APA
Australia's energy infrastructure partner

Reference Service Proposal

Roma Brisbane Pipeline: 2027-32 Access Arrangement

30 June 2025

Contents

1. Introduction

This document sets out the reference service proposal for the Roma Brisbane Pipeline (RBP) in advance of its revised access arrangement proposal for the 2027–28 to 2031–32 regulatory period.

The proposal is submitted to Australian Energy Regulator (AER) for approval in accordance with the National Gas Rules (NGR).

1.1. Scheme Pipeline

The Roma Brisbane Pipeline is a pipeline system that was specified by a Pipeline Licence 2. It is a Scheme pipeline under the access regime of the National Gas Law (NGL) and the NGR.

Rule 47A of the NGR requires the service provider of a scheme pipeline to submit a reference service proposal to the AER no later than 12 months prior to the review submission date for an access arrangement.

The RBP has a review submission date for its Access Arrangement of 1 July 2027. A full access arrangement proposal for the RBP is to be submitted to the AER on the 1 July 2026.

1.2. Service provider

APT Petroleum Pipelines Ltd (APTPPL) owns and operates the RBP and is the service provider for the purposes of the access regime of the NGL and the NGR.

This document sets out the reference service proposal for the RBP and has been prepared by APTPPL and submitted to the AER for approval.

2. Regulatory Requirements

2.1. Requirements for reference service proposal

APTPPL must submit a reference service proposal in accordance with rule 47A to:

– identify the RBP, and include a reference to a website at which a description of the RBP can be inspected;
– set out a list of all the pipeline services that APTPPL can reasonably provide on the RBP, and a description of those pipeline services; and
– identify at least one pipeline service that APTPPL proposes to specify as a reference service and provide relevant supporting information.

APTPPL has complied with these requirements in this proposal.

2.2. Reference service factors

In specifying a reference service, APTPPL should have regard to the following factors :

(a) actual and forecast demand for the pipeline service, and the number of prospective users of the service;

(b) the extent to which the service is substitutable with another reference service;

(c) the feasibility of allocating costs to the service;

(d) the usefulness of specifying the pipeline service as a reference service in supporting access negotiations and dispute resolution for other pipeline services, such that:

  (i) the reference service serves as a point of reference from which pipeline services that are not reference services can be assessed by a user or prospective user for the purpose of negotiating access to those other pipeline services,

  (ii) a reference tariff serves as a benchmark for the price of pipeline services that are not reference services,

  (iii) reference service terms and conditions serve as a benchmark for the terms and conditions of pipeline services that are not reference services, and

(e) the likely regulatory cost for all parties (including the AER, users, prospective users and the service provider) in specifying the pipeline service as a reference service.

APTPPL has also addressed each of these requirements in the proposal.

2.3. Consultation

If the service provider has engaged with pipeline users and end users in developing a reference service proposal, the proposal should describe any feedback received from those users about which pipeline services should be specified as reference services.

APTPPL has summarised its stakeholder engagement and feedback received in section 5 of this proposal.

3. Roma Brisbane Pipeline

3.1. Pipeline Description

The RBP was commissioned in its original configuration in 1969. It now consists of a mainline, which is both compressed and looped, and four lateral pipelines:

– the Peat and Scotia laterals, connecting it to coal seam methane gas sources near Peat and Scotia;
– the Swanbank Lateral, feeding into Swanbank Power Station; and
– the Lytton Lateral, supplying the Caltex Refinery.

The mainline is approximately 440 km long with 34 km of its length running through Brisbane to Gibson Island.

The original 410 km section from Wallumbilla to Ellengrove is 273 mm in diameter (DN250). This section is looped with a 406 mm diameter pipeline (DN400). The looping was carried out in several stages, between 1988 and 2002, after the original line had been fully compressed.

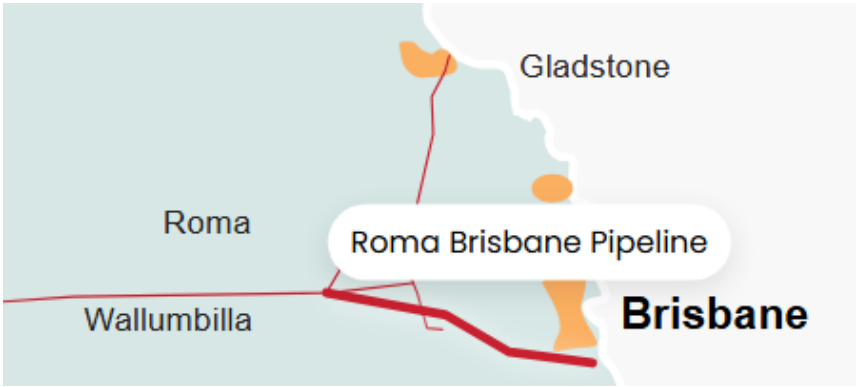
The Swanbank lateral was completed in 2001 and is 8 km long with a current capacity of 52TJ/day. The Peat lateral was completed in the same year (the Scotia extension was completed in 2003) and is 121 km long with a current nominal capacity of 74 TJ/day. The Peat lateral became part of the covered pipeline on 1 January 2006 after APTPPL elected for it to be covered. The 6km Lytton lateral was completed in 2010.

