEN CAPACITY CAN BE MADE AVAILABLE ONLY WITH INVESTMENT IN DEVELOPABLE CAPACITY	24
6.6 GENERAL	25
7. EXTENSIONS / EXPANSIONS POLICY	27
7.1 EXTENSIONS.....	27
7.2 EXPANSION OF CAPACITY ABOVE THE EXISTING CAPACITY.....	27
8. CAPACITY MANAGEMENT POLICY	28

SCHEDULE 1 - DEFINITIONS AND INTERPRETATIONS

SCHEDULE 2 - PRINCIPLES FOR TERMS AND CONDITIONS OF SERVICES

SCHEDULE 3 - CONNECTION OF FACILITIES TO THE PIPELINE

SCHEDULE 4A - GAS QUALITY SPECIFICATION

SCHEDULE 4B - PRIOR GAS QUALITY SPECIFICATION

SCHEDULE 5A - ACCESS AND REQUESTS FOR SERVICES

SCHEDULE 5B - FORM OF REQUEST FOR SERVICE

SCHEDULE 6 - MAP OF RBP (NOT ATTACHED TO THIS MARKED UP VERSION)

1. INTRODUCTION

1.1 General

This Access Arrangement is established pursuant to the Gas Pipelines Access Law and the National Third Party Access Code for Natural Gas Pipeline Systems (“Code”) and sets out the policies and the terms and conditions applying to third party access to such parts of the Roma Brisbane Pipeline as are Covered by the Code.

As required by the Code, this Access Arrangement includes a Services Policy, Reference Tariffs, Reference Tariff Policy, Terms and Conditions, Capacity Management Policy, Trading Policy, Queuing Policy, Extensions/Expansions Policy, Revisions Submission Date and Revisions Commencement Date.

This Access Arrangement and accompanying Access Arrangement Information have been prepared and lodged pursuant to section 2 of the National Gas Code. Projections have been prepared to meet the requirements of the Code and are based on a number of assumptions. APTPPL does not make any representation or warranty as to the accuracy of the assumptions.

1.2 Owner of Pipeline

The Pipeline is owned by APT Petroleum Pipelines Limited ACN 009 737 393 (“APTPL”). If a different entity becomes Service Provider of the Pipeline during the Access Arrangement Period, references to APTPL will be deemed to be references to the new Service Provider.

1.3 Covered Pipeline

The RBP consists of:

- (a) the mainline pipeline from Wallumbilla (near Roma) to Brisbane and associated facilities (**Mainline**); and
- (b) the lateral pipeline from Arubial on the Mainline to Peat / Scotia, and associated facilities (**Lateral**).

A map of the Pipeline is at [Schedule 6](#):

Formatted: Default Text

Deleted: Schedule 6:[]

All of the Pipeline, as configured as at January 2006, is Covered¹. The Reference Service and Reference Tariff are available for the capacity under that configuration (**Existing Capacity**).

1.4 Capacity to which Access Arrangement applies

This Access Arrangement applies to:

- (a) the Existing Capacity; and
- (b) any future capacity or geographic extension to the Pipeline which is Covered and subject to this Access Arrangement under the Extensions/Expansions Policy.

1.5 Commencement of this Access Arrangement

This Access Arrangement will commence on the date on which the approval of the Regulator takes effect under section 2 of the Code.

Deleted: later of 29 July 2006 and the

1.6 Revisions

APTPPL will submit revisions to this Access Arrangement on or before the date being 4 ½ years from the commencement date under section 1.5 of this Access Arrangement (“**Revisions Submission Date**”).

Deleted: 30 November 2010

Deleted: *

Those revisions will commence on the later of 5 years from the Commencement Date of this Access Arrangement and the date on which the approval by the Regulator of the revisions takes effect under the Code (“**Revisions Commencement Date**”).

Deleted: 1 July 2011

Formatted: No bullets or numbering

Deleted: c

Deleted: d

1.7 Terms and Expressions

Terms and expressions used in this Access Arrangement have the meanings set out in Schedule 1.

Formatted: Keep lines together

Formatted: Keep with next, Keep lines together

¹ The Mainline was included in Schedule A to the Code and is therefore a Covered Pipeline. APTPPL voluntarily Covered the Lateral from 1 January 2006. There have been no material changes to the configuration of the RBP and Peat Lateral since 31 January 2006.

1.8 Structure of this Access Arrangement

This Access Arrangement is set out as follows:

Section 1: Introduction sets out an overview of this Access Arrangement including its structure, commencement date and revisions date.

Section 2: Services Policy describes the Services offered under this Access Arrangement and the procedure to obtain access to the Services.

Section 3: Reference Tariffs describes the Reference Tariffs applicable to the Reference Service.

Section 4: Reference Tariff Policy describes the principles used to determine the Reference Tariffs.

Section 5: Trading Policy allows for Bare Transfer, assignment with consent and change of Delivery and Receipt Points.

Section 6: Queuing Policy describes the order in which capacity will be allocated to Prospective Users where there is insufficient Capacity in the Pipeline to satisfy all Requests for Service.

Section 7: Extensions/Expansions Policy describes the manner in which extensions or expansions to the Pipeline will be dealt with under this Access Arrangement.

Section 8: Capacity Management Policy specifies the Pipeline is a Contract Carriage Pipeline for the purposes of the Code.

Schedule 1 Definitions and Interpretation

Schedule 2 General Terms and Conditions applicable to the Reference Service

Schedule 3 Connection of Facilities to the Pipeline

Schedule 4A Gas Quality Specification

Schedule 4B Prior Gas Specification

Schedule 5A Request for Service

Schedule 5B Request for Service Form

2. SERVICES POLICY

2.1 Services under Access Arrangement

The following Services are offered under this Access Arrangement:

- (a) Reference Service, described in section 2.3; and
- (b) Negotiated Service, described in section 2.4.

2.1.1 Access and Request for Service

In order to obtain access to a Service, a Prospective User must:

- (a) follow the procedures set out in Schedule 5A;
- (b) meet the Prudential Requirements set out in Schedule 5A; and
- (c) enter into a Transportation Agreement specific to that User and that Service.

Where there is insufficient capacity to satisfy a Request, the Queuing Policy will apply.

2.1.2 Transportation Agreement

APTPPL will provide:

- (a) the Reference Service under a Transportation Agreement on terms and conditions consistent with this Access Arrangement, including the Reference Tariff and the Principles; and
- (b) Negotiated Services under a Transportation Agreement on terms and conditions consistent with this Access Arrangement, including the Principles, amended to reflect the specific matters agreed with the User.

2.2 Right to Access

APTPPL will act in a Non-Discriminatory Manner in providing Services.

2.3 Reference Service

2.3.1 General

The Reference Service is a non-interruptible service for the receipt, transportation and delivery of of gas through any length of the Pipeline in the direction from Wallumbilla or Peat to Brisbane.

The Reference Service is provided at the Reference Tariff.

The Reference Service includes the following:

- (a) receipt of gas at the Receipt Points;
- (b) transportation of gas through the Pipeline, including use of compression facilities installed on the Pipeline;
- (c) delivery of gas at the Delivery Points;
- (d) provision of an Overrun facility; and
- (e) for installations owned and operated by APTPPL, the measurement of gas quantity and quality and of gas pressures.

2.3.2 MDQ and MHQ

- (a) At the commencement of the Transportation Agreement the User will be required to establish for each Contract Year a User's MHQ and a User's MDQ, which fairly reflect the User's expected requirements.
- (b) The Reference Service may include multiple Receipt Points or Delivery Points and in those circumstances the User must also establish an MHQ and MDQ for each Receipt Point and each Delivery Point which fairly reflect the User's expected requirements. at that Receipt Point and Delivery Point.
- (c) Generally, the MHQ in either case will be no greater than the figure produced by the formula:
$$\text{MDQ} \div 24 \times 1.2$$
- (d) Subject to paragraphs (e) and (f), on any Day, APTPPL will receive at a Receipt Point quantities of gas up to the Receipt Point MDQ and will deliver at a Delivery Point a thermally equivalent quantity of gas up to the MDQ for that Delivery Point. In any Hour, APTPPL will receive at a Receipt Point and will deliver at a Delivery Point, a thermally equivalent quantity of gas up to the MHQ for that Receipt Point and Delivery Point.

Deleted: a Receipt Point MDQ, a Receipt Point MHQ, a Delivery Point MDQ and a Delivery Point MHQ

Deleted: at each Receipt Point and Delivery Point.

Deleted: <#>Generally, the MHQ in either case will be no greater than the figure produced by the formula:
$$\text{MDQ} \div 24 \times 1.2$$

Formatted: Bullets and Numbering

Deleted: obligation in (a) above will apply to each Receipt Point and each Delivery Point.

Deleted: The sum of the Delivery Point MDQs and the Receipt

Deleted: Point MDQs must be the same.

Deleted: Where more than one RP, or more than one DP, User must also establish a User's MDQ.

Formatted: Keep with next, Keep lines together

Formatted: Bullets and Numbering

Formatted: Normal, Indent: Left: 3.81 cm, Keep with next, Keep lines together

Deleted: On

(e) The sum of the Receipt Point MDQs or the Delivery Point MDQs may exceed the User's MDQ, but APTPPL will not be obliged on any Day to receive or delivery a quantity of gas in excess of the User's MDQ.

Formatted: Bullets and Numbering

(f) The sum of the Receipt Point MHQs or the Delivery Point MHQs may exceed the User's MHQ, but APTPPL will not be obliged in any Hour to receive or delivery a quantity of gas in excess of the User's MHQ.

Formatted: Bullets and Numbering

(g) Except as an Authorised Overrun, APTPPL will not be obliged:

(i) on any Day, to receive or deliver a quantity of gas greater than the User's MDQ;

Formatted: Tabs: 3.39 cm, List tab

(ii) on any Day, to receive at a Receipt Point a quantity of gas, excluding System Use Gas and the User's share of Linepack, greater than the MDQ for that Receipt Point or to deliver at any Delivery Point a quantity of gas greater than the MDQ for that Delivery Point; or

Formatted: Bullets and Numbering

(iii) in any Hour to receive or deliver a quantity of gas greater than the User's MHQ; or

Deleted: on any Day to deliver at any Delivery Point a quantity of gas greater than the MDQ for that Delivery Point; or

Formatted: Indent: Left: 2.5 cm

(iv) in any Hour, to receive at a Receipt Point a quantity of gas greater than the MHQ for that Receipt Point, or to deliver at any Delivery Point a quantity of gas greater than the MHQ for that Delivery Point; or

Formatted: Bullets and Numbering

Formatted: Tabs: 3.39 cm, List tab

Formatted: Bullets and Numbering

Deleted: in any Hour to deliver to any Delivery Point a quantity of gas greater than the MHQ for that Delivery Point.