The pipeline originally supplied the Brisbane area with gas from the Surat Basin fields close to Roma. In 2001 and 2002 the RBP was extended via the Peat Lateral to enable Coal Seam Methane (CSM) from the Peat and Scotia gas fields to be supplied into south-east Queensland. The RBP also connects with the Queensland Gas Pipeline (QGP), which runs from Wallumbilla to Rockhampton (via Gladstone). This allows Wallumbilla to function as a hub for the supply of gas in Queensland.

There are six compressor stations along the length of the pipeline although the compressor station at Dalby is the only one still in operation.

The expansions of RBP capacity and the construction of Lateral pipelines occurred in response to market growth and were underpinned by contracts negotiated with third parties such as producers, power stations, gas utilities and major industrial customers. The RBP currently receives gas from numerous receipt points and delivers gas to numerous delivery points. Additional receipt and delivery points have been added from time to time.

Figure 3-1— Roma Brisbane Pipeline: geographic location



The principal sections of the RBP are as listed.

Table 3-1 — Roma Brisbane Pipeline: principal sections

Section	Length (km)	Diameter (mm)
Wallumbilla to Ellengrove	410	406
Wallumbilla to Ellengrove	410	273
Ellengrove to Gibson Island (Metro)	34	324
Peat Lateral	121	273
Scotia Lateral	24	273
Lytton Lateral	6	273
Swanbank Lateral	8	406

3.2. Website

Additional information on the RBP, including a complete list of the services that APA offers customers on the RBP, and a full pipeline schematic is available at:

https://www.apa.com.au/operations-and-projects/gas/gas-transmission/roma-brisbane-pipeline-rbp

4. Services that can be reasonably provided

Pipeline service usage is driven by the business needs of pipeline users. Those business needs are, in turn, driven by the end users of gas transported by those users. A list of the relevant pipeline service on the RBP is shown in Table 4-1. The services are described in greater detail in the sections that follow.

Table 4-1 — Services that can reasonably be provided using the RBP

Service	Description
Firm transportation service (Eastbound)	– Transportation east from a receipt point to a delivery point. – Highest priority service. – Available between any receipt point and any delivery point east.
Firm transportation service (Westbound)	– Transportation west from a receipt point to a delivery point. – Highest priority service. – Available between any receipt point and any delivery point west.
Interruptible transportation service (Eastbound)	– Transportation from a receipt point east to a delivery point. – Lower priority service (may not be available on a day). – Available between any receipt point and any delivery point east. – Not available when firm capacity is available in the corresponding direction – Subordinate to capacity bought in the capacity auction
Interruptible transportation service (Westbound)	– Transportation from a receipt point west to a delivery point. – Lower priority service (may not be available on a day). – Available between any receipt point and any delivery point west. – Not available when firm capacity is available in the corresponding direction – Subordinate to capacity bought in the capacity auction
Firm parking service	– Pipeline storage of gas using line pack. – Highest priority right to store.
Firm loan service	– Borrowing gas from line pack. – Highest priority right to borrow.
Interruptible parking service	– Pipeline storage of gas using line pack. – Lower priority service (may not be available on a day).
Interruptible loan service	– Borrowing gas from line pack. – Lower priority service (may not be available on a day).
In-pipe trade service	– Facilitation of trade of gas between pipeline users.
Operational capacity transfer service	– Facilitation of transfer of firm transportation capacity between pipeline users.

Note, this list does not include the exchange capacity trading service, which APTPPL can, and must, provide in accordance with specific regulatory requirements of the NGR. Neither APTPPL, nor the AER, has any discretion to designate this service as a reference service for the RBP.

4.1. Firm transportation service

Pipeline users transporting gas to facilities or to end users requiring reliable gas supplies typically require a correspondingly reliable gas transportation service. To meet this requirement, most gas transmission pipeline service providers offer a firm transportation service which is the most reliable service a service provider can make available on its pipeline.

Should the interruption or curtailment of pipeline services be necessary, firm transportation service has priority ahead of other types of transportation service and other services which use pipeline capacity. Firm transportation service is not interrupted or curtailed until all other services have been interrupted or curtailed to the extent necessary to allow continued provision of the firm transportation service.

Firm transportation service is a service between any RBP receipt point, and any delivery point on the pipeline. In the case of the RBP, firm transportation service is a service whereby APTPPL:

– receives from a user, at a receipt point on a day, a quantity of gas not exceeding the maximum daily quantity (MDQ) specified in the user's gas transportation agreement; and
– delivers to the user on the same day, at a delivery point specified in the user's gas transportation agreement, a quantity of gas not exceeding the user's MDQ, without interruption (except in the limited circumstances set out in the user's gas transportation agreement).