Formatted: Indent: Left: 2.5 cm

2.3.3 Adjustment in MDQ for Gross Heating Value

If on any Day, because of a reduction below 40MJ/m³ in the average Gross Heating Value of the gas presented by a User at any Receipt Point, APTPPL is reasonably of the opinion that the aggregate quantities of gas to be delivered on behalf of all Users may exceed the capacity of the Pipeline:

- (a) the obligation of APTPPL to receive gas for or on behalf of the User for that Day and the obligation of APTPPL to deliver gas for and on behalf of the User on that Day are adjusted by using the following formula:

$$\text{APTPPL's obligation} = \text{MDQ} * [1 + 0.020 * (\text{AHV} - 40)]$$

- (b) the Throughput Charge for the User is adjusted for the Day using the following formula:

$$\text{Adjusted Throughput} = \text{Throughput Charge} *$$

Charge $[1 + 0.020 * (40 - AHV)]$

where AHV is the average Gross Heating Value of gas in MJ/m³ received on the Day this formula is applied.

2.3.4 Overruns

- (a) An Overrun will occur where APTPPL:
- (i) receives at a Receipt Point from or on behalf of a User a quantity of gas in any Hour or on any Day which exceeds the MHQ or the MDQ respectively; or
 - (ii) delivers to a Delivery Point to, or to the account, of a User a quantity of gas in any Hour or on any Day which exceeds the MHQ or the MDQ respectively.
- (b) If requested in advance, APTPPL will authorise an Overrun except where:
- (i) provision of the Overrun may cause APTPPL to have to curtail service for another User that is transporting within its contractual rights;
 - (ii) for more than 12 Days in the 12 Month period up to and including the current Month, or for more than 4 Days in the current Month, APTPPL has authorised an Overrun of quantities in excess of 5% of the User's MDQ; or
 - (iii) the provision of the Overrun would cause APTPPL to incur additional costs or to incur capital costs earlier than those costs would otherwise have been incurred or greater than those costs would have been if the Overrun were not provided.
- (c) The User will be liable to pay charges for Overruns as set out in section 3.3.1.
- (d) The User will be liable to APTPPL for any loss or damage suffered by APTPPL as a consequence of an Overrun which has not been authorised prior to the Overrun occurring.
- (e) If in any Contract Year:
- (i) on more than 12 occasions the User has an Overrun which exceeds by more than 5% the MDQ for that Contract Year; and
 - (ii) the User is not able to demonstrate to APTPPL's reasonable satisfaction that the User will not again exceed the MDQ by more than 5% during the remainder of that Contract Year

Formatted: Tabs: 3.39 cm, List tab

Formatted: Tabs: 3.39 cm, List tab

Formatted: Tabs: 3.39 cm, List tab

then APTPPL may determine that the MDQ under the Transportation Agreement for the remainder of that Contract Year will be equal to the

average of the 12 highest daily withdrawals made by the User during that Contract Year and the Charges payable by the User will be adjusted accordingly.

2.3.5 Term

The term of the Service will be one year from the commencement of the Service or such longer period ending on an anniversary of the commencement of the Service as the User elects.

2.3.6 Term beyond Revisions Commencement Date

Where the term of a Reference Service Transportation Agreement extends beyond the Revisions Commencement Date, the tariffs applicable to the Service after the Revisions Commencement Date will be the Reference Tariff for a comparable Service under the then applicable Access Arrangement.

2.3.7 Charges

Charges for the Reference Service are specified in section 3.

2.4 Negotiated Services

- (a) If a Prospective User's requirements and circumstances vary from the conditions of a Reference Service and cannot be satisfied through a Reference Service, including where the Prospective User seeks access to capacity other than the Existing Capacity, the Prospective User may seek to negotiate different terms and conditions, including tariff, as a Negotiated Service.
- (b) Negotiated Services will have priority agreed to in a Non-Discriminatory Manner on a case by case basis but will not be higher than Firm Service.

3. REFERENCE TARIFFS AND OTHER CHARGES

3.1 Reference Tariffs

3.1.1 Reference Tariff

The Reference Tariff for the Reference Service consists of the sum of the:

- (a) Capacity Charge; and
- (b) Throughput Charge;

Users will also pay any other applicable Tariff Charges specified in section 3.1.4.

3.1.2 Capacity Charge

The Capacity Charge for each Day is the product of:

- (a) the Capacity Reference Tariff;
- (b) the MDQ (expressed in GJ) specified in the Transportation Agreement.

3.1.3 Throughput Charge

The Throughput Charge for each Day is the product of:

- (a) the Throughput Reference Tariff;
- (b) the actual quantity of gas (expressed in GJ) delivered to or to the account of the User on that Day.

3.1.4 Other Tariff Charges

The User may also be required to pay the following charges:

- (a) Overrun Charge as set out in section 3.3.1;
- (b) Imbalance Charge as set out in section 3.3.2;
- (c) Daily Variance Charge as set out in section 3.3.3; and
- (d) Charges in respect of Receipt Stations and Delivery Stations as set out in section 3.3.4.

3.1.5 Amount of Capacity Reference and Throughput Reference Tariffs

The Reference Tariffs for each Year of the Access Arrangement Period are set out in **Table 1** and are subject to variation as described in section 4.4.

Table 1: Reference Tariffs²
(\$July 2006)

Tariff Component	1/7/06 – 30/6/07	1/7/07 – 30/6/08	1/7/08 – 30/6/09	1/7/09 – 30/6/10	1/7/10 – 30/6/11
Capacity Reference Tariff (\$/GJ of MDQ/Day)	▼	▼	▼	▼	▼
Throughput Reference Tariff (\$/GJ)	▼	▼	▼	▼	▼

Deleted: 0.4243

Deleted: 0.4243

Deleted: 0.4243

Deleted: 0.4243

Deleted: 0.4243

Deleted: 0.0283

Deleted: 0.0283

Deleted: 0.0283

Deleted: 0.0283

Deleted: 0.0283

3.2 Variations to Reference Tariffs

The forecast Reference Tariffs, exclusive of GST, for each year of the Access Arrangement period are set out in **Table 1** and will be adjusted on 1 July 2007 and on 1 July in each subsequent year to reflect movements in the CPI in accordance with the formula specified in section 4.4.

3.3 Other Charges

3.3.1 Overrun Charges

- (a) The User must pay an Overrun Charge for Overruns at a Receipt Point or a Delivery Point, except to the extent that APTPPL solely caused the Overrun without the prior approval of the User.
- (b) A different charge applies to Authorised and Unauthorised Overruns, as set out in **Table 2** below.
- (c) The Overrun Charge is the product of:
 - (i) the applicable rate under **Table 2** below; and
 - (ii) the Overrun Quantity (expressed in GJ).

² Note: these Tariffs do not include GST.

Table 2: Overrun Charges³

Authorised Overrun Rate	Unauthorised Overrun Rate
120% of Capacity Reference Tariff	300% of Capacity Reference Tariff

3.3.2 Imbalance Charge

- (a) The provisions relating to Gas Balancing are set out in clauses 57 to 65 inclusive of the Principles.
- (b) The Imbalance Charge for the purpose of clause 62(a) of the Principles is the Imbalance Rate multiplied by the Imbalance existing at the end of that Month.
- (c) The Imbalance Charge for the purpose of clause 62(b) of the Principles is the then existing market price for a GJ of gas at the Receipt Point multiplied by the Imbalance existing at the end of that Month.

3.3.3 Daily Variance Charges

- (a) A Daily Variance occurs when the quantity of gas:
 - (i) received from or on behalf of the User at a Receipt Point during a Day is different from the Nomination for that Receipt Point; or
 - (ii) delivered to or for the account of the User at a Delivery Point during a Day is different from the Nomination for that Delivery Point

by more than 10% (either positive or negative) of the MDQ for the Receipt Point or the Delivery Point respectively (excluding any portion of that variation that has been caused by APTPPL).
- (b) For any Day in Excess of:
 - (i) 4 Days in the Month; or
 - (ii) 24 Days in a Contract Year

Formatted: Tabs: 3.39 cm, List tab

³ Note: the Throughput Reference Tariff is applied each Day to the total quantity of gas transported to the User's Delivery Point(s), including Overrun Quantities. The Capacity Charge under section 3.1.2 does not apply to the Overrun Quantity as the Capacity Reference Tariff is applied to the MDQ reserved, not the quantities of gas transported.

in which a Daily Variance occurs, APTPPL may require the User to pay a Daily Variance Charge calculated by multiplying the Daily Variance Rate by the Daily Variance Quantity.

“**Daily Variance Quantity**” means, on any Day on which a Daily Variance occurs, the greater of:

- (a) the sum, for all Delivery Points, of the absolute differences between the Nomination and the actual quantity of gas delivered to or for the account of the User at each Delivery Point for the Day; and
- (b) the sum, for all Receipt Points, of the absolute differences between the Nomination and the actual quantity of gas received from or on behalf of the User at each Receipt Point for the Day

(excluding any portion of that quantity which has been caused by APTPPL).

“**Daily Variance Rate**” means 120% of the Capacity Reference Tariff payable by the User on the Day on which the Daily Variance occurred.

3.3.4 Charges in Respect of Receipt Points or Delivery Points

APTPPL is entitled to recover from a User or group of Users (in the proportions agreed) the costs of:

- (a) constructing capital improvements for additional Receipt Points or Delivery Points or, for Receipt or Delivery Points operated by the owner of the Receipt or Delivery Point, constructing capital improvements for increases in the Receipt Point MDQ or Delivery Point MDQ or to comply with agreed metering, quality and related upgrading of existing Receipt Points or Delivery Points for the Pipeline specifically required to deliver gas to or receive gas from that User or group of Users, including the construction of Receipt Points, Delivery Points, Receipt Stations, Delivery Stations, regulation, metering and quality monitoring facilities; and;
- (b) operating and maintaining those capital improvements referred to in paragraph (a) above; and
- (c) investigating the cost of constructing the capital improvements contemplated in paragraph (a) above

(d) Where a Prospective User agrees to bear the costs of an Investigation in (c) above and subsequently decides not to proceed with the project to which the investigation related, that User may provide information it received as a result of its contribution to the costs of the Investigation to a bona fide assignee of the Prospective User’s position on the Queue. Before doing so, the Prospective User must ensure that appropriate arrangements are in place to protect any confidential

Formatted: Outline numbered + Level: 3 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.5 cm + Tab after: 2.5 cm + Indent at: 2.5 cm

Formatted: Font: Not Bold, Not Italic

Formatted: Font: Not Bold, Not Italic

Formatted: Font: Not Bold, Not Italic

information contained in or disclosed by that information. This does not prevent APTPPL from continuing to use the information contained in any investigation

Formatted: Font: Not Bold, Not Italic

provided that no charges for capital improvements and operating and maintenance costs may be recovered under paragraphs (a) and (b) above where the improvements are for an increase in the capacity of the Pipeline above the Existing Capacity.

3.3.5 General

Any charge payable by a User in respect of an Overrun, Imbalance or Daily Variance or other charge specified above is payable in addition to, and not in substitution for, any other charge payable by the User and does not affect the MDQ or MHQ specified in the Transportation Agreement except as provided for in clause 2.3.4(e).

Deleted: .