Firm transportation service may be provided long term or short term. When executing a gas transportation agreement for long term firm transportation service, a prospective user commits to taking the service for a period longer than 12 months. APTPPL may decline a request for firm transportation service over a shorter period if granting that request would materially reduce the ability of another prospective user to obtain long term firm transportation service.

Pipeline capacity used to provide a user with firm transportation service is not subject to prior claims by other users of that service, or by the users of other types of services.

Under a gas transportation agreement for firm transportation service, the user nominates, prior to the start of a day, the quantity of gas to be transported from a receipt point to a delivery point, on the day, and APTPPL is obliged to accept a nomination that does not exceed the MDQ specified in the user's transportation agreement.

The user's entitlement to its MDQ on a day may be restricted by specification in the user's gas transportation agreement of, the maximum quantity of gas APTPPL is obliged to receive from the user at a receipt point in any hour, or the maximum quantity of gas APTPPL is obliged to deliver at a delivery point in any hour. These maximum hourly quantities are determined by the physical operating characteristics of the RBP.

Following receipt of the user's nomination, APTPPL must schedule receipt and delivery of the user's gas. If, on a day, there is insufficient pipeline capacity available to transport all the quantities of gas which have been scheduled for firm transportation service, APTPPL may interrupt or curtail its receipt and delivery of gas in accordance with the interruption and curtailment priorities set out in the user's transportation agreement.

The specific and limited circumstances in which firm transportation service may be interrupted or curtailed without APTPPL incurring any liability to the user are:

– interruption or curtailment necessary for safe operation of the pipeline;
– interruption or curtailment resulting from planned or unplanned maintenance carried out by the service provider in accordance with the relevant provisions in the user's gas transportation agreement; or
– interruption or curtailment resulting from a force majeure event.

4.2. Interruptible transportation service

Pipeline users or end users with facilities which can tolerate interruptions to gas supplies (possibly because they can switch to alternative fuels such as distillate) may seek services which are less reliable than firm transportation service.

Most gas transmission pipeline service providers offer interruptible transportation service which is only available when circumstances permit. At any time, the service provider may not be able to offer more than the firm transportation service but, over an extended period, its pipeline may be capable of providing additional volumes of service at lower levels of reliability. These additional volumes of service may not be available at the same level of reliability as the firm transportation service because:

– certain items of the plant and equipment comprising the pipeline (for example, gas compressors) must be periodically withdrawn from service for routine maintenance;
– pipeline plant and equipment have mechanical, electrical and electronic components which may fail after long periods of intermittent operation; or
– some pipeline users, typically foundation customers, may have higher priority access to pipeline services.

In these circumstances, when firm transportation service cannot be offered because the pipeline capacity used to provide that service has been fully contracted, the service provider may offer an interruptible transportation service.

An interruptible transportation service is a pipeline service whereby the service provider accepts from a user, a nomination for transportation of a quantity of gas on a day to a delivery point specified in the user's gas transportation agreement and undertakes to deliver to the user at that delivery point, on that day, the user's nomination subject to capacity being available, and subject to any interruption or curtailment of capacity on the day.

The interruptible transportation service is also subordinate in priority to the capacity auction under the NGR.

Interruptible transportation service is therefore subject to uncertainty. Interruptible transportation service may or may not be available on a day, and this uncertainty is reflected in the terms and conditions for, and the pricing of, the service.

Interruptible transportation service has a lower priority than firm transportation service and other types of service.

4.3. Firm and interruptible parking service

The primary business of a gas pipeline service provider is the transportation of gas from one or more receipt points on the pipeline to one or more delivery points.

However, in addition to being a vehicle for gas transportation, a pipeline may be used for the temporary storage of gas additional to the volumes of gas being transported. This temporary storage of gas in a pipeline is called "parking" which may be either firm or interruptible service.

Parking service is not a transportation service. It is a service that allows a user or end user flexibility to manage disruptions to gas supplies, and management plant shutdowns for planned and unplanned maintenance, through the temporary storage of gas in a pipeline, and the subsequent withdrawal of that gas for use at a later date.

A firm parking service is a service whereby:

– the service provider stores in its pipeline, gas received from a user at a receipt point on a day, up to a quantity of gas not exceeding the parking allowance specified in the user's gas transportation agreement, without interruption or curtailment, except in the specific and limited circumstances set out in the user's gas transportation agreement; and

– the user can withdraw on another day, gas which it has stored in the pipeline by nominating, and having the service provider schedule, transportation to a delivery point, without making a corresponding receipt point nomination, in accordance with the terms of a transportation service specified in the user's gas transportation agreement.