3.4 GST

All tariffs, charges and amounts payable under this Access Arrangement are expressed to be exclusive of GST. In addition to any tariff, charge or amount payable under this Access Arrangement by a User or Prospective User, the User or Prospective User will pay any applicable GST calculated by multiplying the relevant tariff, charge or amount by the prevailing GST rate.

4. General Principles and Reference Tariff Policy

4.1 General

- (a) In developing its proposed Services and Reference Tariffs in this Access Arrangement, APTPPL has focused on the following objectives:
- (i) consistency with existing contracts and practices, and recognition of previous regulatory regimes and outcomes under those regimes;
 - (ii) providing encouragement for APTPPL to respond to the growth of natural gas markets by allowing Negotiated Services including negotiated tariffs to underpin expansions or extensions to the Covered Pipeline; and
 - (iii) encouraging efficient use of the Covered Pipeline.
- (b) The following principles apply to the development of the Reference Tariffs:
- (i) Reference Tariffs are derived through a price path approach based on an application of the NPV methodology. This is designed to permit APTPPL to recover the efficient costs of the Existing Capacity over the expected life of the assets;
 - (ii) the initial Capital Base is established in accordance with sections 8.1, 8.10 and 8.11 of the Code; and
 - (iii) Reference Tariffs are structured to reflect the costs of providing the Reference Services;
 - (iv) Users of a Service pay the costs of the Capacity utilised in the provision of the Service and in particular the Reference Tariff is designed to recover total costs of the Existing Capacity from Users of the Existing Capacity.
- (c) The Capital Base at the commencement of the subsequent Access Arrangement Period will be determined by application of the NPV methodology adjusted to account for Depreciation, Redundant Capital and inflation as measured by the annual CPI.

Formatted: Tabs: 3.39 cm, List tab

Formatted: Tabs: 3.39 cm, List tab

Formatted: Tabs: 3.39 cm, List tab

4.2 New Facilities Investment

- (a) APTPPL may undertake New Facilities Investments that do not meet the requirements of the Code for inclusion in the Capital Base. If APTPPL does undertake such New Facilities Investments and the resulting Capacity is to be Covered under the Extensions/Expansions Policy, then APTPPL may include in the Capital Base that part of the New Facilities Investment which does satisfy section 8.16 of the Code.
- (b) Where paragraph (a) applies, an amount in respect of the balance after deducting the Recoverable Portion of New Facilities Investment may subsequently be added to the Capital Base, with the approval of the Regulator, if at any time the type and volume of Services provided using the Capacity attributable to the New Facility change such that any part of the Speculative Investment Fund would then satisfy the requirements of the Code for inclusion in the Capital Base.
- (c) If APTPPL undertakes New Facilities Investment in relation to an expansion of the Capacity of the Covered Pipeline or undertakes a geographic extension which is Covered under the Extensions/Expansions Policy, APTPPL can elect whether:
 - (i) that the additional Capacity is rolled into the Existing Capacity, with access to that combined Capacity being provided by a single Reference Service;
 - (ii) that the costs of the additional Capacity will be recovered through a separate reference Service; or
 - (iii) that the costs of the additional Capacity will be recovered through a Negotiated Service.

Formatted: Tabs: 3.39 cm,
List tab

4.3 Redundant Capital

For the purposes of calculating the Capital Base at the commencement of the subsequent Access Arrangement, the Capital Base will be adjusted if necessary and to the extent that assets are redundant.

4.4 Reference Tariff Variation

- (a) APTPPL has selected a Reference Tariff Control Formula Approach to the adjustment of Reference Tariffs. During the Access Arrangement Period, Reference Tariffs will only be adjusted in accordance with the CPI-X formula set out in this section 4.4.
- (b) APTPPL may vary Reference Tariffs from 1 July in each year of the Access Arrangement Period in accordance with the following formula:

$$RT_n = RT_{n-1} \times \left[1 + \frac{CPI_n - CPI_{n-1}}{CPI_{n-1}} \right]$$

Formatted: Not Highlight

Where:

RT_n means Reference Tariff in year n

RT_{n-1} means the Reference Tariff in year n -1

CPI means Consumer Price Index (All Groups — weighted Average Eight Capital Cities) published quarterly by the Australian Bureau of Statistics. If the Australian Bureau of Statistics ceases to publish the quarterly value of that index, then CPI means the quarterly values of another Index which [the Relevant Regulator, in consultation with the Service Provider](#), APTPPL reasonably determines most closely approximates that Index.

CPI_n means the CPI published for the March quarter in year n

CPI_{n-1} means the CPI published for the March quarter in year n-1

(c) APTPPL may vary the Reference Tariffs using the CPI-X formula in accordance with sections 8.3B to 8.3H of the Code subject to the following:

Deleted: (except for the purposes of the review on 1 July 2007 when CPI_{n-1} means the CPI published for the September quarter 2005).

Deleted: ¶

(i) APTPPL must provide a notice to the Regulator [at least 30](#) Business Days prior to 30 June each year;

Formatted: Tabs: 3.39 cm, List tab

(ii) this notice must contain APTPPL's proposed variations to the Reference Tariffs and the proposed effective date for those variations;

(iii) the proposed variations to the Tariffs must be in accordance with the CPI formula; and

(iv) the minimum notice period for the purposes of section 8.3D(b)(i) of the Code shall be 20 Business Days from the date that APTPPL submits its notice under paragraph (c)(i).

(d) If the introduction of gas market reforms leads to the introduction of new legal or procedural requirements affecting the management or operation of the pipeline including new legal or procedural requirements resulting from the introduction of a new law, a direction of the relevant Minister or a body appointed to implement retail contestability in the gas industry, and

(i) the financial impact is material;

(ii) the detriment or benefit (as the case may be) to APTPPL is significant; and

(iii) the effect occurs in the Access Arrangement Period

then APTPPL may address the financial impact of those new requirements through adjustment to the Capital Base at the commencement of the New Access Arrangement Period. In such case, APTPPL must reasonably demonstrate to the Regulator the impact of such new requirements.

4.5 Bulletin Board

APTPPL will establish electronic access to a register of spare and developable capacity. The prudent costs borne by APTPPL in establishing and maintaining such access will be included in the Capital Base for the Covered Pipeline or in the non-capital costs as the Regulator agrees is appropriate.

Formatted: Bullets and Numbering

Formatted: Normal

Formatted: Default Text Char, Font: Not Bold

Formatted: Bullets and Numbering

Formatted: Default Text Char, Font: Not Bold

Formatted: Font: Not Bold

5. Trading Policy

5.1 Bare Transfer

A User may make a Bare Transfer if the transferee notifies APTPPL beforehand that it wishes to utilise the portion of Contracted Capacity subject to the Bare Transfer and of the nature of the Contracted Capacity subject to the Bare Transfer.

5.2 Substituted Transfer

The User may transfer or assign all or aptr of its Contracted Capacity other than by way of a Bare Transfer with the prior written consent of APTPPL. APTPPL may withhold its consent only on reasonable commercial or technical grounds and may make such consent subject to reasonable commercial and technical conditions including conditions which are consistent with the Principles.

5.3 Change of Receipt Point or Delivery Point

The User may transfer all or part of the MDQ for a Receipt Point or Delivery Point to another Receipt Point or Delivery Point with the prior written consent of APTPPL. APTPPL may withhold its consent only on reasonable commercial or technical grounds and may make such consent subject to reasonable commercial and technical conditions including conditions which are consistent with the Principles.

5.3A Meaning of “reasonable commercial and technical”

For the purposes of Clauses 5.2 and 5.3 “reasonable commercial grounds” and “reasonable commercial conditions” include allowing the Service Provider to deliver the same amount of the Service, receive the same amount of revenue and bear no additional capital or non-capital costs, as applied before the trade.

Examples of items that would be reasonable are:

- (a) APTPPL refusing to agree to a User's request to change its Delivery Point where a reduction in the amount of the Service provided to the original Delivery Point will not result in a corresponding increase in APTPPL's ability to provide that Service to the alternative Delivery Point; and
- (b) APTPPL specifying that, as a condition of its agreement to a change in the Delivery Point or Receipt Point, APTPPL must

Formatted: Font: Not Italic, English (U.S.)

Formatted: Font: Not Italic, English (U.S.)

Formatted: Heading 2,1.1,Heading 2 Char,H2 Char,h2 Char,2 Char,l2 Char,list 2 Char,list 2 Char,heading 2TOC Char,Head 2 Char,List level 2 Char,Header 2 Char,body Char,Attribute Heading 2 Char,test Char,h2 main heading Char,Section Char,2m Char,h 2 Char,h2.H2 Char, Indent: Left: 0 cm, First line: 0 cm, Tabs: Not at 1.78 cm + 3.3 cm + 5.08 cm + 6.86 cm + 8.63 cm + 10.41 cm + 12.19 cm + 17.29 cm

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

receive the same amount of revenue, and bear the same level of costs, it would have received or borne before the change.

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic, Not Highlight

Formatted: Font: Not Bold, Not Italic

5.4 Response to Requests

APTPPL will respond to requests to make Substituted Transfers and to change a Receipt or Delivery Point within 14 Business Days of receiving the request and all the information reasonably required by APTPPL to consider the request.

If the request to make a Substituted Transfer or to change a Receipt or Delivery Points involves:

- (a) receiving gas at a Receipt Point that is further upstream than the existing Receipt Point;
- (b) delivering gas at a Delivery Point that is further downstream than the existing Delivery Point

the assessment of the impact on the operation of the Pipeline of consenting to the request may take longer than 14 Business Days and in those circumstances APTPPL will advise a work program to assess the impact of the request within 14 Business Days of receiving the request.

5.5 User remains Liable

A User who transfers or assigns any of its Contracted Capacity remains liable to APTPPL for all charges or other amounts payable to APTPPL in respect of the part of the Contracted Capacity transferred or assigned unless:

- (a) APTPPL expressly agrees in writing that some other person will be liable for some or all of those charges or other amounts; and
- (b) the other person concerned has entered into a written agreement with APTPPL to be liable to APTPPL in respect of those amounts.

6. QUEUING POLICY

6.1 Forming the Queue

- (a) Where there is insufficient Capacity to satisfy a Request in full or part, a queue will be formed.
- (b) A queue will include all relevant Requests which cannot be satisfied. Where an offer has been made in response to a Request received prior to formation of the queue, that Request will take first position in the queue.
- (c) A Request for a Reference Service will have priority over a request for a similar Service at a tariff less than the Reference Tariff. Otherwise, the priority of a Request depends upon its priority date.
- (d) Where APTPPL determines that two or more Requests relate to the same tranche of capacity for the same Delivery Point, all those Requests will have the priority date of the earliest Request.
- (e) At the time a Request is placed in a new or existing queue, APTPPL will advise the Prospective User of:
 - (i) its position on the queue;
 - (ii) the aggregate capacity sought under Requests which are ahead on the queue;
 - (iii) its estimate of when capacity may become available; and
 - (iv) whether investigations are required to determine whether capacity is or can be made available (“**Investigations**”)⁴.
 - (v) In the event that investigations are required under 6.1(e)(iv)⁴ APTPPL will, upon request, provide the Prospective User with a general indication of the range of tariffs which may be applicable in relation to any capacity expansion or extension (Indication). An Indication will be provided for the sole purpose of assisting Prospective Users to consider whether they share the costs of an Investigation under clause 6.3, will be confidential and will not be binding on either party.

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: numpara4, Indent: Left: 0 cm, Adjust space between Latin and Asian text, Adjust space between Asian text and numbers

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: Font: (Default) Times New Roman, Not Highlight

⁴ If the Request has not been placed on the queue as a result of APTPPL advising under Schedule 5A that Investigations were required.

(vi) APTPPL will not be liable to the Prospective User for any cost, loss, expense or other matter arising from the provision of an Indication, or from the Prospective User's use of or reliance on an Indication, including where any tariff subsequently offered to the Prospective User or any other person is greater or less than the Indication.

Formatted: Not Highlight

- (f) When the position of a Request changes relative to other Requests which are ahead in the queue (such as where a Request ceases to be on the queue) or where the timing of availability of a new tranche of Developable Capacity changes, APTPPL will provide revised information to the Prospective User.
- (g) APTPPL will not provide information to a Prospective User where providing that information would involve the release or disclosure of confidential information about another User or Prospective User.

6.2 Conditions Applicable on Queue

- (a) A Prospective User may reduce, but not increase, the capacity sought in a Request which is in a queue.
- (b) Once every three months, APTPPL may seek confirmation from a Prospective User that it wishes to continue with its Request. If a Prospective User fails to provide confirmation within 14 Days, the Request will lapse.
- (c) A Prospective User will advise APTPPL if it does not wish to proceed with a Request, which will then lapse.
- (d) A Prospective User may only assign a Request on a queue to:
 - (i) a bona fide purchaser of the Prospective User's business and/or assets,
 - (ii) a bona fide supplier of gas to the Proposed User's identified or assumed end-user
 - (iii) subject to the Prudential Requirements.
- (e) A Request may lapse if, on assignment of a controlling interest in the shares of the Prospective User, the assignee fails to provide a guarantee as required by APTPPL or to meet the Prudential Requirements.
- (f) Any lapsed Request will be removed from the queue and priority will be lost.

Formatted: numpara4

Formatted: Bullets and Numbering

6.3 Investigations to Determine if Capacity is Available

- (a) Where APTPPL advises a Prospective User that Investigations are required, APTPPL will also advise the Prospective User of the nature, likely duration and cost of the Investigations. The Prospective User may then determine whether it wants APTPPL to undertake the Investigations. Prospective Users may share these costs in the proportion agreed between them and APTPPL.
- (b) APTPPL is only obliged to undertake Investigations if one or more Prospective Users in a queue agree to bear the costs of the Investigation.
- (c) Where a Prospective User declines to meet the cost of Investigations, that Prospective User's Request will have less priority than Requests where the Prospective Users have agreed to bear the costs of the Investigation.
- (d) Where the Investigation identifies that investment is required to make Capacity available, section 6.5 will apply.
- (e) A Prospective User who has paid for an Investigation under section 6 will, on entering into appropriate confidentiality arrangements, receive a written report which
- describes the options considered to provide the capacity;
 - describes APTPPL's preferred option to provide capacity or provides reasons why no recommendation is made; and
 - outlines the key capital assumptions relied on in identifying the preferred option.
- (f) Where a Prospective User bears the costs of an Investigation and the Prospective User decides not to proceed with the Request, that Prospective User may assign:
- (i) the Request to which the Investigation relates, and
 - (ii) information in the possession of that Prospective User relevant to the Investigation to a bona fide assignee
- and that assignee may use the results of the Investigation provided that the assignment does not disclose confidential information without the consent of persons to whom such information relates.

Formatted: Not Highlight

Formatted: numpara3, Outline numbered + Level: 3 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.5 cm + Tab after: 2.5 cm + Indent at: 2.5 cm, Adjust space between Latin and Asian text, Adjust space between Asian text and numbers

Formatted: Not Highlight

Formatted: Bullets and Numbering

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: Not Highlight

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: Not Highlight

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic, Not Highlight

Formatted: Not Highlight

Formatted: Indent: Left: 2.54 cm

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic

Formatted: numpara3, Outline numbered + Level: 3 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.5 cm + Tab after: 2.5 cm + Indent at: 2.5 cm, Adjust space between Latin and Asian text, Adjust space between Asian text and numbers

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic

Formatted: Font: (Default) Times New Roman, Not Bold, Not Italic

Formatted ... [1]

Formatted ... [2]

Formatted ... [3]

Formatted ... [4]

Formatted ... [5]

Formatted: Indent: Left: 2.54 cm

6.4 Procedure when Capacity can be made Available without Investment in Developable Capacity

- (a) When capacity can be made available which meets the requirements of any Request in a queue:
 - (i) that capacity will be progressively offered to each Prospective User in the queue in order of priority (notwithstanding that such capacity is not sufficient to meet the needs of that Prospective User); and
 - (ii) a Prospective User will have 30 Days after an offer is made to enter into a Transportation Agreement (conditional if necessary on APTPPL entering into Transportation Agreements with other Prospective Users), failing which the Request will lapse or lose priority to Prospective Users entering into such a Transportation Agreement (upon that Transportation Agreement becoming unconditional). APTPPL may agree to extend the period of 30 Days.
- (b) Where a Prospective User is offered part of the capacity in a Request:
 - (i) but declines it because the Prospective User wants all the capacity requested or nothing; or
 - (ii) accepts the capacity offered but the Prospective User wants to remain in the queue for the remainder of the requested capacity

the Prospective User will not lose priority in respect of any capacity requested but not taken provided that it notifies APTPPL that it wishes to remain in the queue.

6.5 Procedure when Capacity can be made Available only with Investment in Developable Capacity

- (a) Where Investigations identify that investment is required to make Capacity available:
 - (i) APTPPL will advise each of the Prospective Users on the queue of its plans to make Capacity available, and the terms and conditions on which the Capacity will be available;
 - (ii) prior to the development of Capacity, the Capacity will be progressively offered to each Prospective User in the queue in order of priority (notwithstanding that such Capacity is not sufficient to meet the needs of that Prospective User);
 - (iii) a Prospective User will have 30 Days after an offer is made to enter into a Transportation Agreement (conditional if

necessary on APTPPL entering into Transportation Agreements with other Prospective Users), failing which the Request will lapse or lose priority to those entering into such a Transportation Agreement (upon that Transportation Agreement becoming unconditional). APTPPL may agree to extend the period of 30 Days.

- (b) Where a Prospective User is offered part of the capacity in a Request:
 - (i) but declines it because the Prospective User wants all the capacity requested or nothing; or
 - (ii) accepts the capacity offered but the Prospective User wants to remain in the queue for the remainder of the requested capacity

the Prospective User will not lose priority in respect of any capacity requested but not taken provided that it notifies APTPPL that it wishes to remain in the queue.

6.6 General

- (a) A Request will not lapse and will retain its priority in a queue in the event of a dispute being notified, until that dispute has been resolved in accordance with the Code.
- (b) Where a queue exists, a Prospective User must on request demonstrate to APTPPL that the Prospective User will have access to a supply of gas at the time it is anticipated that the Prospective User will be offered access to the Service and where the Prospective User does not do so, its Request will lapse.

7. EXTENSIONS / EXPANSIONS POLICY

7.1 Extensions

- (a) In the event that APTPPL undertakes a geographic extension to the Pipeline it will elect, after consultation with the Regulator, whether the extension is Covered.
- (b) Where an extension is Covered, access to Services provided through that extension will be provided as a Negotiated Service at a negotiated tariff.

7.2 Expansion of Capacity above the Existing Capacity

- (a) In the event that APTPPL expands the capacity of the Pipeline above the Existing Capacity, the expansion will, at the time it comes into operation, be Covered unless APTPPL proposes and the Regulator agrees that the expansion should not be Covered.
- (b) Where an expansion is Covered, access to Services provided using that Capacity will be offered as a Negotiated Service at a negotiated tariff.
- (c) Generally, APTPPL would expect to continue to expand the Capacity of the Pipeline to meet requirements for additional Capacity where:
 - (i) there are sufficient proven reserves to cover the economic life of the expanded Pipeline; and
 - (ii) a User commits to the use of the expanded Capacity at a tariff negotiated between APTPPL and the User; and
 - (iii) it is technically and economically feasible to provide the additional Capacity.

8. CAPACITY MANAGEMENT POLICY

The Pipeline is a Contract Carriage Pipeline.

Schedule 1:

Definitions and Interpretations

Terms and expressions used in this Access Arrangements, including the attachments, have the meaning given to them below. Terms defined in the Code have the meaning given to those terms in the Code as at the date of commencement of this Access Arrangement.

“ APTPPL ”	means APT Petroleum Pipelines Limited ACN 009 737 393 or the person who is from time to time the Service Provider under the Code.
“ Access Arrangement Period ”	has the meaning given to it in the Code.
“ Authorised Overrun ”	means an Overrun that is approved by APTPPL before the Overrun occurs.
“ Bare Transfer ”	has the meaning given to it in the Code.
“ Business Day ”	means any day which is not a Saturday, Sunday or a public holiday in Queensland.
“ Capacity ”	has the meaning given to it in the Code.
“ Capacity Charge ”	means the charge calculated in accordance with section 3.1.2.
“ Capacity Reference Tariff ”	means the Tariff set out in Table 1 in section 3.1.5.
“ Capital Base ”	has the meaning given to it in the Code.
“ Charge ”	for a Service means the amount that is payable by a User for that Service under this Access Arrangement.
“ Code ”	means the National third Party Access code for Natural Gas Pipeline Systems established under the Gas Pipelines Access Law.
“ Contracted Capacity ”	has the meaning given to it in the Code.
“ Contract Year ”	means the period of a Year commencing on the first Day of the term of a Transportation Agreement and thence on the anniversary of the first Day.
“ Covered ”	has the meaning given to it in the Code.

“Covered Pipeline”	means that part of the Pipeline which is, or which under this Access Arrangement is taken to be, Covered and includes any expansion or extension of the Pipeline which is Covered in accordance with the Extensions/Expansions Policy.
“CPI”	has the meaning given to it in paragraph 4.4(b).
“Daily Variance”	has the meaning given to it in section 3.3.3.
“Day”	means a period of 24 consecutive hours beginning at 8.00 am Australian Eastern Standard Time and ending immediately prior to 8.00 am the following day. When referring to a particular Day, the date of the Day will be the date on which that Day begins.
“Delivery Point”	means the point on the Pipeline at which gas is delivered from the Pipeline to, or on behalf of, or for the account of, a User.
“Delivery Point MDQ”	means the MDQ established by the User for that Delivery Point. Where gas is to be delivered to only one Delivery Point under a Transportation Agreement, the User’s MDQ will be taken to be the Delivery Point MDQ.
“Delivery Point MHQ”	means the MHQ established by the User for that Delivery Point. Where gas is to be delivered to only one Delivery Point under a Transportation Agreement, the User’s MHQ will be taken to be the Delivery Point MHQ.
“Delivery Stations”	means the facilities and works installed at a Delivery Point which facilitate the delivery of gas from the Pipeline and which regulate and measure the flow of gas through the Delivery Point.
“Developable Capacity”	has the meaning given to it in the Code.
“Existing Capacity”	means the capacity of the Pipeline as it is configured at 31 January 2006.
“Firm Users”	has the meaning given to it in clause 52 of the Principles.
“Force Majeure”	means any event or circumstance not within the control of a party to a Transportation Agreement and which by the exercise of due diligence that party is not reasonably able to prevent or overcome.
“gas”	means natural gas.
“Gas Pipelines Access Law”	means the Gas Pipelines Access Law Qld 1998.