Parking service may not always be available. By storing gas in its pipeline, the service provider restricts the capacity of the pipeline for the provision of firm transportation service. Parking service may not be available if all the capacity of the pipeline has been made available to users for the provision of firm transportation service.

Interruptible parking service is a form of storage service with lower reliability. It is a service whereby the service provider stores in its pipeline, gas received from a user on a day, up to a quantity of gas not exceeding the interruptible parking allowance specified in the user's gas transportation agreement. If the provision of interruptible parking service is expected to impair the service provider's ability to provide transportation service on a day, the service provider may ask the user of the parking service to reduce the volume of gas stored in the pipeline.

The interruptible parking service has lower priority than the firm parking service.

4.4. Firm and interruptible loan service

Loan service is a service offered by a pipeline service provider whereby a user can "borrow" gas from the service provider's line pack (the gas the service provider has stored in the pipeline to allow it to operate as a transportation vehicle).

Loan services, like parking services, are not transportation services. They are services which allow end-user flexibility in the management of disruptions to gas supplies, and in the management of plant shutdowns.

A firm loan service is a service whereby the service provider delivers to a user at a delivery point on a day, a quantity of gas not exceeding the loan allowance specified in the user's gas transportation agreement, without interruption or curtailment, except in the specific and limited circumstances set out in the transportation agreement.

Firm loan service has priority ahead of other types of loan service and is typically available at one or more delivery points on a pipeline.

However, loan service may not always be available. If a part of the pipeline line pack is used to provide loan service, the service provider's ability to provide transportation services, and especially firm transportation service, may be restricted.

In these circumstances, the service provider may offer a lower priority interruptible loan service. Interruptible loan service is a service whereby the service provider delivers gas to a user on a day, up to a quantity of gas not exceeding the interruptible loan allowance specified in the user's gas transportation agreement. If the provision of interruptible loan service on a day is expected to impair the service provider's ability to provide transportation service, then the service provider may ask the user of the loan service to replenish the pipeline linepack.

4.5. In-pipe trade service

In-pipe trade service provides flexibility by facilitating the trading of gas between pipeline users. They are not transportation services and are only available to users with agreements with the service provider for provision of transportation services.

In the case of the RBP, the in-pipe trade service is a service whereby APTPPL recognises in a user's gas transportation agreement their delivery of gas on a day to a notional point (in-pipe delivery point) on the RBP, and recognises in a second user's gas transportation agreement, receipt of that gas at a notional point (in-pipe receipt point) on the RBP, thereby facilitating the trade of gas between RBP users.

4.6. Operational capacity transfer service

RBP's capacity trading is a service that allows the transfer of firm capacity from a seller to a buyer.

This transfer of capacity involves a triangular relationship between the seller, the buyer and APA, where APA manages information flows for the commercial operation of the pipeline (nominations and allocations).

4.7. Redirection

The redirection service is not an RBP service but enables receipt and delivery of gas at points within one of APA's facilities, where there is no additional pipeline transportation service in respect of the receipt and delivery. In the case of the RBP the relevant facility would be the Wallumbilla Compression Station.

While this service is available to RBP shippers it is not a service provided by the RBP or APTPPL and therefore cannot be a reference service.

5. Stakeholder engagement

APTPPL is committed to fully consulting with consumers ahead of its 2026 to 2031 Access Arrangement submission to the AER to understand customer and stakeholder views and ensure its submission reflects customer and stakeholder needs.

APTPPL invited interested stakeholders to attend a co-creation workshop held on 30 April 2025 and join our Stakeholder Reference Group to help shape the 2026 to 2031 access arrangement. This group includes a range of stakeholders with representatives from existing and prospective pipeline users as well as consumer advocates. The functions of the Stakeholder Reference Group include, but are not limited to:

- Co-designing the engagement program, including the scope, timing, themes and engagement activities.
- Providing input into the development of the access arrangement and challenging key components including operating expenditure and capital expenditure.
- Improving APA's understanding of the needs and expectations of different customer segments, including vulnerable groups.
- Providing advice on engagement materials to ensure they are fit for purpose.
- Providing independent feedback and challenge to APA on the degree to which its access arrangement addresses the needs and preferences of customers.

APA's engagement objectives were co-designed with the Stakeholder Reference Group and are to deliver an access arrangement that is capable of acceptance and:

Brings the outside in' by educating and directly responding to the needs and preferences of our customers, their communities and other key stakeholders

Provides sustainable returns for shareholders and investors

Delivers a reliable, safe and secure supply of gas

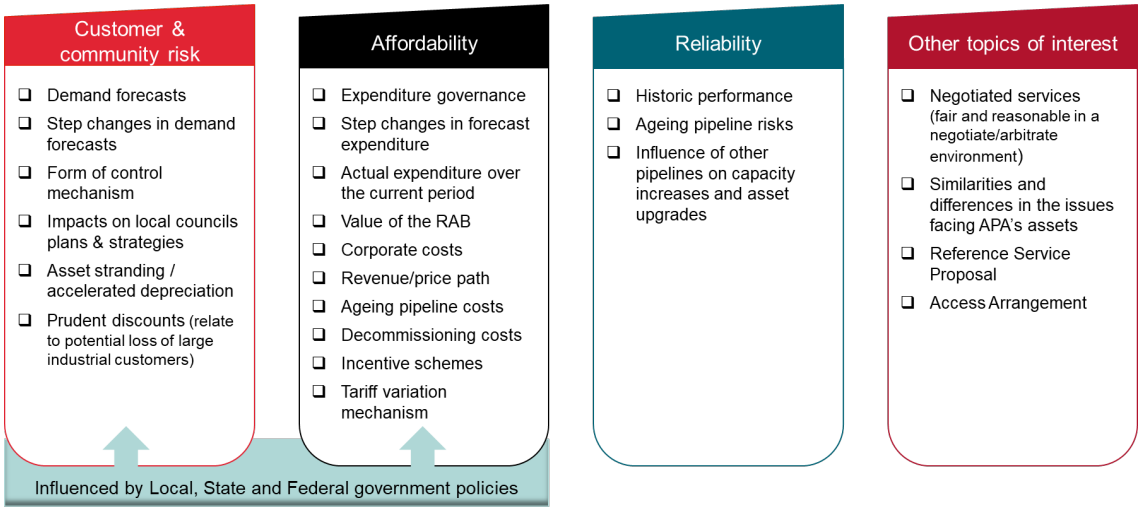
Supports decarbonisation of the energy supply chain

Addresses the changing policy objectives of state and federal governments

5.1. Engagement to date

Stakeholders' priorities

Our Stakeholder Reference Group identified their priority areas for engagement at the co-creation workshop. Along with other core topics that need to be addressed in shaping the access arrangement, these have been summarised into four key themes:

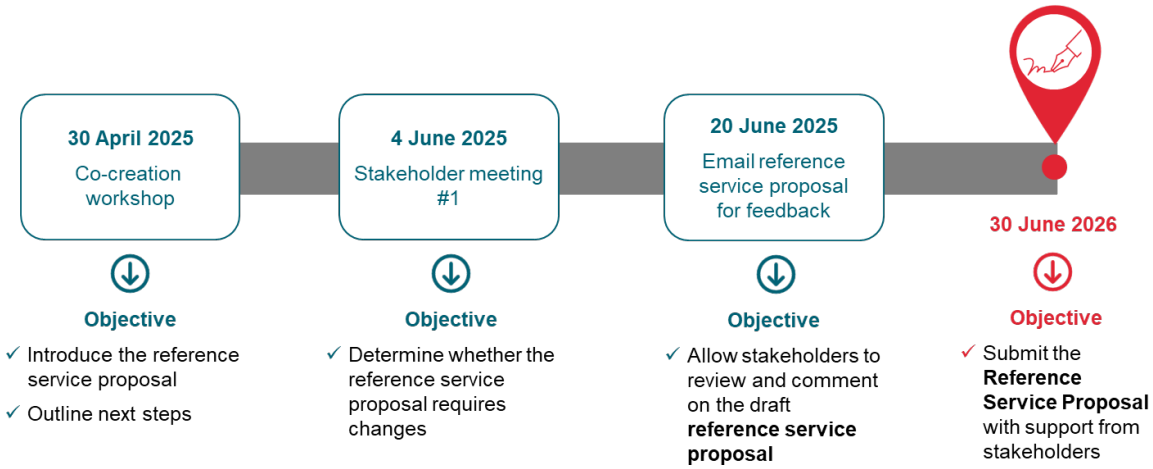


Engagement on the reference service proposal

Stakeholders have helped shape this reference service proposal.

– We provided stakeholders with an introduction to the reference service proposal at the co-creation workshop held on 30 April 2025.
– Further engagement was undertaken at the first Stakeholder Reference Group meeting held on 4 June 2025 along with an open invitation to provide any feedback.
– Finally, a draft of the reference service proposal was shared with Stakeholder Reference Group members on 20 June 2026 with requests for any feedback by 27 June 2025.

The engagement timeline and objectives, as it relates to the reference services proposal, is shown below.



5.2. What we heard and how we responded

In developing our reference service proposal, we have considered the five priority areas together with feedback provided during stakeholder interactions and the sharing of our draft reference service proposal.