“Gross Heating Value”	means the number of megajoules liberated when one cubic metre of gas, free of water and at standard conditions, is completely burnt in air, with all water formed by the combustion process condensed to the liquid state and with all the products of combustion at standard conditions.
“GST”	has the meaning given to it in A New Tax System (Goods & Services Tax) Act 1999.
“Hour”	means any period of 60 consecutive minutes.
“Imbalance”	means the difference (in GJ) between the quantities of gas received by APTPPL at Receipt Point(s) from or on behalf of a User (excluding System Use Gas and contribution to Linepack) and the quantities of gas delivered to or for account of the User at Delivery Point(s).
“Imbalance Charge”	means the charge referred to in section 3.3.2.
“Imbalance Rate”	means 250% of the Capacity Reference Tariff payable by the User on the Day on which the Imbalance Charge becomes payable.
“Linepack”	means at any point in time that quantity of gas determined by APTPPL to be the quantity of gas reasonably required for the good operation of the Pipeline.
“Maximum Daily Quantity” or “MDQ”	means the maximum quantity of gas (in GJ) which APTPPL is obliged to receive, transport and deliver for or on behalf of the User on any Day (excluding Overruns).
“Maximum Hourly Quantity” or “MHQ”	means the maximum quantity of gas (in GJ) which APTPPL is obliged to receive, transport and deliver for or on behalf of the User on any Day (excluding Overruns).
“Metering Facilities”	means facilities to measure quantities and monitor quality of gas being received or delivered which facilities may include filters, metering system and associated instrumentation, shutoff valves, links to SCADA and other communications facilities, and power supplies.
“Month”	means calendar month.
“Negotiated Service”	means the Service referred to in section 2.4.
“Nomination”	means, in respect of any Day, the quantity of gas nominated by the User as being the quantity which the User requires APTPPL to receive at each Receipt Point and deliver at each Delivery Point (as the case may be) for that particular Day.

Non-Discriminatory Manner

means that APTPPL will act in a manner which is consistent for each Service offered and between each Service offered, subject to differences which APTPPL, in good faith, considers to arise from legitimate economic, commercial and technical considerations.

“Overrun”

has the meaning given to that term in section 2.3.4.

“Overrun Charges”

means the charges payable in respect of an Overrun as described in section 3.3.1.

“Overrun Quantity”

means a quantity of gas (greater than 0) that is the greater of:

- (a) if the total quantity of gas (in GJ) (excluding any System Use Gas and Line Pack Gas) received by APTPPL from or on account of a User at all Receipt Points during any Day exceeds the User’s MDQ for that Day - the excess; and
- (b) if the total quantity of gas (in GJ) delivered by APTPPL to or for the account of a User at all Delivery Points during any Day exceeds the User’s MDQ for that Day - the excess; and
- (c) if the quantity of gas (in GJ) received during any Day by APTPPL from or on account of a User at a Receipt Point (less System Use Gas and Line Pack Gas) is in excess of the Receipt Point MDQ for that Day - the sum of the excess for all such Receipt Points; and
- (d) if the quantity of gas (in GJ) delivered during any Day by APTPPL to or for the account of a User at a Delivery Point is in excess of the Delivery Point MDQ for that Day - the sum of the excess for all such Delivery Points.

Formatted: Indent: Left: 0.02 cm, Hanging: 0.85 cm, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.46 cm + Tab after: 2.1 cm + Indent at: 2.1 cm, Tabs: Not at 2.1 cm

Formatted: Indent: Left: 0.02 cm, Hanging: 0.85 cm, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.46 cm + Tab after: 2.1 cm + Indent at: 2.1 cm, Tabs: Not at 2.1 cm

Formatted: Indent: Left: 0.02 cm, Hanging: 0.85 cm, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.46 cm + Tab after: 2.1 cm + Indent at: 2.1 cm, Tabs: Not at 2.1 cm

Formatted: Indent: Left: 0.02 cm, Hanging: 0.85 cm, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.46 cm + Tab after: 2.1 cm + Indent at: 2.1 cm, Tabs: Not at 2.1 cm

“Pipeline”

means the pipeline running from Wallumbilla to Brisbane and known as the Roma to Brisbane Pipeline (operated under Queensland Licence PPL No. 2) and the lateral from Arubial to Peat and Scotia (operated under Queensland Licence PPL No. 74) together with all Receipt Stations, Delivery Stations and related facilities owned by APTPPL which exist from time to time.

”Principles”

means the Principles for Terms and Conditions of Services set out in Schedule 2.

”Prior Specification”

Means the gas quality specifications under the Prior Transportation Agreements referred to in clause 29, and as set out in [Schedule 4B](#):

Formatted: Normal

Deleted: Schedule 4B:

“Prior Transportation Agreements”	means the agreements described in clause 29.
“Prospective User”	has the meaning given to it in the Code.
“Prudential Requirements”	means the requirements set out in Schedule 5A
“quantity” or “quantity of gas”	means a quantity of gas calculated as the product of the heating value and the volume of that gas.
“Receipt Point”	means the point of entry for gas into the Pipeline.
“Receipt Point Facilities”	means all the facilities, other than those forming part of the Receipt Point, required to be located at the Receipt Points, and including, without limitation, all filters and conditioning equipment.
“Receipt Point MDQ”	means the MDQ for that Receipt Point under a User’s Transportation Agreement.
“Receipt Station”	means the facilities and works installed at a Receipt Point which facilitate the delivery of gas into the Pipeline.
“Redundant Capital”	has the meaning given to it in the Code.
“Reference Service”	means the Service offered as a Reference Service described in section 2.3.
“Regulator”	means the Relevant Regulator under the Code which, at the date of this Access Arrangement, is the Australian Competition and Consumer Commission.
“Request”	means a Request for Service as described in Schedule 5A
“Service”	means Reference Service and Negotiated Service.
“Specification”	means the specification for “fuel gas” imposed under the Petroleum and Gas (Production and Safety) Act 2004 (Qld) which, at the date of this Access Arrangement, adopts the specification set out in Australian Standard “AS 4564 – specification for general purpose natural gas” as set out in Schedule 4A :

Formatted: Normal

Deleted: Schedule 5A

Formatted: Normal

Deleted: Schedule 5A

Formatted: Normal

Deleted: Schedule 4A

“System Use Gas” means the quantities of gas necessary for the efficient operation of the Pipeline, including gas used as fuel for compressors or other equipment, and quantities otherwise lost and unaccounted for in connection with the operation of the Pipeline including as a result of any limitations on the accuracy of metering equipment but excludes:

- (a) Linepack; and
- (b) gas lost from the Pipeline due to the negligence or wilful default of APTPPL.

Formatted: Indent: Left: 0.23 cm, Hanging: 0.85 cm, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.46 cm + Tab after: 2.1 cm + Indent at: 2.1 cm, Tabs: Not at 2.1 cm

“Throughput Charge” means the charge referred to, and calculated in accordance with section 3.1.3.

“Throughput Reference Tariff” means the Tariff set out in **Table 1** in section 3.1.5.

“Transportation Agreement” means an agreement between APTPPL and a User in relation to a Service.

“Unauthorised Overrun” means an Overrun that is not approved by APTPPL before the Overrun occurs.

“User” has the meaning given to it in the Code.

“Users’ Linepack” means the difference between:

- (a) the quantity of gas determined from time to time by APTPPL as the amount of Linepack; and
- (b) the quantity provided by APTPPL under clause 19.

Formatted: Indent: Left: 0.02 cm, Hanging: 0.85 cm, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.46 cm + Tab after: 2.1 cm + Indent at: 2.1 cm, Tabs: Not at 2.1 cm

“Year” means the period of 365 days or, in the case of a leap year, the period of 366 days.

“User’s MDQ” means the maximum quantity of gas which APTPPL is obliged to receive on behalf of the User (net of the User’s share of User’ Linepack) and to transport and deliver to all of the User’s Delivery Point(s) on behalf of the User on any Day (excluding Overruns). Where gas is to be received at only one Receipt Point or delivered to only one Delivery Point under an Transportation Agreement, the User’s MDQ will be taken to be the Receipt Point MDQ or the Delivery Point MDQ as the case may be..

“User’s MHQ” means the maximum quantity of gas which APTPPL is obliged to receive on behalf of the User and to transport and deliver to all of the User’s Delivery Point(s) on behalf of the User in any Hour (excluding Overruns). Where gas is to be delivered to only one Delivery Point under an Transportation Agreement, the User’s MHQ will be taken to be the Delivery Point MHQ.

Interpretation

Unless the context otherwise requires:

- (a) a reference to a section or a schedule is to a section in, or schedule to, the Access Arrangement;
- (b) a reference to a “clause” is a reference to a clause in the Principles;
- (c) the singular includes the plural and vice versa;
- (d) references to any statute, regulations, or other statutory instrument, standard or by-laws shall be deemed to be references to the statute, regulation, statutory instrument, standard or by-law as from time to time amended, consolidated, re-enacted or replaced including substituted provisions that substantially correspond to those referred to; and
- (e) references to 'dollars' and '\$' are expressed in 1 July 2006 values unless otherwise stated.

Schedule 2:

Principles for Terms and Conditions of Services

General

1. APTPPL will be entitled to require a User to:
 - (a) provide and maintain security for the due and proper performance of its obligations under a Transportation Agreement, in the form of an appropriate guarantee or letter of credit, or parent company guarantee;
 - (b) pay all amounts owing under a Transportation Agreement to continue to receive Services under that Agreement; and
 - (c) demonstrate its ability to meet all financial obligations under a Transportation Agreement.
2. Where applicable, the arrangements for the Connection of Metering Facilities to the Pipeline set out in Schedule 3 apply to the Service.
3. The Specification applies to Services provided under this Access Arrangement.
4. APTPPL and a User will perform their obligations under Transportation Agreement, and conduct their relations with each other, in good faith and in a commercially reasonable manner, and in accordance with reasonable operating and management practices.

Obligation to Transport

5. On any Day, subject to the User delivering gas into the pipeline at a pressure in accordance with these Principles, APTPPL will be obliged to receive, transport and deliver the quantity of gas nominated by the User for that Day, up to the User's MDQ:

(a) ▼

(b) ▼

net of System Use Gas and the User's share of Users' Linepack, and subject to any interruptions or curtailments, priority provisions, adjustments and the balancing provisions.

6. In any Hour, and subject to the User delivering gas into the pipeline at a pressure in accordance with these Principles, APTPPL will be obliged to receive, transport and deliver the quantity of gas nominated by the User, up to the User's MHQ.

(a) ▼

Deleted: at the Receipt Point

Deleted: receive into the pipeline

Deleted: at the Receipt Point

Deleted: a quantity of gas up to the MDQ; and

Deleted: deliver

Deleted: at the Delivery Point

Deleted: a thermally equivalent quantity of gas not exceeding the MDQ

Deleted: at the Receipt Point

Deleted: :

Deleted: receive into the pipeline

Deleted: at the Receipt Point

Deleted: a quantity of gas up to the MHQ; and

net of System Use Gas and the User's share of Users' Linepack, and subject to any interruptions or curtailments, priority provisions, adjustments and the balancing provisions.

Deleted: <#>deliver

Deleted: <#>at the Delivery Point

Deleted: <#>a thermally equivalent quantity of gas not exceeding the MHQ

Title to and responsibility for Gas

7. The User will warrant that it has title to gas delivered at the Receipt Point.
8. APTPPL is entitled to commingle gas received from a User with gas that is received into the Pipeline from other Users.
9. APTPPL will be responsible for any gas lost from the Pipeline due to its negligence or wilful default.
10. On the termination of a Transportation Agreement, the User will be entitled to:
 - (a) recover a quantity of gas equivalent to any quantity delivered by or on behalf of the User into the Pipeline (net of System Use Gas) and not delivered to or for the account of the User; or
 - (b) sell the gas to another User and advise APTPPL of the quantity of gas and the identity of that User.
11. Should the User fail to comply with either (a) or (b) within 3 months of termination, title in the gas passes to APTPPL to be used for operational purposes on the Pipeline.

Gas Pressure

12. Users will arrange for the deliver of gas at a Receipt Point at pressures nominated by APTPPL from time to time as being sufficient to allow the gas to enter the Pipeline but the User shall not be required to deliver gas at pressures in excess of:
 - (a) 10,200 kPa (g) at the Scotia Receipt Point and the Peat Receipt Point; or
 - (b) 9,600 kPa (g) at all other Receipt Points.
13. Subject to receipt of gas at pressures specified in clause 12, APTPPL will supply gas to Users at the outlet of Delivery Stations at a pressure not less than 1,000 kPa(g) unless the parties agree otherwise.

Nominations

14. The User must provide a Nomination for each Month at least 3 Business Days prior to the first Day of the Month and may vary the Nomination in respect of any particular Day by giving reasonable notice (but not later than 24 hours prior to the commencement of the particular Day).

15. If the User's Nomination in respect of any Delivery Point for any Day is in excess of the Delivery Point MHQ or the Delivery Point MDQ for that Delivery Point, the Nomination will be deemed to be equal to the Delivery Point MHQ or the Delivery Point MDQ, as the case may be, except to the extent that APTPPL approves an Authorised Overrun for the Delivery Point and for the Day in question, in which case the Nomination will be deemed to be the Authorised Overrun Quantity.

Overruns

16. A User may request an Authorised Overrun on giving not less than one clear Day's notice to APTPPL.
17. APTPPL will advise the Authorised Overrun Quantity and the Day or Days for which the Overrun has been authorised

System Use Gas and Linepack

18. Users will supply gas for use as System Use Gas at their own cost. Each Month the User will supply the quantity of gas advised by APTPPL which will be in the proportion that the User's throughput bears to the total throughput for all Users.
19. APTPPL will provide a fixed quantity of gas to form part of the Linepack. The User will from time to time supply at its cost the proportion of Users' Linepack determined by APTPPL which will not exceed the quantity determined by multiplying:
 - (a) the ratio of the User's MDQ to the total MDQ of all Users at that time, by
 - (b) the amount determined by APTPPL as Users' Linepack at that time.
20. If the quantity of gas supplied by a User as Linepack at any time is less than 90% or greater than 110% of its proportion of Users' Linepack and this is likely to jeopardise the ability of APTPPL to comply with any Transportation Agreement or to safely and efficiently operate the Pipeline, APTPPL may require the User to correct the variance as soon as possible.
21. If the User fails to correct, or to take reasonable action to correct, the variance within four hours of receipt of the notice, and APTPPL reasonably believes that its ability to comply with any Transportation Agreement or to safely and efficiently operate the Pipeline will continue to be impaired, APTPPL may without liability to the User reduce the quantities of gas received, transported and delivered for or on behalf of the User to the extent necessary to enable APTPPL to correct the User's share of Users' Linepack.

Metering

22. Withdrawals at Delivery Points will be metered. Where facilities exist, quantities passing through the meter each Day will be recorded and telemetered to APTPPL's premises daily and will be accessible by APTPPL, the User, and other persons as permitted by the User.
23. If Metering Facilities fail to operate, the quantity of gas withdrawn will be determined by agreement, or failing agreement by successively using a check meter, calculating the percentage error through calibration tests or mathematical calculation and varying the quantity by one half of the error, or by a deeming method:

24. The quantity of gas delivered at a Delivery Point on any Day will be the product of the average heating value of gas delivered as declared or measured for the Pipeline on that day and:

Formatted: Bullets and Numbering

Deleted: .

(a) where volumetric metering is used, the volume of gas delivered on that Day;

Formatted: numpara3, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.5 cm + Tab after: 2.53 cm + Indent at: 2.53 cm

(b) Where mass flow metering is used, the mass of gas delivered on that Day.

Metering Records

Deleted: <#>The quantity of gas delivered at a Delivery Point on any Day will be the product of the volume of gas delivered and the average heating value of gas delivered as declared or measured for the Pipeline for that Day. ¶

25. The User will be allowed to inspect and audit metering equipment owned by APTPPL used in determining amounts payable by the User once each Contract Year. Each party must bear its own costs of any such inspection or audit.
26. An independent auditor appointed by the User will be allowed to inspect and audit records used in determining amounts payable by the User:
- (a) at least once each Contract Year; and
 - (b) at least once within 12 Months after termination of a Transportation Agreement.

Each party must bear its own costs of the first such inspection or audit in any Year. The User must pay APTPPL's costs of any additional audit or inspection undertaken in that Year.

Gas Quality

27. The gas delivered by Users to APTPPL at the Receipt Points must be in accordance with:
- (a) the Specification; and
 - (b) any additional parameters lawfully agreed between Users and APTPPL.
28. Subject to all Users delivering gas into the Pipeline which meets the Specification or the Prior Specification as applicable under their Transportation

- Agreement, APTPPL will be responsible to ensure that gas delivered to the Delivery Point meets either the Specification or the Prior Specification, as applicable under clauses 29 and 30.
29. The gas delivered by Users to APTPPL at the Receipt Points will be commingled with gas received under other Transportation Agreements, including pre-existing Transportation Agreements (as renewed or extended) ("**Prior Transportation Agreements**"). During the currency of the Prior Transportation Agreements:
 - (a) APTPPL must use its reasonable endeavours in accordance with good pipeline practice and as APTPPL is obliged under those Prior Transportation Agreements to maintain the quality of the gas stream commingled in the Pipeline as close as possible to the Specification; and
 - (b) despite paragraph (a), the quality specification of gas delivered at a Delivery Point may, as a result of that commingling, vary from the Specification but will in no event be of a lesser quality than the Prior Gas Specifications.
 30. After the termination of all Prior Transportation Agreements, APTPPL will be responsible to ensure that gas delivered to the Delivery Point meets the Specifications.
 31. APTPPL is not obliged to accept gas which does not comply with the Specification and may immediately direct the User to restrict or terminate receipt of such gas, or may refuse to accept such gas (without APTPPL incurring any liability whatsoever).
 32. If APTPPL agrees to accept gas from the User at a Receipt Point that is different from the Specification, it may at any time require the User to restrict or terminate the quantity of gas received into the pipeline to ensure that the gas delivered to all Users meets the either the Specification or the Prior Specification, as applicable under clauses 29 and 30 (without APTPPL being liable to the User).
 33. APTPPL and the User must each notify the other as soon as they become aware of gas received at Receipt Point or leaving a Delivery Point failing to meet the either the Specification or the Prior Specification, as applicable under clauses 29 and 30. In the event that APTPPL becomes aware of such failure, APTPPL may notify any other User who may be affected.
 34. The User will indemnify APTPPL for any loss, cost, expense or damage which arises out of or in connection with the receipt by APTPPL from or on behalf of the User of any quantity of non-Specification gas (whether authorised or unauthorised) at a Receipt Point (including direct, indirect and consequential loss), including for any loss, cost, expense or damage which arises out of or in connection with APTPPL's indemnity to other Users in regard the transport of authorised non-Specification gas by the User into the Pipeline (including direct, indirect and consequential loss).

35. APTPPL will indemnify the User for any loss, cost, expense or damage which arises out of or in connection with APTPPL's express authorisation for the delivery of non-Specification gas by another User (including direct, indirect and consequential loss) but only to the extent that APTPPL actually recovers monies from such other User under indemnities on terms substantially similar to that in clause 34. For the avoidance of doubt, this indemnity will not extend to the delivery of non-Specification gas by the User.

Interruptions and Curtailments

36. If APTPPL proposes to carry out any planned work which may affect its ability to provide Services to Users, APTPPL will give Users reasonable notice of the planned work and after consultation with Users who may be affected will use reasonable endeavours to carry out that work:

- (a) so as to avoid or minimise so far as is reasonably practicable any curtailment of Services to Users;
- (b) during a period which APTPPL reasonably determines to have low aggregate demand for capacity; and
- (c) with as little disruption to the provision of Services as is reasonably practicable

and may, if necessary, curtail or interrupt receipts or deliveries of gas to the extent necessary to carry out that work.

37. When necessary to protect the operational integrity or safe operation of the Pipeline, or to comply with any applicable laws and regulations, or during an emergency situation or when immediate repairs or maintenance are required, and after giving as much notice to the Users as is reasonably practicable, APTPPL will be entitled, without incurring liability, to curtail or interrupt receipts or deliveries of gas.
38. Where Services are to be curtailed due to an event of Force Majeure or under the clauses 36 or 37, those Services will be curtailed or interrupted downstream of the location of the affected part of the Pipeline and will be curtailed or interrupted proportionately according to the User's Nominations for the first Day and User's MDQ thereafter, or as otherwise agreed with all Users.
39. APTPPL will not be liable for any losses, liabilities or expenses incurred by the User and/or the User's customers arising from interruptions and curtailments, where APTPPL acts in accordance with these Principles in good faith. The User will be liable for, and indemnify APTPPL against, any claims made by the User's customers (including against the User) arising out of APTPPL's implementation of load shedding procedures.

Part Periods

40. Where a charge or fee is specified or determined by reference to a particular period but the actual period in respect of which the charge is or may be

applicable is less than the particular period, the charge or fee will be pro-rated to reflect the actual period.