What we heard	How we responded
At the co-creation workshop, stakeholders asked APA to provide a further session on the Reference Service Proposal at the next meeting.	The Reference Service Proposal was discussed in more detail in Stakeholder Reference Group Meeting #1.
One stakeholder queried how many customers have agreements with the RBP.	Replied that there is about a dozen, and this was shown in the customer numbers on an earlier slide in the session (the slide confirmed there are 15 RBP customers).
With the context of just 15 RBP customers, the stakeholder agreed this explained the low demand for other pipeline services but was then keen to understand whether customers have found the process of asking for other pipeline services and the prices offered satisfactory.	A customer responded that from their perspective, the firm service meets their business' need and, whilst they don't tend to utilise most other services, In-pipe trade had proven helpful and useful.
In response to our draft reference service proposal: – We heard from two stakeholders that they had no concerns with the draft document – One stakeholder requested further clarification on capacity trading services, current rebateable services and historic demand/revenue for the various services.	Our final reference service proposal: – Has clarified the capacity related services – Has highlighted current rebateable services, and – Includes five years of data for relevant pipeline services as well as recent rebateable revenue.

6. Reference service proposal assessment

This section of the proposal assesses each of the services which can reasonably be provided by the RBP (as described in section 4) against the reference service factors of NGR rule 47A(15).

The reference service factors, and associated criteria are set out in Table 6-1.

Table 6-1: Assessment criteria - based on the reference service factors

NGR	Reference Service Factor	Assessment criteria
47A(15)(a)	Actual and forecast demand for the pipeline service and the number of prospective users of the service	a) A reference service should have sufficient: actual and forecast demand and/or b) prospective users.
47A(15)(b)	The extent that the pipeline service is substitutable with another pipeline service that is to be a reference service.	Each reference service should be unique and therefore not substitutable with other reference services.
47A(15)(c)	The feasibility of allocating costs to the pipeline service.	It should be feasible to allocate costs to the reference service. If there are shared costs, it should be feasible to allocate them to the service.
47A(15)(d)	The usefulness of specifying the pipeline service as a reference service in supporting access negotiations and dispute resolution for other pipeline services.	The reference service should provide a point of reference or benchmark[6] such that the service is useful in supporting access negotiations and dispute resolution for other pipeline services.
47A(15)(e)	The likely regulatory cost for all parties (including the ERA, users, prospective users and the service provider) in specifying the pipeline service as a reference service.	The regulatory cost associated with the reference service should: a) be low; or b) not exceed the expected revenue from providing the reference service; or c) not exceed the benefit of having the service as a reference service.

How each potential pipeline service meets these criteria is summarised below in Table 6-2.

In our stakeholder engagement, some users or potential users of the RBP queried whether a greater range of reference services is needed to aid negotiation of services, as discussed in section 5.3.

APTPPL's assessment demonstrates that only the firm transportation service clearly qualifies as a reference service on the RBP.

Table 6-2: Assessment of each service against the reference service factors

Services	Sufficient demand	No Substitute	Feasible to allocate cost	Useful benchmark	Regulatory Cost
Firm	✓	n/a	✓	✓	✓
Interruptible	✗	✗	✗	✗	✗
Firm & Interruptible Parking	✓	✓	✗	✗	✗
Firm & Interruptible Loan	✗	✓	✗	✗	✗
In-pipe trade	✗	✓	✗	✗	✗
Organisational Capacity trading	✗	✓	✗	✗	✗

Green tick (✓) means the service satisfies the reference service factor
Red cross (✗) means the service does not satisfy the reference service factor

Further details on each potential service and the assessment against the reference service factors is explained in each section below.

6.1. Firm transportation service assessment

The firm transportation service is the main service provided on the RBP, making up over 90 per cent of total pipeline revenue annually. This is driven by the significant demand for firm transportation services as shown in the following table.

Table 6-3 – Demand[1] for Firm transportation service (TJs)

	FY20	FY21	FY22	FY23	FY24
Firm Transportation	67,762	64,780	53,500	49,084	32,849

Specification of a firm transportation service as a reference service provides benchmark terms and conditions of service supporting access negotiations and dispute resolution for other pipeline services, particularly transportation services, which are not reference services.

Furthermore, other pipeline services are often priced at premiums or discounts to the price of firm transportation service – for example interruptible transportation service. Specification of a firm transportation service as a reference service, and the setting of a reference tariff for that service, provides a benchmark for the prices and conditions of pipeline transportation services that are not reference services.

In specifying firm transportation service as a reference service in a revised RBP Access Arrangement, APTPPL would not expect to:

[1] Firm nominations not contracted capacity.

– Change the costs it incurs in managing a fully regulated pipeline.
– Increase the AER's costs of administering regulation of the RBP.
– Increase the costs users and prospective users incur in understanding and working with the access regulatory regime of the National Gas Law and the NGR as it applies to the RBP.

Historically, the firm transportation service has been a single service but at the last reset APTPPL proposed, and the AER accepted, separating the bi-directional reference service into two separate reference services due to the differing characteristics of the purpose of the flows between the eastbound and westbound flows.

The east bound flows are largely for the purposes of supporting consumption of the gas either on customers directly connected to the RBP (GPG and large industrials) and for withdrawal at the eastern end of the RBP, where it would be sent to destinations throughout the east coast and exported internationally.