Accounts and Payments

41. APTPPL will render monthly accounts showing at least the quantity of gas transported during the preceding Month, the Reference Tariff applicable during the preceding Month, and the total amount due for payment.
42. APTPPL may charge interest on amounts which are not paid within 14 Days of the date of the account at the Commonwealth Bank corporate overdraft reference rate plus two percentage points.

Force Majeure

43. Where an event of Force Majeure affects or prevents a party's performance under a Transportation Agreement, then, but only to that extent the party's performance is affected or prevented the non-performance will not be a breach of the Transportation Agreement. A party affected by Force Majeure must use all reasonable endeavours to put itself in a position to perform its obligations.
44. An event of Force Majeure will not relieve a party from any obligations under a Transportation Agreement unless promptly after becoming aware of the Force Majeure the party affected gives written notice to the other party.
45. An event of Force Majeure will not relieve a party from its obligations under a Transportation Agreement after the expiry of a reasonable period of time within which the Force Majeure could have been remedied or overcome had reasonable endeavours been exercised by the party claiming to be affected.
46. If an event of Force Majeure continues to prevent a party from performing its obligations under the Transportation Agreement for a Year the parties shall consult in good faith to resolve the Force Majeure. If they are unable to agree, either party may terminate the Transportation Agreement. Both parties will be relieved of any future obligations but not relieved of obligations arising prior to termination.
47. Where there is a charge based on an MDQ, and APTPPL is unable to perform its obligations under the Transportation Agreement due to an event of Force Majeure affecting APTPPL the charge for each day during the period APTPPL is unable to so perform its obligations will be based on the highest quantity of gas (up to the applicable MDQ) available to be continuously withdrawn during that period rather than that MDQ.
48. Clauses 43 to 47 do not apply to:
 - (d) a party's failure to pay money; or
 - (e) a User failing to ensure that gas delivered to a Receipt Point meets the Specifications.

Liabilities and Indemnities

49. Each party will be required to indemnify the other for any loss arising out of its gross negligence or wilful misconduct.
50. Unless agreed by the parties and set out in the Transportation Agreement, any liability of either party will be limited to direct losses only, and does not extend to any consequential loss, claims brought by third parties or loss of business or other income, except where such damage or loss arises out of:
 - (a) gross negligence or wilful misconduct by either APTPPL or the User;
 - (b) the delivery of unauthorised non-Specification gas by the User into the Pipeline;
 - (c) the failure by the User to deliver gas within a specified pressure range;
 - (d) an Unauthorised Overrun by the User; or
 - (e) liability of APTPPL arising due to the User's Imbalances.

Scheduling Priority

51. If, for any reason which is permitted under this Access Arrangement, there is not sufficient Capacity to transport all the quantities of gas nominated by all Users on the Day that the quantities are to be transported by APTPPL, then APTPPL must schedule the quantities nominated by Users in the following priority and sequence.
52. First – Quantities nominated by Users under firm Transportation Agreements ([whether or not they are Reference Services](#)) (“**Firm Users**”), not to exceed their respective MDQs. If the capacity available is not sufficient to serve all Firm Users' nominated quantities, then the available capacity will be allocated among those Users pro rata on the basis on their respective MDQs. Such scheduling limitations will be applied only to the portion or portions of the Pipeline that are capacity constrained.
53. Secondly – Quantities nominated by Users with firm Transportation Agreements ([whether on not they are Reference Services](#)) in excess of their respective MDQs pursuant to Authorised Overrun facilities. If the capacity available is not sufficient to serve all such Firm Users' nominations pursuant to Authorised Overruns, then the available capacity will be allocated among those Firm Users pro rata based on their nominations for an Authorised Overrun.
54. Thirdly – Quantities nominated by Users pursuant to interruptible Transportation Agreements. If the capacity available is not sufficient to serve all Users requesting such service, then APTPPL will allocate the available capacity first on the basis of the highest rate being paid, second on a first-come, first-served basis, based upon the date of execution of the interruptible Transportation Agreements and third on a pro rata basis, amount Users who have entered into interruptible Transportation Agreements, on the basis of nominated quantities.

Allocation

55. Where gas is delivered to a Delivery Point for more than one User, those Users must establish allocation methodologies and notification processes reasonably acceptable to APTPPL and must provide sufficient information to APTPPL to enable it to reconcile between Users the quantities of gas received and delivered. If no such methodologies or processes are established, APTPPL will be entitled to adopt a reasonable methodology such as a pro rating based on nominations.
56. Where a Receipt Point is used by more than one User, those users must establish allocation methodologies reasonably acceptable to APTPPL and must provide sufficient information to APTPPL to enable it to reconcile between users the quantities of gas received and delivered. If no such methodologies are established, APTPPL will be entitled to adopt a reasonable methodology such as a pro-rating based on nominations.

56A. The allocation methodologies established by Users under clauses 55 and 56 must provide for following information to be provided by APTPPL:

- Nominations;
- Meter readings;
- Identify of shippers using the receipt points or delivery points;
- a clear description of the tranche or pro rata methodology used.

APTPPL will be entitled to require methodologies to provide additional information where such additional information is reasonably required for the safe, efficient or reliable operation of the pipeline.

Formatted: Indent: Left: 0 cm, Hanging: 1.06 cm, No bullets or numbering

Formatted: numpara3, Indent: Left: 2.77 cm, Hanging: 0.63 cm, Bulleted + Level: 2 + Aligned at: 2.77 cm + Tab after: 3.41 cm + Indent at: 3.41 cm

Formatted: Default Text, No bullets or numbering

Formatted: numpara3, Indent: Left: 2.77 cm, No bullets or numbering

Gas Balancing

57. Each User will be responsible to control and, if necessary, adjust the Nomination, receipts and deliveries of gas to maintain a balance between the User's receipts (net of System Use Gas and the User's share of Users' Line Pack Gas) and deliveries.
58. Each User will co-ordinate with APTPPL any adjustment to receipts and deliveries by a User.
59. Based on the best information available, a User and APTPPL will co-operate in good faith to minimise any Imbalance and to eliminate any Imbalance that does occur as soon as possible, taking into consideration the reasonable time required by any entities delivering gas to, or receiving gas from, APTPPL.
60. If an Imbalance exists at the end of a Month, then (subject to the obligation of APTPPL and the User under clause 59 to co-operate in good faith to minimise or eliminate any such Imbalance) the User will correct a continuing Imbalance during the subsequent Month by making adjustments in Nomination, receipts and/or deliveries.

61. If a User fails to take corrective action under clause 60, APTPPL may adjust the User's receipts and deliveries contained in the Nomination over that subsequent Month to correct that continuing Imbalance.
62. If an Imbalance still remains at the end of the subsequent Month, APTPPL may:
 - (a) charge the User an Imbalance Charge under section 3.3.2(a);
 - (b) in the case of an Imbalance shortfall, require the User to correct any such Imbalance through payment of an Imbalance Charge in accordance with section 3.3.2(b).
63. If APTPPL acts pursuant to paragraph 62(b) in relation to an Imbalance, the gas for which payment is made is treated as gas supplied by the User at a Receipt Point.
64. APTPPL will not be entitled to act under clause 62 in respect of any Imbalance that has been corrected during a Month notwithstanding that a further Imbalance has subsequently arisen by the end of that Month.
65. Notwithstanding the other provisions of this clause, APTPPL and User acknowledge that despite their reasonable efforts minor Imbalances will occur as a result of the inability to precisely match Nomination and quantities received and delivered. APTPPL shall not be entitled to make any charges pursuant to clause 62 as a result of the minor Imbalance.

Transfer of capacity reservation

66. The User may initiate a Bare Transfer without APTPPL's consent. However, the transferee must notify APTPPL prior to utilising the portion of the Contracted Capacity subject to the Bare Transfer, and of the nature of the Contracted Capacity the subject of the Bare Transfer.
67. Any transfer of Capacity other than a Bare Transfer to a transferee may be effected by the User with APTPPL's consent, which may not be unreasonably withheld, subject to the satisfaction of criteria set by APTPPL based on reasonable commercial and technical grounds, including:
 - (a) the User agreeing on its own or with the transferee to pay a reasonable charge determined by APTPPL for the cost of transfer of the capacity whether or not the transfer proceeds to completion, including legal and other fees associated with consideration of the request to transfer;
 - (b) APTPPL and the transferee executing a Transportation Agreement in relation to the transferred MDQ in a form similar to the Transportation Agreement between APTPPL and the User;
 - (c) the MDQ specified in the Transportation Agreement with the transferee being for the transportation of gas from the same Receipt Point to the same Delivery Point specified in the Transportation Agreement or, where transportation of gas from an alternative Receipt Point is

proposed, where the transferee meets requirements similar to those set out in clause 68;

- (d) the transferee agreeing with any other User currently using the relevant Receipt Point and Delivery Point for sharing of the use of facilities and any conditions and charges, at no additional cost to APTPPL;
- (e) the transferee providing written confirmation that it has made all necessary arrangements with producers of gas for the transferee, purchasers of gas from the transferee and any other party relating to such Service, including all gas purchase, gas sale, operating and multi-party Receipt Point and Delivery Point arrangements;
- (f) if the transfer of part or all of the MDQ to the transferee requires additional facilities at the Receipt Point or Delivery Point, the User or the transferee (or both) agreeing to pay APTPPL for the cost of construction on such terms and conditions as are reasonably determined by APTPPL;
- (g) the User not being in default under the existing Transportation Agreement; and
- (h) the transferee meeting the Prudential Requirements.

Transfer of receipt or delivery points

68. Upon request by a User in writing, APTPPL may transfer all or part of a User's MDQ for a Receipt Point or Delivery Point to another Receipt Point or Delivery Point respectively. APTPPL may only withhold its consent to such a transfer on reasonable commercial or technical grounds and may make its consent subject to conditions if they are reasonable on commercial or technical grounds, which will include:

- (a) the User and APTPPL executing an amendment to the relevant Transportation Agreement setting out the new Receipt Point or Delivery Point and the portion of the MDQ and MHQ so transferred;
- (b) the User agreeing to pay a reasonable charge (determined by APTPPL) for the cost of transfer of the capacity, whether including legal and other costs associated with consideration of the request to transfer. If the transfer does not proceed to completion, the User will only be liable for costs associated with consideration of the request to transfer up and until the time the user notifies APTPPL that it has decided not to proceed;
- (c) the User agreeing to pay the charges applicable to the new transportation distance which shall not be less than the original charges;
- (d) APTPPL having sufficient Capacity to provide the transferred Services;

Deleted: or not the transfer proceeds to completion

Deleted:

Deleted: fees

Deleted: ;

-
- (e) where the facilities at the Receipt Point or Delivery Point are not owned by APTPPL, the User arranging and agreeing with all or any other Users of the relevant Receipt Point or Delivery Point for APTPPL to have access to those facilities at no cost to APTPPL; and
 - (f) the transfer not affecting APTPPL's operational and technical requirements necessary for the safe and reliable operation of the pipeline.

Schedule 3:

Connection of Facilities to the Pipeline

A Prospective User may, provided it has the relevant authorisations, and subject to the conditions set out below, construct and operate its own facilities downstream from a Delivery Station, or upstream from a Receipt Station, at any agreed location along the Pipeline. The User shall arrange for the connection of its facilities to the Pipeline on terms acceptable to APTPPL. The User shall pay APTPPL for the cost of the connection work.

Delivery Station

The following requirements apply in order to ensure that the integrity, safety and operability of APTPPL's system is not compromised:

- (a) the location of the facilities will be agreed to by the Prospective User and APTPPL. APTPPL will only withhold its agreement to a location sought by a Prospective User on the basis of reasonable technical, operational or safety considerations.
- (b) APTPPL will construct the Receipt Station or Delivery Station at the User's expense. The construction will be performed to APTPPL's usual standards and requirements including AS2885 or any substituted Australian Standard.

Deleted: t

Metering Facilities

In order to ensure that the integrity, safety and operability of the Pipeline is not compromised, the Facilities will be installed adjacent to and downstream of the Receipt Station or Delivery Station in accordance with specifications reasonably approved by APTPPL.

Cathodic Protection of Metering Facilities

The Prospective User will design, install, and operate, any cathodic protection system required to protect its facilities. Such cathodic protection system must be installed in such a manner as to avoid any interference which may be detrimental to APTPPL's facilities and must be electrically isolated from APTPPL's facilities.

Curtailement and Interruptions

The Prospective User will be subject to scheduling priorities as set out in the Principles. The Prospective User must have facilities available to it to reduce or discontinue the delivery or withdrawal of gas if called upon to do so.

Installation and Operation

In the interests of safety and ensuring the integrity of APTPPL's facilities, a person who plans to connect facilities in the vicinity of the RBP will co-operate with APTPPL to establish, in a timely manner, appropriate arrangements and procedures for:

- (a) the safe installation and operation of that person's facilities, and
- (b) the management of emergency situations involving APTPPL's or that person's facilities.

Approvals and Indemnity

Any person responsible for facilities connected to the Pipeline will provide APTPPL with evidence that it has fulfilled all applicable statutory requirements and that it holds all necessary permits and licences in relation to its facilities either upstream of the Receipt Station or downstream of the Delivery Station. That evidence must be provided before the commencement of any Service from the Receipt Station or to the Delivery Point.

That person will also indemnify APTPPL against any claim of liability in relation to or arising out of those facilities.

Schedule 4A:

Gas Quality Specification

The User must ensure that gas delivered by it or on its behalf at each Receipt Point complies with:

- (a) the specifications prescribed by any Queensland law, applying during the Agreement that extends to any such gas;
- (b) where the law referred to in paragraph (a) does not prescribe a particular matter, or for any period during the Transportation Agreement in which there is no such law, the specification set out below; and
- (c) any other specification notified by APTPPL to a User from time to time.

The specifications prescribed by any Queensland law prevail over the specifications referred to in (b) and (c) to the extent of any inconsistency.

Where Gas quality is measured upstream of the Pipeline, permissible variations outside of the specifications will be determined by APTPPL from time to time, subject to the specifications prescribed by any Queensland law.

PARAMETER ⁵	SPECIFICATION LIMIT
Wobbe Index	Min. 46.0 MJ/m ³
	Max. 52.0 MJ/m ³
Oxygen	Max. 0.2 mol%
Hydrogen Sulphide	Max. 5.7 mg/m ³
Total Sulphur ⁶	Max. 50 mg/m ³
Water Content	Max. Dew Point 0°C at highest MAOP in the RBP system (but in any case no more than 112.0 mg/m ³)
Hydrocarbon Dewpoint ⁷	10° C between the pressures of 1000 kPag and 10,000 kPag

⁵ The standard testing conditions for all gas properties are: Temperature 15°C, Absolute Pressure 101.325 kPa with the natural gas dry (that is, completely free of water vapour).

⁶ Including odorant, or an allowance for odorant in cases where odorant is injected downstream of test points.

⁷ This differs from AS 4564: (a) in accordance with an allowance from the Chief Gas Examiner while the Queensland system is not connected to gas networks in other states and (b) provisions in the Standard allowing contractual control of Carbon Dioxide.

Total Inert Gases	Max. 7.0 mol %
Carbon Dioxide	Maximum 3.0 mol%

The gas shall not contain:

- (a) materials, dust and other solid or liquid matter, waxes, gums, gum forming constituents, and unsaturated or aromatic hydrocarbons to an extent which might cause damage to, or interference with the proper operation of pipes, meters, regulators, control systems, equipment or appliances;
- (b) unsaturated or aromatic hydrocarbons to an extent which causes unacceptable sooting;
- (c) other substances that cause damage to, or problems in operation of, pipelines or appliances or that cause the products of combustion to be toxic or hazardous to health, other than substances that are usually found in natural gas combustion products.

Schedule 4B:

Prior Gas Quality Specification

The specifications for gas received by APTPPL under the Prior Transportation Agreements are:

- (a) it must not contain more than 0.2 per cent by volume of oxygen;
- (b) it must not contain more than 50 milligrams per cubic metre of total sulphur;
- (c) it must not contain more than 7 milligrams per cubic metre of hydrogen sulphide;
- (d) it must not contain more than 15 milligrams per cubic metre of mercaptans;
- (e) the hydrocarbon dew point of the Gas will be a maximum of 10 degrees Celsius between the pressures of 1000 kPag and 10,000 kPag;
- (f) it must not contain more than 65 milligrams per cubic metre of water vapour;
- (g) it must not contain more than 3 per cent by volume of carbon dioxide;
- (h) it must not contain more than 6 per cent by volume of inert gases;
- (i) if the Gas contains more than 4.0 per cent by volume of inerts, then the Gas shall have a Gross Heating Value of not less than 37.9 MJ per cubic metre of Gas and not more than 42.3 MJ per cubic metre of Gas on a dry basis and if the Gas contains less than or equal to 4.0 per cent by volume of inerts, then the Gas shall have a Gross Heating Value of not less than 35 MJ per cubic metre of Gas and not more than 43 MJ per cubic metre of Gas;
- (j) the Wobbe Index of the Gas shall be not less than 47 and not more than 52;
- (k) the Gas shall be reasonably free from dust, gums, gum forming constituents or other liquid or solid matter which might cause injury to, or interference with, proper operation of pipeline regulators, meters or other appliances through which it flows or which may interfere with the commercial utilisation of the Gas by IPL; and
- (l) shall have a temperature of not less than 0 degrees Celsius and not more than 50 degrees Celsius.

The specifications for gas delivered by APTPPL under the Prior Transportation Agreements are that the gas delivered must:

- (m) be reasonably free from sand, dust, gums, crude oil, impurities or other objectionable substances which may be injurious to pipelines or control equipment or may interfere with the transmission of or commercial utilisation of the gas;
- (n) not contain hydrogen sulphide in concentration greater than 7.0 mg/m³;
- (o) not contain total sulphur in concentration greater than 50 mg/m³;
- (p) not contain more than 3% by volume of carbon dioxide;
- (q) not contain more than 112 mg/m³ of water vapour; and
- (r) have a Gross Heating Value of not less than 35.5 MJ/m³ and not more than 48 MJ/m³, provided that APT shall not be obliged to accept gas having a Gross Heating Value in excess of 43 MJ/m³ if this would result in the commingled gas stream in the Pipeline exceeding 43 MJ/m³ Gross Heating Value.

Schedule 5A

Access and Requests for Services

Reference Services and Negotiated Services

In order to obtain access to a Reference Service or a Negotiated Service, a Prospective User must observe the following procedures:

1. A Prospective User must lodge a Request and meet the Prudential Requirements. A Request must include as a minimum the level of detail envisaged by the form of Request for Service set out in [Schedule 5B](#).
2. A Prospective User may have only one active Request for the same tranche of capacity to a particular Delivery Point.
3. APTPPL will advise the Prospective User where a Request is incomplete. If the Prospective User corrects the deficiency within 7 Days of being advised that the Request is incomplete, the priority date of the Request will be the date on which APTPPL first received the Request. Otherwise, the priority date will be the date on which APTPPL receives the complete Request.
4. APTPPL will within the shortest reasonable time and in any event within 30 Days of receiving a complete Request advise:
 - (a) that capacity is available, and if so, at what price, or
 - (b) that a queue exists for the capacity, or
 - (c) that Investigations are required, in which case the Queuing Policy will apply.
5. A Request will lapse unless, within 30 Days of APTPPL advising that capacity is available, the Prospective User has either entered into a Transportation Agreement, or commenced bona fide negotiations⁸.
6. Where there is sufficient capacity to meet a Request, there will be no queue.
7. Where there is insufficient capacity to satisfy a Request, then a queue will be formed and the Queuing Policy will apply.

Formatted: Alpha List 1, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Tab after: 1 cm + Indent at: 1 cm

Deleted: <#>Schedule 5B ¶

Formatted: Bullets and Numbering

⁸ A Request for Service will not lapse in the event of a dispute being notified under the Code until that dispute has been resolved in accordance with the Code.

Prudential Requirements

The prudential requirements applicable to Prospective Users are:

- (a) the Prospective User must be resident in, or have a permanent establishment in, Australia;
- (b) the Prospective User must not be under external administration as defined in the Corporations Act 2001 or under any similar form of administration in any other jurisdiction;
- (c) the Prospective User may be required to provide reasonable security in the form of a parent company guarantee or a bank guarantee or similar security. The nature and extent of the security will be determined having regard to the nature and extent of the obligations of the Prospective User under the Transportation Agreement.

Schedule 5B

Form of Request For Service

1. PROSPECTIVE USER DETAIL:

Name of Prospective User:

ABN:

Contact Officer:

Title:

Address:

Telephone:

Fax:

Email address:

Service Requested:

If the requested service is not a Reference Service, then what conditions, different from those available under a Reference Service, are sought, and what are the special circumstances or conditions which give rise to that need?

.....

.....

.....

.....

Date for Commencement of Service:

Term sought:

2. RECEIPT POINT INFORMATION:

Receipt Point Location:

Entity Responsible for Delivery of Gas to:
Receipt Point

(if other than the Prospective User)

ABN:

Contact Officer:

Title:

Address:

Telephone:

Fax:

Email Address:

Schedule 6:

Map of RBP

Page 23: [1] Formatted	SANDRA DUREAU	28/09/2006 5:11:00 PM
numpara4, Adjust space between Latin and Asian text, Adjust space between Asian text and numbers, Tabs: 3.39 cm, List tab		
Page 23: [2] Formatted	SANDRA DUREAU	28/09/2006 5:14:00 PM
Font: (Default) Times New Roman, Not Bold, Not Italic		
Page 23: [3] Formatted	SANDRA DUREAU	28/09/2006 5:14:00 PM
Font: (Default) Times New Roman, Not Bold, Not Italic		
Page 23: [4] Formatted	Lisa Ceballos	21/09/2006 2:48:00 PM
Font: (Default) Times New Roman, Not Bold, Not Italic		
Page 23: [5] Formatted	Lisa Ceballos	21/09/2006 2:48:00 PM
Font: (Default) Times New Roman, Not Bold, Not Italic		