At the end of its consideration of the Access Arrangement Proposal the AER elected to have both the Eastbound and Westbound firm transportation service to have the same price and price path. This is indicative that a single reference service that can either be used for eastbound transportation or westbound transportation is sufficient. Implicit in the AER's view is that the eastbound and westbound services are not sufficiently unique to warrant being separate reference services.

Therefore, APTPPL is proposing a return to a single firm transportation reference service on the RBP for the next access arrangement period.

6.2. Interruptible transportation service assessment

In the past, prospective users of the RBP have sought access to interruptible or non-firm transportation service when capacity for firm transportation service was unavailable. The reduction in utilisation of the RBP means capacity for firm transportation services is more accessible with demand for non-firm services less likely.

Table 6-4: RBP utilisation (%)

	FY20	FY21	FY22	FY23	FY24
Western utilisation[2]	43	50	41	48	27
Eastern utilisation[3]	37	20	18	21	11

Interruptible transportation service provided on the RBP is clearly a substitute for the firm transportation reference service of the current RBP Access Arrangement. However, it is not a perfect substitute because of its low priority.

The interruptible transportation service is only available to customers when there is a realistic prospect of them being interrupted. Where there is no realistic prospect of interruption, the interruptible service is indistinguishable from the firm service.

As shown in Table 6-5, the demand for the interruptible transportation service has been historically low on the RBP with the service accounting for only 1 per cent of annual pipeline revenue.

Table 6-5: Historic Interruptible Transportation Service Volumes (TJs)

	FY20	FY21	FY22	FY23	FY24
Interruptible Transportation	2,889	1,023	1,697	1,081	1,584

[2] derived from STTM Virtual Mete / RBP Restricted Capacity
[3] derived from Wallumbilla 3 Exit Meter/ RBP Restricted Capacity

Because of the presence of the firm reference service and the priority given to the contracted but unnominated capacity auction, the terms and conditions of interruptible transportation services are unlikely to provide a point of reference for other services. They are also unlikely to assist access negotiations and dispute resolution for other pipeline services that can reasonably be provided on the RBP.

Similarly, the price for lower priority interruptible transportation services are of limited use as benchmarks for the prices of other pipeline services. Instead, the price for interruptible transportation service is set by reference to the price for firm transportation service, typically as a proportion (a fraction between zero and one) of the firm service price, reflecting the relative priorities of the services.

Furthermore, the quantity of interruptible transportation service available to users on any day is not known prior to the scheduling of service for that day, making any prior and precise allocation of costs to the service, as would be required for cost-based price setting, infeasible.

In its final determination on the Amadeus Gas Pipeline, the AER accepted that the firm and interruptible transportation services are substitutes. Despite this, Amadeus proposed the interruptible service as a reference service due to the specific circumstances on the Amadeus Gas Pipeline which limited the availability of the firm transportation service and only allowed for interruptible services. Those circumstances are not replicated on the RBP.

APTPPL proposes to continue to offer an interruptible transportation service on the RBP but not as a reference service.

6.3. Firm and interruptible park and loan service

Parking and loan services are not gas transportation services. They are services providing contracted users of the pipeline with additional flexibility in the way they use their gas transportation services.

As parking capacity utilises the same capacity that would be used for transportation, provision of parking reduces the capacity available for firm gas transportation services. This means a firm transportation reference service provides a strong reference point for the cost of a parking service.

Parking services are favoured by users of the pipeline but demand for the service is a function of the users contracted firm capacity. The availability of the service is also impacted by the available capacity on the pipeline.

In contrast, there is little demand for loan services. The RBP is a long, narrow diameter pipeline with limited compression and the high utilisation of the capacity available provides APTPPL with little scope to vary the line pack and enable loan services.

Table 6-6: Historic Park and Loan Service Volumes[4]

	FY20	FY21	FY22	FY23	FY24
Park service	17,256	18,126	15,435	11,350	10,892
Loan service	731	985	1,744	1,937	1,533

A degree of substitutability exists between firm and interruptible parking services, and between firm and interruptible loan services. However, neither the parking services, nor the loan services, are substitutes for any of the other services that can reasonably be provided on the RBP.

Terms and conditions, including the prices, for parking and loan services cannot serve as benchmarks for the terms and conditions of other pipeline services. The specification of parking and loan services as reference services is unlikely to provide points of reference from which other

[4] Billed volumes of park and loan services.

pipeline services sought by prospective users of the RBP could be assessed and is unlikely to assist the negotiation of other pipeline services or the resolution of disputes that might arise over access to those services.

In the current access arrangement, park and loan services are a rebateable service so the revenue derived from the provision of these services is used to reduce the level of the reference tariff. In 2024, revenue from park and loan services was $3.7 million, around 4% of annual pipeline revenue.

APTPPL does not propose offering parking and loan services as reference services but is planning to retain them as a rebateable service in the forthcoming access arrangement.

6.4. In-pipe trade service

In-pipe trade service is not a transportation service and is not sought in its own right. It is a service providing users with flexibility in the way they can use gas transportation services under their transportation agreements.

In-pipe trade service is not a substitute for any of the other pipeline services that can reasonably be provided on the RBP.

The costs of providing in-pipe trade service are the costs of developing the systems to manage service provision, and the on-going costs of gas accounting and billing. These costs are incurred by the wider APA Group, rather than specifically by APTPPL, and are allocated to provision of the service across all APA owned and controlled pipelines, including the RBP. A price for in-pipe trade service, based on this allocation of costs, is posted on the APA Group website.

Volumes of in pipe trade on the RBP are highly volatile, making the forecasting of demand for this service impossible. This also makes it infeasible to determine an RBP-specific price for in-pipe trade service that gives RBP a reasonable opportunity to recover its efficient costs.

In-pipe trade service is not substitutable with any other pipeline service provided using the RBP. Consequently, terms and conditions for the service cannot serve as a benchmark for the terms and conditions for any of the other services that can reasonably be provided on the RBP to prospective users.

Given the nature of the in-pipe trade service, specification of it as a reference service is unlikely to provide a point of reference from which other services sought by prospective users can be assessed, nor will it assist with access negotiations and dispute resolution for other pipeline services.

APA Group currently offers in-pipe trade service as a standard service on its pipelines, including the RBP. In the current access arrangement, in-pipe trade services are a rebateable service. This means the revenue derived from the provision of in-pipe trade services is used to reduce the level of the reference tariff. In 2024, total revenue from in-pipe trade was $0.3 million, less than 1 per cent of annual revenue on the RBP, consistent with the last 6 years.

APTPPL can negotiate in-pipe trade service with prospective users of the RBP and will consult with stakeholders going forward whether it is warranted to retain the in pipe trade as a rebateable service in the access arrangement.

APTPPL does not propose offering this service as a reference service.

6.5. Operational capacity transfer service

Like in-pipe trade service, the operational capacity transfer service is not a transportation service and is not sought in its own right. It is a service providing users with flexibility in the way they can use the gas transportation services to which they have access under their transportation agreements.

Operational capacity transfer has consistently been a minor service. In 2024, revenue from the capacity transfer service was $0.2 million, less than 0.5 per cent of annual revenue of the RBP.

Operational capacity transfer service is not a substitute for any of the other pipeline services that can reasonably be provided on the RBP. It is, however, substitutable for the AEMO-administered exchange capacity trading service which APTPPL must provide in accordance with Parts 24 and 25 of the NGR.

The terms, conditions and price of the exchange capacity trading service are set through regulatory processes and act as benchmarks for the terms, conditions and price of the operational capacity trading service that APTPPL can provide on the RBP.

Neither APTPPL's operational capacity transfer service, nor AEMO's exchange capacity trading service, are a substitute for any of the other services that can be reasonably be provided using the RBP. To the limited extent that prior specification of a capacity trading service can provide a point of reference for other services sought by prospective users, the relevant benchmark is AEMO's regulated exchange capacity trading service.

In these circumstances, any regulatory costs incurred by APTPPL or the AER in specifying APTPPL's operational capacity transfer service as a reference service would be an unnecessary and inefficient cost. APTPPL does not propose offering this service as a reference service.

In the current access arrangement, operational capacity transfer service is a rebateable service and given its minor revenue, APTPPL will consult with stakeholders going forward on whether it is warranted to retain as a rebateable service in the forthcoming access arrangement.

7. RBP Reference Service Proposal

APTPPL is proposing a bi-directional firm transportation service as the only reference service on the RBP.

None of the other available services are suitable to be considered as reference services.

As noted in section 615, in its last reference service proposal APTPPL provided for two different reference services on the RBP. A Westbound Reference Service where the withdrawal point was west of the injection point and an Eastbound Reference Service where the withdrawal point was east of the injection point.

APTPPL believed there were sufficient differences in the markets for the two services so that the services were not immediately substitutable for each other. APTPPL also proposed different tariffs for the two services reflecting these separate drivers.

In its final determination, the AER did not support the differentiation in the reference tariffs between the two services resulting in the same price for the firm reference services, regardless of being Westbound or East bound.

The identical nature of the two references services indicate that a single bi-directional service would suffice. In this context, bidirectional means that if both are on the RBP it doesn't matter where the withdrawal point is in relation to the injection point.

As there is no additional information or support for varied tariffs to apply to the eastbound and westbound transportation services, maintaining the two separate direction-based reference services seems an unnecessary complication.

Consequently, APTPPL is proposing to return the arrangements predating the current access arrangement and have a single reference service for bi-directional firm transportation on the RBP.